EAST KENT MENCAP

England & Wales · Charity number 1188118

Details

Status	Registered
Legal form	Charitable company
Company number	12263702
Registered	2020-02-21
Register	View on the Charity Commission register

Contact

Address	Foresters Hall Meeting Street Ramsgate Kent CT11 9RT
Phone	01843 808964
Email	info@eastkentmencap.co.uk
Website	www.eastkentmencap.co.uk

Activities

Objects: THE CHARITY'S OBJECTS ARE RESTRICTED SPECIFICALY, IN EACH CASE ONLY FOR THE PUBLIC BENEFIT TO:(A) PROVIDE RELIEF FOR ADULTS AND CHILDREN WITH A LEARNING DISABILITY IN PARTICULAR BY THE PROVISION OF HELP, SUPPORT AND EDUCATION TRAINING FOR THEM AND FOR THEIR FAMILIES, DEPENDANTS AND CARERS, AND TO PROMOTE LEARNING DISABILITIES, CHOICE, OPPORTUNITY, INDEPENDENCE, INCLUSION AND CULTURAL DIVERSITY; AND(B) 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.

Activities: East Kent Mencap provides a range of services for children and adults which include: Person Centred Day Resource Services and community based access. Social housing including, 24/7 support in well maintained accommodation and additional independent living service. Domiciliary Care. Community support. Projects, Social clubs and Events for both adults and children/young people.

Downloaded from opencharities.uk/ew/1188118

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, Disability, Accommodation/housing, Arts/culture/heritage/science, Amateur Sport, Economic/community Development/employment, Recreation
- **Who:** Children/young People, Elderly/old People, People With Disabilities

Geography

- Kent

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-30	£3,350,998	£3,085,519	£3,296,296	105
2024-03-30	£3,290,021	£3,080,881	£3,030,817	108
2023-03-30	£3,017,203	£3,038,662	£2,821,677	116
2022-03-30	£3,045,763	£3,050,276	£2,843,136	121
2021-03-30	£5,233,930	£2,384,744	£2,847,649	121

Trustees

Name	Role	Appointed
Amy Rutland-Gray	Chair	2013-11-21
ANGELA STUART		2012-07-05
Bridget Crow		2018-12-13
Mark Everett		2022-10-09
Michael Sunil Roberts		2022-09-22

Downloaded from opencharities.uk/ew/1188118

EAST KENT MENCAP

England & Wales - Charity number 1188118

Accounts

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

Registered number: 12263702
Charity number: 1188118

East Kent Mencap

(A company limited by guarantee)

Trustees' Report and Financial Statements

For the Year Ended 30 March 2025

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

East Kent Mencap
(A company limited by guarantee)

Contents

	Page
Reference and administrative details of the Charity, its Trustees and advisers	1
Trustees' report	2 - 13
Independent auditors' report on the financial statements	14 - 16
Statement of financial activities	17
Balance sheet	18
Statement of cash flows	19
Notes to the financial statements	20 - 36

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

East Kent Mencap

(A company limited by guarantee)

Reference and Administrative Details of the Charity, its Trustees And Advisers
For The Year Ended 30 March 2025

Trustees	Amy Rutland-Gray, Chair Angela Stuart Bridget Crow Michael Roberts Mark Everett
Company registered number	12263702
Charity registered number	1188118
Head office	Foresters Hall Meeting Street Ramsgate Kent. CT11 9RT
Registered Address CQC	Foresters Hall Meeting Street Ramsgate Kent. CT11 9RT
Key management personnel	Chief Executive Officer - Jason Gerlack Strategic Operations Manager/Registered Manager - Karen Roberts Business Administration Manager – Alison Stafford
Independent auditor	UHY Hacker Young Thames House Roman Square Sittingbourne Kent. ME10 4BJ
Solicitors	Girlings Solicitors Stourside Place Station Road Ashford Kent. TN23 1PP
Bankers	Lloyds Bank Plc The Centre Cecil Square Margate Kent. CT9 1JG
Health & Safety / Employment consultants	Peninsula Business Services Ltd Riverside New Bailey Street Manchester M3 5PB

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

Trustees' Report
For The Year Ended 30 March 2025

The Trustees, who are also Directors of the Charitable Company for the purposes of the Companies Act, are pleased to present their annual Trustees' report together with the Charitable Company's financial statements, which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the 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) issued in October 2019.

Governing document

East Kent Mencap is a Charitable Company registered with the Charity Commission and a Company Limited by Guarantee. The Charitable Company was entered on the Register of Charities on 15 February 2020 and uses East Kent Mencap as its working name.

The Company was set up under a Memorandum of Association, which established the objects and powers of theCharitable Company. It is governed by its Articles of Association. In the event of the Company being woundup, members are required to contribute an amount not exceeding £1.

Chair's report

The 2024/25 year marked a period of stability for East Kent Mencap. After several years of economic turbulence, we have emerged more resilient and better equipped to build for the future.

The continuing cost-of-living crisis and national shortage of care and support workers continued to challenge the health and social care sector. Despite these pressures, East Kent Mencap maintained high-quality services, strengthened workforce development through apprenticeships and training, and continued to uphold its reputation as a trusted, person-centred Charity.

Following a planned governance review, East Kent Mencap pursued a recruitment drive to appoint additional Trustees to the Board, to enhance both our strategic decision-making and our understanding of community needs.

This year, we reviewed our service models and funding structures to ensure they remain sustainable and aligned with member needs. While one major contract presented challenges, these were successfully resolved, safeguarding continuity of support. We also expanded our provision in the Ashford district, supported by a grant from the Kent Community Foundation, and completed the purchase of the Kennington Parish Room to secure a long-term base for local delivery.

Our 75th anniversary celebrations in 2023/24 offered a moment to reflect on the Charity's long history of community leadership. The momentum from that milestone year has carried forward into 2024/25, inspiring continued progress and a renewed focus on growth, inclusion, and environmental responsibility.

Financially, the charity remains stable. Prudent management, improved oversight, and careful planning have strengthened our reserves while enabling continued investment in key priorities. The updated Financial Business and Investment Strategy ensures that all capital decisions directly support our mission and benefit the people
and communities we serve.

Looking ahead to 2025/26, our priorities include:

- Expanding services in Ashford and Shepway
- Implementing our Environmental Action Plan to improve energy efficiency and reduce emissions across our estate
- Strengthening the employability pathway for young people with learning disabilities and neurodivergence
- Deepening co-production through the Members Committee
- Continuing to diversify income and reduce reliance on statutory funding

We remain proud of the professionalism, commitment, and compassion shown by our employees and volunteers. Their work ensures that people with a learning disability are supported to live with dignity, independence, and choice.

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

On behalf of the Board, I extend my sincere thanks to our Chief Executive Officer, Jason Gerlack, and the Senior Management Team for their leadership, to our Trustees for their governance and guidance, and to our members, employees, and supporters for their ongoing dedication to our shared mission.

Member's Report

The board of 10 members represent members/tenants from all services (two currently vacant) and geographical locations supported by East Kent Mencap.

The Members Committee have:

- Welcomed new members to the board.
- Supported Employees and Trustees in attending events and celebrations.
- Suggested, supported and took part in the implementation of successful new fundraising projects.
- Continued with Member-led meetings for members and tenants.
- Continued creating easy-read policies which are used across East Kent Mencap
- Supported outside agencies by creating Easy Read communication and discussing how best to support people with a learning disability
- Liaised with and supported service managers to find a solution to the problems and barriers people with a learning disability are facing.
- Took part in Focus Groups, supporting members to develop volunteering and employment skills by working at EKM ScrapStore. One member has gone on to volunteer in a local Charity Shop
- Successfully supported the organisation of the Red Arrows Discos. After asking members across EKM for feedback on the delivery of the disco, successfully implemented change to deliver a more adult disco.
- Worked in partnership with local Health Authorities to create easy-read documents and to discuss access to local services.
- Continued to represent members and services by providing vital feedback.
- Continued to be more visible within our community and actively encouraging other members to do the same.
- Continued to support the development of digital services.
- Continue encouraging our peers to represent EKM at events and award ceremonies along with committee members.
- Continuing to support the creation and delivery of an EKM Easy Read Newsletter.
- Supported requests from Management and Senior Management for feedback from Members and Tenants i.e. Expenses Policy/Survey/Bill paying.
- Continued to invite and discuss requests from Managers / Senior Management Team and Chief Executive Officer.
- Continued to share information with the Board of Trustees.

Last year, we made plans to reshape the Members Committee in 2025 and we did this. This year, we introduced a participatory approach to electing new members of the Committee. After receiving the list of applicants, members within the service were invited to vote for the peers they felt best represented their views and experiences. The process not only strengthened democratic participation but also ensured an inclusive and transparent approach that welcomed diverse contributions and embodied our values of co-production and equality.

New committee members are supported by their predecessors to learn about their role. This includes learning about all services across East Kent Mencap, chairing meetings, using digital platforms to attend the monthly meeting, attending events on behalf of East Kent Mencap and, building greater relationships with our peers in the service we attend.

We are looking forward to representing members of East Kent Mencap and the wider community of people with Learning Disabilities, and breaking down barriers put in place outside East Kent Mencap and Nationally.

The Committee is also increasingly active in championing health and tackling inequalities, contributing to discussions at local and regional levels. In the coming year, representatives will visit Parliament to share their lived experiences and perspectives, helping to influence national conversations around disability, health, and inclusion. We will proudly continue representing East Kent Mencap by working in co-production with other services and local communities.

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

This is all possible because of the continued support and encouragement we receive from East Kent Mencap including; employees, managers, senior management, and Trustees. We want to thank all of you for championing us and encouraging us to be the best we can be.

OBJECTIVES AND ACTIVITIES

a. Objectives and Aims

Everything we do is about valuing and supporting adults and children with a learning disability, as well as their families and carers.

What East Kent Mencap wants (our vision)

Our vision is a world where people with a learning disability are valued equally, listened to and included. We want everyone to have the opportunity to achieve the things they want out of life.

How East Kent Mencap will achieve this (our mission):

We will:

- listen to people with a learning disability.
- support people to gain new skills.
- support people with learning disabilities, their families and supporters to fight for changes they want and need.
- support all people living with a learning disability to take control of their lives.
- give excellent information and advice.
- work with people and groups that want the same thing we do.
- support people to take the lead in life choices/decisions.

East Kent Mencap believes in (our values):

- being people-centred.
- empowering, including and respecting all people.
- challenging wrong ways of thinking about learning disability.
- transforming lives.
- developing new ideas.
- supporting people with learning disabilities to get jobs or take a college course.
- supporting people with learning disabilities to find a place of their own to live.
- offering advice about things such as respite care, individual budgets or transport services.
- supporting people with learning disabilities to be part of their local community.
- offering supported living, day services and leisure groups to those with learning disabilities and their families and supporters.

b. Significant Activities

The main activities provided by the Charitable Society for children, young people and adults with a learning disability and their families are as follows:

1. Supported Housing.
2. Day resource activities (Hubs).
3. Social meetings through our clubs and dances (A return post-Covid, with a robust plan for 2024 expanded programme).
4. Working with partners to provide services to our members.
5. Advocacy and Person-Centred Planning.
6. Community Support Services for people with multiple disabilities.
7. Domiciliary Support.

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

8. Children's Services.
9. Complex needs.
10. Older person's services.

c. Volunteers

The number of volunteers, not including Trustees, was 15.

We are grateful to the volunteers who support us to deliver our mission. The number of volunteers on our Members Committee has increased, helping to amplify the voices of everyone who uses our services and ensure their views and opinions are central to the Charity.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

The Trustees confirm they have referred to the Charity Commission's General Guidance on Public Benefit, including Public Benefit: Running a Charity (PB2), when reviewing the Charity's aims and objectives and planning future activities.

The Charitable Company's objects are restricted, in each case for the public benefit, to:

(a) Providing relief for adults and children with a learning disability. This includes offering help, support, and training for them and for their families, dependents, and carers. We promote choice, opportunity, independence, inclusion, and cultural diversity.

(b) Providing, or assisting in the provision of, facilities for recreation and leisure for people who need them by reason of learning disability, with the aim of improving their quality of life.

Charitable Activities

- We continued to invest in employee learning and development, ensuring quality of service and compliance with the Health and Social Care Act.
- We reviewed our range of services and funding models. While we faced challenges with one key contract, this was resolved positively, safeguarding support for our members.
- East Kent Mencap won the 2024 Kent Integrated Care Alliance (KiCA) Award in the category *Putting People First*, recognising our commitment to ensuring people with a learning disability are at the heart of all we do.
- We expanded our support in the Ashford District in response to opportunities identified by a retiring charity and the local authority. East Kent Mencap Trustees have set clear growth targets for the district to ensure sustainable delivery plans.
- We completed functional asset assessments to ensure facilities remain fit for purpose and aligned with our disposal strategy.

Compliance and Governance

We met our statutory and regulatory obligations by:

- Maintaining our Care Quality Commission registration
- Meeting local authority contract requirements
- Working with external Health & Safety and Employment consultants
- Meeting standards for Houses of Multiple Occupation
- Conducting internal audits through robust monitoring
- Planning our investment strategy and business risk approach in line with the Strategic Plan

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

Workforce Development

Through transferred levy funding, East Kent Mencap expanded its skills base by supporting employees to complete apprenticeships. Achievements included:

- Health and Social Care qualifications at Levels 2, 3, and 5 (all with successful End-Point Assessments, resulting in triple accreditation by ICQ, CEA, and Ofqual)
- Additionally, Administrative apprenticeships are being undertaken within the Finance and Human Resources departments.

These achievements have strengthened employee knowledge and leadership capacity, ensuring improved service delivery and organisational resilience.

Fundraising Activities

Despite the ongoing cost-of-living crisis, East Kent Mencap raised impressive £29,317 income from fundraising events, including £2,055 in gifts in kind. We are deeply grateful to the individuals, organisations, and charitable Trusts whose generosity continues to support our mission.

Grant Funding

We received £240,670 in grant income, enabling us to deliver vital services and projects across East Kent. We extend our sincere thanks to all our donors and funders for their continued support.
Notable grants and donations included:

- **Thanet District Council - Shared Prosperity Fund**
  £16,100 for the ScrapStore, enabling us to employ a staff member to open on Fridays and Saturdays. This initiative builds community engagement, supports people with a learning disability, and diverts valuable materials from landfill.

- **Whitehead Monkton - Charity Day**
  £1,000 funded a day out in Faversham for our members, promoting inclusion through sports and shared activities across our hubs.

- **National Lottery Community Fund - Know Your Neighbourhood (GOLD)**
  £13,959 supported our GOLD service for individuals with a learning disability who live independently and receive little or no other support.

- **Sheerness Town Council - Cooking Equipment -** £495.72

- **Margate Mayor - CXN Kitchen -** £500

- **David Solomons Trust - Gateway Club -** £500

- **Rix Thompson Rothenberg Foundation - CXN Mural** - £1,000

- **KCC Herne Bay - Herne Bay Garden -** £600

- **Kent Community Fund (Barratts) - Herne Bay Kitchen**
  £8,300 funded a new accessible kitchen, helping members build confidence and learn healthy cooking skills.

- **Electrical Safety First - Swale Workshops**
  £4,830 supported interactive workshops on electrical safety, with accessible materials in Easy Read format.

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

- **Colyer Fergusson - Work Together Hub (16–25)**
  £30,000. The generosity of CF has enabled us to set up various 'Work Together Hubs' throughout the year, reaching people with a learning disability or difficulty. The workshops have been designed to boost confidence, develop workplace skills and build connection in a supportive and inclusive environment for people aged between 16 and 25.

- **Lawson Trust – Margate Hub Kitchen**
  £8,000 funded a modern, accessible kitchen to teach healthy, low-budget cooking skills.

- **KCC Combined Members Grant - GOLD Flooring**
  £1,000

- **SGN – Fuel Poverty and Energy Safety**
  £57,859 supported workshops and outreach on energy safeguarding and fuel poverty, with staff training and accessible materials. This grant has enabled us to reach more people with a learning disability through workshops, awareness stands and social media.

Gifts in Kind

We received £2,055.50 in gifts in kind, including donations from Blaze Signs, Dunelm, Bluewater Christmas Giving Tree Appeal, Tesco Manston, and Thanet District Council (trestle tables).

Community Donations and Sponsorship

General donations and sponsorships: £6,627

In-memoriam donations: £1,044 from families and friends

We are especially grateful to those who chose East Kent Mencap as the beneficiary of in-memoriam gifts. These heartfelt contributions honour loved ones while supporting our work.

Fundraising Campaigns and Events

Highlights include:

- Christmas Star Appeal: £949.07 raised by members selling handmade stars
- Thanet Fashion Show: £864.24, with members involved in planning and modelling
- Spring Forward Campaign: £632.72 raised through member-led hobby fundraisers
- Additional events included discos, fun days, and a Santa Saunter, all supported by our generous donors

ScrapStore Impact

The ScrapStore generated £13,959 in income, while also providing employment and volunteering opportunities. Every item saved from landfill contributes to a more sustainable future and supports our inclusive community goals.

Marketing and Communications

Our communications strategy increased visibility and supporter engagement through:

- Targeted email campaigns to keep supporters informed
- Social media campaigns on Facebook, Instagram, and LinkedIn, expanding reach and engagement
- Co-produced printed newsletters with the Members Committee, ensuring their achievements and voices were central
- Flyers and fundraising kits for local campaigns and events
- Enhanced website and social media content with photography and stories
- Local and regional PR coverage, including BBC Radio Kent and KMTV

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

Fundraising Regulation and Compliance

- East Kent Mencap's own team conducted all fundraising in 2024–2025, with no professional fundraisers or commercial partners used.
- No complaints were received during the year.
- Fundraising income supported non-statutory activities and projects.
- Appointed a new Fundraising Manager (February 2025)
- We monitored regulation and compliance through employee training, internal processes, audits, and quarterly reporting. This covered data collection and use, frequency of contact, identifying and supporting vulnerable people, and meeting regulatory requirements.
- East Kent Mencap remains registered with the Fundraising Regulator

FINANCIAL REVIEW

Investment policy

The Charitable Company does not invest in financial markets. Surplus cash is placed in bank accounts to achieve the best possible return.

Our strategy is to use surpluses for the direct benefit of members by:

- Capital investment programmes
- Acquiring housing and day provision for commissioned services
- Generating new income streams

Strategic Planning and Risk Management

- Property purchases and expansion of day provision were paused in FY 2024-25 due to sector-wide concerns about local authority funding.
- The Business Risk Register was regularly reviewed, and we implemented appropriate responses to perceived or actual risks arising.
- Reviews of the Strategic Plan and Financial Business & Investment Plan have been implemented into the Annual Review Schedule
- The Charity will continue to pursue strategies that reduce reliance on local authority contracts.

Reserves Policy

The purpose of the East Kent Mencap reserves policy is to secure the future of our services, to fund projects and future building costs and property purchases for the benefit of our members. Reserves provide stability in times of uncertainty and enable us to invest in future projects, property development, and service improvements that directly benefit our Members.

The Trustees previously reviewed the Reserves policy and agreed that East Kent Mencap should hold reserves equal to one to two months of payroll costs. This position was reviewed in 2024-25 and confirmed as appropriate. The reserves calculation now also incorporates trade creditor obligations and short-term operational expenditure to ensure that East Kent Mencap can continue to meet its financial commitments promptly while maintaining service delivery during periods of funding delay or transition.

As of 30 March 2025, the amount of total funds held by East Kent Mencap was £3,296,296, the unrestricted reserve total was £2,790,060 and calculated as unrestricted net assets of £2,790,060.

Included in the total funds for the Year ended 30 March 2025, are Tangible fixed assets of £2,781,125 of which Freehold property is stated with a net book value of £2,717,474.

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

The Trustees consider the market value of the freehold property to be considerably higher than the amount shown on the Balance Sheet.

Within the Tangible fixed assets figure are restricted funds of £312,640.

Trustees had carried out an extensive exercise identifying the functional assets of the Charity and plans were drawn up to utilise any property reserves if the need should arise, based on their analysis.

The following will be reviewed in Q3 of 2025-26:

- Reserves Policy
- Strategic Plan
- Financial Business and Investment Plan

Result for the year

Income and expenditure reported for the Year ended 30 March 2025:

For the year ended 30 March 2025 total income amounted to £3,350,998 and included £3,304,491 of income generated from Charitable Activities. In the previous year, 2024, the income was £3,290,021, of which £3,067,082 was made up of charitable activities representing significant year-on-year growth.

After total expenditure of £3,085,519 (2024: £3,080,881), the net movement of funds is a surplus of £265,479 (2024: £209,140).

East Kent Mencap remains grateful for the continued support from the National Lottery Community Fund – for the project Getting On with Learning Disability (GOLD) with their significant grant.

Significant Financial Events

The 2024–25 financial year represented a period of steady recovery and disciplined investment following several years of economic pressure across the social care sector. Trustees focused on financial stability while positioning the Charity for sustainable growth and improved operational capacity.

Implementation of the Financial Business and Investment Strategy remained central to this approach. Available surpluses were applied to strengthen reserves, reduce debt exposure, and support ongoing property commitments. Loan repayments were maintained in line with agreed terms, and early settlement discussions commenced on selected secured loans to improve long-term liquidity and reduce interest obligations.

During the year, East Kent Mencap successfully managed the impact of increased payroll and operational costs resulting from the National Minimum Wage uplift and wider inflationary pressures. Through careful financial planning, streamlined administrative systems, and targeted funding applications, the Charity maintained a balanced position while continuing to invest in workforce development and the quality of service delivery.

Principal Risks and Uncertainties

During 2024–25, East Kent Mencap operated within an environment of continued uncertainty and economic pressure. The prolonged conflict between Russia and Ukraine, together with instability in parts of the Middle East, continued to disrupt international supply chains and contribute to inflationary pressures. New United States trade tariffs further affected global markets, resulting in increased import costs and higher operating
expenses across the UK.

Rising utility prices, persistent inflation, and constraints on public sector budgets have continued to place pressure on the health and social care sector. Recruitment and retention challenges remain ongoing, particularly within specialist and frontline care roles where workforce shortages persist nationally.

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

Employees across the Charity continue to feel the effects of the cost-of-living crisis, which has affected morale and household financial stability. Increased supplier and consumable costs have led to higher operating expenditure, requiring careful financial planning and cost control to maintain service quality.

At a local level, changes to council governance and fluctuations in the political landscape have influenced the timing of funding decisions and commissioning priorities. This has required Trustees to monitor developments closely and ensure the Charity remains agile in its financial and service planning.

East Kent Mencap continues to mitigate these risks through prudent financial management, active scenario planning, and regular review of the Business Risk Register. The Financial Business and Investment Strategy provide a framework for maintaining liquidity, reducing debt exposure, and protecting reserves, while the Reserves Policy ensures flexibility to manage unforeseen cost pressures.

Despite these challenges, the Charity remains financially stable and operationally resilient. Trustees and senior leaders continue to monitor global, national, and local developments to safeguard service continuity, protect employees, and sustain East Kent Mencap's long-term social impact.

Future Plans

What We Will Do in 2025–26

- Expand Services in Ashford
    - Develop the Kennington Parish Room as a base for local services.
    - Monitor district growth targets to ensure long-term service expansion.
- Property and Asset Management
    - Maintain the management contract for Sondes Road and review its effectiveness.
    - Complete formal property valuations and ensure assets remain fit for purpose.
    - Review housing stock and progress planned disposals or refurbishments in line with resources.
- Financial Stewardship
    - Manage and consolidate loans across Sheerness and Herne Bay properties as part of the migration to the new Charitable Company Limited by Guarantee.
    - Review and update the Reserves Policy to strengthen financial resilience.
    - Align the Financial Business & Investment Strategy with property priorities and early loan settlements.
    - Monitor local authority financial positions to anticipate potential funding pressures.
    - Pursue larger and more sustainable funding opportunities to support long-term growth.
- Governance and Strategic Planning
    - Finalise the transfer of assets from the Trust to the Incorporated Charity.
    - Undertake a full review of the Business Risk Register, Strategic Plan, Investment Strategy, and Reserves Policy.

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Governing Document

East Kent Mencap is a Company limited by guarantee governed by its Memorandum and Articles of Associationdated 16th September 2019, the Articles of Associations were amended on 12th December 2019 by Special Written Resolution.

East Kent Mencap is a Charity registered with the Charity Commission.

The Charitable Company was entered into the Register of Charities on 15th February 2020.

b. Methods of Appointment or Election of Trustees / Directors

Those who wish to be considered for the post of Trustee / Director within the Charitable Company must registeran interest. Any person willing to act as a Trustee / Director and who is permitted by law to do so may beappointed to be a Trustee / Director by ordinary resolution of the Trustee / Director so that voting can take placeat that meeting. A Trustee / Director shall become a Member upon becoming a Director.

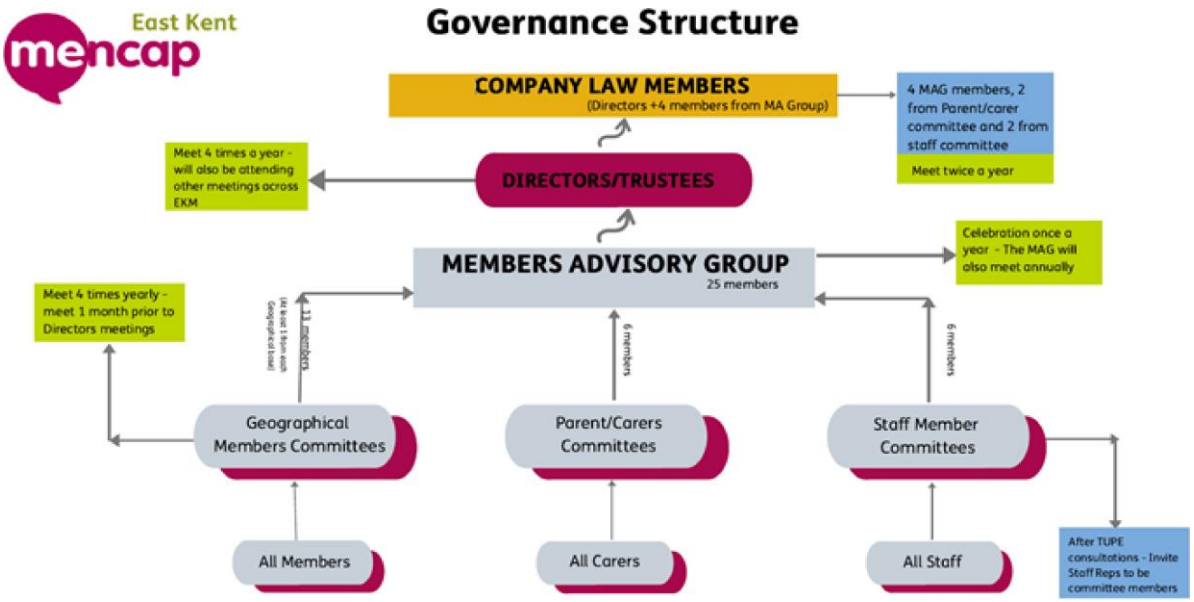
c. Organisational Structure

The Charity is run by a board of Trustees / Directors who meets at least four times a year.

The number of Trustees / Directors is not subject to a maximum but shall not be less than three.

Subject to Article 8 of the Articles of Association, Membership of the Charity shall be open to all people aged 18 years or over (whether with or without a learning disability) who declare their support for and are found in sympathy with the objects.

East Kent Mencap has published its current Governance Structure subject to on-going reviews of effectiveness.



Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

- The day-to-day running of the Charity is further delegated to the Chief Executive Officer (CEO).
- Members hold regular meetings and report and make requests to the appropriate teams.
- Regular employee meetings are held to ensure that quality assurance is maintained.
- The CEO reports to the Trustee / Directors which ensures due diligence is followed in all areas.
- Regular Health and Safety meetings seek to ensure continuous safety and welfare improvement.
- Designated consultants audit this process externally.
- Financial protocols are rigorously adhered to.

Pay Policy for Senior Staff

A review of our current structures was undertaken in 2024 to ensure alignment with East Kent Mencap's evolving operational and strategic priorities. As part of this review a new senior management position was established under the title of Business Administration Manager, strengthening oversight of finance, human resources and administrative systems.

The administrative function was further enhanced through the appointment of a Finance Manager, HR Coordinator and Invoicing Coordinator, improving efficiency and accountability across central operations. Within the operational structure a new Registered Manager was also appointed, reinforcing compliance and leadership within frontline delivery.

The process for determining compensation for key management personnel at East Kent Mencap involves a structured competency framework. This framework evaluates skills, knowledge, and behaviour against specific requirements, with rewards being allocated based on achieved outcomes. To ensure fairness and competitiveness, our pay structure is externally benchmarked at local and national levels. This rigorous approach to compensation aligns with our commitment to transparency, equity, and excellence in talent management.

d. Policies Adopted for the Induction and Training of Trustees / Directors

Trustees / Directors are made aware of their responsibilities by dialogue with existing Trustees and a copy of the Charity Commission booklet on trustee responsibilities. Due to the nature of our work, an Enhanced DBS check is required (updated every three years), and two references are obtained.

East Kent Mencap is dedicated to equipping its Trustees with a comprehensive understanding of their roles and responsibilities. Our approach involves utilising the locally sourced DELTA e-learning package, covering essential training areas such as safeguarding, governance, effective communications, and policy training (including Prevent and British values) tailored to individuals supporting those with learning disabilities. Additionally, our trustees benefit from first-hand insights from current trustees during induction. This collaborative learning environment ensures a well-rounded understanding of how charities operate and the importance of appropriate participation and promotes informed and effective leadership within the Charity.

e. Wider network

East Kent Mencap is affiliated to National Mencap through a Membership Agreement 2007-2009 (England & Wales).

Affiliation agreements have been retained under review with Mencap's 20/20 plan.

There is little impact on East Kent Mencap policy as these are generally in line with Regulatory, Statutory or Legal responsibilities.

f. Risk management

Policy and procedure documentation is in place to cover organisational structure and decision-making processes. These policies are constantly updated and added to as soon as a need is recognised. Risk management is constantly reviewed by all Employees involved, and written documentation in place.

East Kent Mencap has appointed Peninsula Business Services Ltd as consultants on Health & Safety matters.

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

Trustees' Report
For The Year Ended 30 March 2025

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes 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). The law applicable to charities in England and Wales 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles of the Charities SORP (FRS 102).
- Make judgements and accounting estimates that are reasonable and prudent; state whether applicable UK Accounting Standards (FRS 102) 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 business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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 Charities Act 2011,the Charity (Accounts and Reports) Regulations 2008 and provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- So far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- That Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

The auditor, UHY Hacker Young, has indicated willingness to continue in office. The designated Trustees have proposed retaining the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Signed by:

3CC5D7DF4D4E40A...

.....

Amy Rutland-Gray
Chair

Date: 11 December 2025

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

East Kent Mencap

(A company limited by guarantee)

Independent Auditors' Report to the Members of East Kent Mencap

Opinion

We have audited the financial statements of East Kent Mencap (the 'charity') for the year ended 30 March 2025 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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 30 March 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charitable company'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 Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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:

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the charity through discussions with management, and from our commercial knowledge and experience in the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the charitable company, including the Charities Act 2011 and the Companies Act 2006;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity’s accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management and representatives of Trustees as to actual and potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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

DocuSigned by:
02F6C72F3CEA48E...

Allan Hickie FCA (Senior statutory auditor)
for and on behalf of
UHY Hacker Young
Chartered Accountants
Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Date: 15 December 2025

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

East Kent Mencap

(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 30 March 2025

	Note	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Income from:					
Donations and legacies	4	1,677	5,994	7,671	*23,360*
Charitable activities	5	240,781	3,063,710	3,304,491	*3,067,082*
Other trading activities	7	830	28,487	29,317	*15,303*
Investments	8	-	8,790	8,790	*3,791*
Other income	9	-	729	729	*180,485*
Total income		243,288	3,107,710	3,350,998	*3,290,021*
Expenditure on:					
Raising funds	10	151	5,926	6,077	*4,634*
Charitable activities:	11				
Other charitable activities		161,193	2,918,249	3,079,442	*3,076,247*
Total expenditure		161,344	2,924,175	3,085,519	*3,080,881*
Net movement in funds		81,944	183,535	265,479	*209,140*
Reconciliation of funds:					
Total funds brought forward		424,292	2,606,525	3,030,817	*2,821,677*
Net movement in funds		81,944	183,535	265,479	*209,140*
Total funds carried forward		506,236	2,790,060	3,296,296	*3,030,817*

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

The notes on pages 20 to 36 form part of these financial statements.

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

East Kent Mencap

(A company limited by guarantee)
Registered number: 12263702

Balance Sheet
As at 30 March 2025

	Note		2025 £		*2024 £*
Fixed assets					
Tangible assets	16		2,781,125		*2,829,177*
Current assets					
Debtors	17	466,320		*338,115*	
Cash at bank and in hand		953,713		*822,275*	
		1,420,033		*1,160,390*	
Current liabilities					
Creditors: amounts falling due within one year	18	(237,490)		*(223,531)*	
Net current assets			1,182,543		*936,859*
Total assets less current liabilities			3,963,668		*3,766,036*
Creditors: amounts falling due after more than one year	19		(667,372)		*(735,219)*
Total net assets			3,296,296		*3,030,817*
Charity funds					
Restricted funds:					
Restricted funds	20		506,236		*424,292*
Unrestricted funds	20		2,790,060		*2,606,525*
Total funds			3,296,296		*3,030,817*

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Signed by:
3CC5D7DF4D4E40A...
Amy Rutland-Gray
(Chair of Trustees)

Date: 11 December 2025

The notes on pages 20 to 36 form part of these financial statements.

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

East Kent Mencap
(A company limited by guarantee)

Statement of Cash Flows
For the Year Ended 30 March 2025

	Note	2025 £	*2024 £*
Cash flows from operating activities			
Net cash used in operating activities	23	162,600	*111,419*
Cash flows from investing activities			
Dividends, interests and rents from investments		8,790	*3,791*
Proceeds from the sale of tangible fixed assets		-	*305,000*
Purchase of tangible fixed assets		(39,952)	*(49,829)*
Net cash (used in)/provided by investing activities		(31,162)	258,962
Change in cash and cash equivalents in the year		131,438	370,381
Cash and cash equivalents at the beginning of the year		822,275	*451,894*
Cash and cash equivalents at the end of the year	24	953,713	*822,275*

The notes on pages 20 to 36 form part of these financial statements

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

Notes to the Financial Statements
For the Year Ended 30 March 2025

1. General information

East Kent Mencap is a private company limited by guarantee incorporated in England and Wales in the United Kingdom (registered number 12263702) . The registered office East Kent Mencap, Foresters Hall, Meeting Street, Ramsgate, Kent, CT11 9RT.

The financial statement are presented in sterling which is the functional currency of the Charity and rounded to the nearest £1.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

East Kent Mencap meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The trustees have a reasonable expectation that the Charity will have adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing the financial statements.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

Other trading activities comprise income generated from various fund raising and social events.

2.4 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 on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

2. Accounting policies (continued)

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Freehold property	-	2%	on cost
Motor vehicles	-	25%	reducing balance
Fixtures and fittings	-	25%	reducing balance

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

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

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

2.11 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

2. Accounting policies (continued)

2.12 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight-line basis over the lease term.

2.13 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

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

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimating the useful economic life of tangible fixed assets for the purposes of determining a depreciation rate.

Estimating the carrying value of assets for the purposes of ensuring that this does not exceed their recoverable amount.

Estimating the recoverability of debtors for the purposes of determining whether there is a need for a bad debt provision.

Critical areas of judgment:

There are no significant judgements in relation to the above accounting policies that have a material impact on the financial statements.

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

4. Income from donations and legacies

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Donations	1,677	5,994	7,671	*23,360*
Analysis of 2024 total by fund	*16,328*	*7,032*	*23,360*	

5. Income from charitable activities

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Income from charitable activities	240,781	3,063,710	3,304,491	*3,067,082*
Analysis of 2024 total by fund	*190,629*	*2,876,453*	*3,067,082*	

KCC	1,970,715	*1,844,279*
Housing benefit	466,803	*489,250*
Direct payments from members	446,820	*391,208*
Grants (note 6)	240,670	*193,360*
Transport	9,389	*9,994*
Rent from residents	121,357	*92,277*
Rent from leased buildings	9,900	*9,431*
Local Authority Funding (non KCC)	23,975	*24,302*
Other	14,862	*12,981*
	3,304,491	*3,067,082*

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

6. Analysis of grants received

	2025 £	*2024 £*
National Lottery Community Fund - GOLD	73,286	*100,531*
Southern Gas Network	57,859	-
Colyer Fergusson	30,000	-
KCC - short break activity grant	20,598	*41,864*
TDC Scrapstore	16,100	-
National Lottery Community Fund - Know Your Neighbourhood	13,995	-
Barretts Charitable Fund	8,300	-
Lawson Trust Kitchen	8,000	-
Other Grants	5,049	*16,000*
Electrical Safety Fund	4,830	-
Our Digital Health	2,417	*4,833*
Thanet Community	1,890	-
Sheerness Town Council Community Grant	496	*570*
Kent Community Foundation	-	*10,000*
Complex Needs	-	*2,000*
Barnado's	-	*5,167*
SEK Microfunding (Thanet)	-	*500*
KCC Funday	-	*300*
KCC Swale Trinity Hub	-	*520*
Frank Brake Community Fund	-	*5,000*
Queenborough Fishery Trust	-	*500*
Historic England	(2,150)	*2,500*
Shared Prosperity	-	*1,500*
Ramsgate Town Council Fund	-	*1,575*
	240,670	*193,360*

7. Income from other trading activities

Income from fundraising events

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Fundraising	830	28,487	29,317	*15,303*
Analysis of 2024 total by fund	*1,280*	*14,023*	*15,303*	

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

8. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Deposit account interest	8,790	8,790	*3,791*
Analysis of 2024 total by fund	*3,791*	*3,791*	

9. Other incoming resources

	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Profit on disposal of fixed assets	729	729	*180,485*
Total 2024	*180,485*	*180,485*	

The profit on disposal of fixed assets in the prior year relates to the disposal of one property in December 2023.

10. Expenditure on raising funds

Fundraising trading expenses

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Fundraising trading expense	151	5,926	6,077	*4,634*
Analysis of 2024 total by fund	*187*	*4,447*	*4,634*	

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

11. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total 2025 £	*Total 2024 £*
Cost of charitable activities	161,193	2,918,249	3,079,442	*3,076,247*
Analysis of 2024 total by fund	*126,647*	*2,949,600*	*3,076,247*	

12. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	*Total funds 2024 £*
Cost of charitable activities	3,063,320	16,122	3,079,442	*3,076,247*
Analysis of 2024 total	*3,059,659*	*16,588*	*3,076,247*	

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

12. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2025 £	*Total funds 2024 £*
Staff costs	2,521,253	*2,516,220*
Depreciation	87,946	*92,885*
Rates and water	14,219	*13,164*
Insurance	37,765	*35,462*
Light and heat	52,180	*56,516*
Telephone, postage and stationary	14,041	*15,142*
Advertising	1,407	*1,434*
Sundries	22,222	*13,256*
Computer costs	61,592	*52,508*
Tenant share of utilities	15,494	*14,307*
Vehicle and transport costs	23,931	*25,019*
Room hire	10,265	*9,926*
Repairs and renewals	36,658	*34,235*
Cleaning and house facilities	31,585	*27,989*
Activities	23,546	*24,826*
Training	1,159	*1,615*
Professional fees	44,073	*32,042*
Legal fees	14,045	*24,918*
Interest and similar charges	46,171	*53,740*
Bad debts	3,768	*14,455*
	3,063,320	*3,059,659*

Analysis of support costs

	Governance costs 2025 £	**Total funds 2025 £**	*Total funds 2024 £*
Auditor's remuneration	16,122	16,122	*16,588*
Total 2024	*16,588*	*16,588*	

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

13. Auditors' remuneration

	2025 £	*2024 £*
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	16,470	*15,912*
Fees payable to the Charity's auditor in respect of:		
All non-audit services not included above	210	-

14. Staff costs

	2025 £	*2024 £*
Wages and salaries	2,283,667	*2,281,602*
Social security costs	191,899	*189,772*
Pension costs	45,687	*44,846*
	2,521,253	*2,516,220*

The average number of persons employed by the Charity during the year was as follows:

	2025 No.	*2024 No.*
Productive Staff	84	*96*
Administrative Staff	21	*17*
	105	*113*

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2025 No.	*2024 No.*
In the band £70,001 - £80,000	1	*1*

Key management personnel of the Trust comprise of the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £197,122 (2024 - £198,728).

15. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2024 - £NIL)*.

During the year ended 30 March 2025, no Trustee expenses have been incurred *(2024 - £NIL)*.

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

16. Tangible fixed assets

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost				
At 31 March 2024	3,541,194	50,935	128,972	3,721,101
Additions	18,993	15,377	5,582	39,952
Disposals	-	(14,945)	-	(14,945)
At 30 March 2025	3,560,187	51,367	134,554	3,746,108
Depreciation				
At 31 March 2024	771,572	26,134	94,218	891,924
Charge for the year	71,141	8,108	8,697	87,946
On disposals	-	(14,887)	-	(14,887)
At 30 March 2025	842,713	19,355	102,915	964,983
Net book value				
At 30 March 2025	2,717,474	32,012	31,639	2,781,125
At 30 March 2024	*2,769,622*	*24,801*	*34,754*	*2,829,177*

17. Debtors

	2025 £	*2024 £*
Due within one year		
Trade debtors	358,735	*235,960*
Other debtors	5,697	*4,269*
Prepayments and accrued income	101,888	*97,886*
	466,320	*338,115*

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

18. Creditors: Amounts falling due within one year

	2025 £	*2024 £*
Bank loans	78,559	*86,994*
Trade creditors	16,472	*15,795*
Other taxation and social security	41,847	*37,214*
Other creditors	33,550	*33,686*
Accruals	67,062	*49,842*
	237,490	*223,531*

19. Creditors: Amounts falling due after more than one year

	2025 £	*2024 £*
Bank loans	667,372	*735,219*

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2025 £	*2024 £*
Payable or repayable by instalments	-	*212,937*
	-	*212,937*

The bank loan is secured by a charge over the Charity's freehold property.

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

20. Statement of funds

Statement of funds - current year

	Balance at 31 March 2024 £	Income £	Expenditure £	Balance at 30 March 2025 £
Unrestricted funds				
General Funds	2,606,525	3,107,710	(2,924,175)	2,790,060
Restricted funds				
Housing Property Fund	31,254	-	(5,003)	26,251
Thanet Community Fund	16,434	(260)	(1,604)	14,570
Sheppey Community Fund	18,292	-	-	18,292
Canterbury Fund	9,222	-	(1,538)	7,684
National Lottery Grants	119,825	87,281	(70,041)	137,065
Short Breaks Grants	6,663	20,598	(18,118)	9,143
Hospital Saturday Fund	3,358	-	(2,313)	1,045
Kent Community Fund	15,003	-	(3,560)	11,443
Restricted Buildings Funds	133,940	-	(2,920)	131,020
Our Digital Health Fund	3,423	2,417	(1,452)	4,388
Sheerness Town Council Fund	117	496	(491)	122
KCC Swale Members Fund	400	1,600	-	2,000
Colyer Fergusson	-	30,000	(4,213)	25,787
Thanet District Council - Scrapstore	-	16,100	(5,795)	10,305
Lawson Trust	-	8,000	-	8,000
Barretts Charitable Fund	-	8,300	(187)	8,113
Electrical Safety Fund	-	4,830	(113)	4,717
Southern Gas Network	-	57,859	(26,916)	30,943
Other Restricted Funding	11,956	6,067	(13,305)	4,718
Various Restricted Funding Grants	54,405	-	(3,775)	50,630
	424,292	243,288	(161,344)	506,236
Total of funds	3,030,817	3,350,998	(3,085,519)	3,296,296

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

20. Statement of funds (continued)

Unrestricted Fund:
General Fund – represents income and expenditure that has not been deemed as restricted in nature and is not designated for any purpose.

Restricted Funds:
Housing Property Fund – Grants received to assist in the purchase of Backler House and Arkley Road. Amounts released annually to match depreciation charge in proportion to amounts funded by grant.

Thanet Community Fund – Funding specifically for projects within the Thanet community.

Sheppey Community Fund – Funding specifically for projects within the Sheppey community.

Canterbury Fund – Funding specifically for projects within the Canterbury community.

National Lottery Community Fund – GOLD – Funding specifically for Getting On with Learning Disability project.

Short Breaks Grants - This funding enables us to facilitate a Saturday Club for Disabled Young People aged between 13 and 18 years old. Through the club, we can allow young people to try new things and develop peer networks and friendships. The Young People take the lead in planning their activities, including getting involved in Community Projects. Parents benefit from much-needed respite while knowing their son or daughter is safe and engaged in an activity they enjoy.

Hospital Saturday Fund - Funding secured for a new hoist for CXN.

Kent Community Foundation - Funding specifically received to review the charity's current administrative systems and identify ways to streamline invoicing and timesheet systems.

Restricted Buildings Funds - Funding initially pledged funding for the restoration of Foresters Hall, the work was completed in 2023, with a much needed new roof and toilets for the listed building.

Our Digital Health Fund - This project collaborates with six national universities and partner organisations to ensure inclusive research addressing intellectual disabilities. Partners provide expertise and shape recruitment, co-analysis workshops, and dissemination, promoting equity, accessibility, and meaningful engagement to achieve impactful research outcomes.

Sheerness Town Council Fund - Funding provided for a litter pick project.

KCC Swale Members Fund - Funding provided for a Moving into Adulthood Event.

Colyer Ferguson - Grant awarded for 'Investing in Young People'. The grant was to develop the employability skills of young people aged 18-25 with a learning disability, learning difficulty or neurodivergence, through bespoke training to build their confidence, independence and well-being.

Thanet District Council - The ScrapStore - Grant from the Thanet District Council Prosperity Fund to employ a part-time employee at the ScrapStore for one year. The income has enabled us to extend our opening hours by 2 days. This has seen the ScrapStore go from strength to strength with an increased customer base, a rise in donations and more opportunities for people with a learning disability to volunteer and develop employability skills.

Barretts Charitable Fund - Funding provided for a kitchen refurbishment project.

Lawson Trust - Funding provided for a kitchen refurbishment project.

Electrical Safety - Funding provided to hold electrical safety workshops.

Southern Gas Network - Grant funding from SGN to provide free energy safety advice to people with a learning disability across East Kent. Dedicated employees have been trained to deliver one-to-one support and energy safety workshops, with all accompanying information materials designed in an easy-read format to improve understanding.

Other Restricted Funding - This category comprises several smaller restricted funds which have been received for specific purposes.

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 31 March 2023 £	*Income* £	*Expenditure* £	*Balance at 30 March 2024* £
Unrestricted funds				
General Funds	*2,478,788*	*3,081,784*	*(2,954,047)*	*2,606,525*
Restricted funds				
Housing Property Fund	*35,422*	*-*	*(4,168)*	*31,254*
Thanet Community Fund	*20,373*	*3,468*	*(7,407)*	*16,434*
Sheppey Community Fund	*18,292*	*-*	*-*	*18,292*
Canterbury Fund	*12,694*	*151*	*(3,623)*	*9,222*
National Lottery Grants	*62,114*	*100,531*	*(42,820)*	*119,825*
Short Breaks Grants	*6,688*	*41,864*	*(41,889)*	*6,663*
Hospital Saturday Fund	*29,146*	*-*	*(30)*	*29,116*
Kent Community Fund	*1,890*	*2,000*	*(532)*	*3,358*
Restricted Buildings Funds	*5,209*	*10,500*	*(706)*	*15,003*
Our Digital Health Fund	*19,736*	*-*	*-*	*19,736*
Sheerness Town Council Fund	*1,781*	*-*	*-*	*1,781*
KCC Swale Members Fund	*120,694*	*16,000*	*(2,754)*	*133,940*
Colyer Fergusson	*-*	*4,800*	*(1,778)*	*3,022*
Thanet District Council - Scrapstore	*-*	*4,833*	*(1,410)*	*3,423*
Lawson Trust	*-*	*5,167*	*(4,670)*	*497*
Barretts Charitable Fund	*-*	*300*	*(300)*	*-*
Electrical Safety Fund	*-*	*620*	*(503)*	*117*
Southern Gas Network	*-*	*520*	*(120)*	*400*
Other Restricted Funding	*-*	*500*	*(247)*	*253*
Various Restricted Funding Grants	*8,850*	*16,983*	*(13,877)*	*11,956*
	342,889	*208,237*	*(126,834)*	*424,292*
Total of funds	*2,821,677*	*3,290,021*	*(3,080,881)*	*3,030,817*

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

21. Summary of funds

Summary of funds - current year

	Balance at 31 March 2024 £	Income £	Expenditure £	Balance at 30 March 2025 £
General funds	2,606,525	3,107,710	(2,924,175)	2,790,060
Restricted funds	424,292	243,288	(161,344)	506,236
	3,030,817	3,350,998	(3,085,519)	3,296,296

Summary of funds - prior year

	Balance at 31 March 2023 £	*Income £*	*Expenditure £*	*Balance at 30 March 2024 £*
General funds	*2,478,788*	*3,081,784*	*(2,954,047)*	*2,606,525*
Restricted funds	*342,889*	*208,237*	*(126,834)*	*424,292*
	2,821,677	*3,290,021*	*(3,080,881)*	*3,030,817*

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	312,640	2,468,485	2,781,125
Current assets	193,596	1,226,437	1,420,033
Creditors due within one year	-	(237,490)	(237,490)
Creditors due in more than one year	-	(667,372)	(667,372)
Total	506,236	2,790,060	3,296,296

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

22. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Restricted funds 2024 £	*Unrestricted funds 2024 £*	*Total funds 2024 £*
Tangible fixed assets	*293,827*	*2,535,350*	*2,829,177*
Current assets	*130,465*	*1,029,925*	*1,160,390*
Creditors due within one year	-	*(223,531)*	*(223,531)*
Creditors due in more than one year	-	*(735,219)*	*(735,219)*
Total	*424,292*	*2,606,525*	*3,030,817*

23. Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £	*2024 £*
Net income for the year (as per Statement of Financial Activities)	265,479	*209,140*
Adjustments for:		
Depreciation charges	87,946	*92,885*
(Profit)/loss on sale of tangible asset	58	*(180,485)*
Dividends, interests and rents from investments	(8,790)	*(3,791)*
Decrease/(increase) in debtors	(128,205)	*126,417*
Decrease in creditors	(53,888)	*(132,747)*
Net cash provided by operating activities	162,600	*111,419*

24. Analysis of cash and cash equivalents

	2025 £	*2024 £*
Cash in hand	953,713	*822,275*
Total cash and cash equivalents	953,713	*822,275*

Docusign Envelope ID: 49699FCD-2B07-4BE3-99C9-4DF1B4E98898

25. Analysis of changes in net debt

	At 31 March 2024 £	Cash flows £	At 30 March 2025 £
Cash at bank and in hand	822,275	131,438	953,713
Debt due within 1 year	(86,994)	8,435	(78,559)
Debt due after 1 year	(735,219)	67,847	(667,372)
	62	207,720	207,782

26. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £45,687 (2024 - £44,846). As at the year end, £17,390 (2024 - £8,454) was payable to the fund at the balance sheet date.

27. Operating lease commitments

At 30 March 2025 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025 £	*2024 £*
Not later than 1 year	-	*9,411*
Later than 1 year and not later than 5 years	-	*2,506*
	-	*11,917*

28. Related party transactions

During the year, relatives of some trustees utilised the housing facilities at East Kent Mencap as customers. These transactions were at commercial rate.

29. Breakdown of net movement in funds

	2025 £	*2024 £*
Core operational income	3,350,269	*3,109,536*
Core operational expenditure	3,085,519	*3,080,881*
Net operational surplus	264,750	*28,655*
Gain on property disposals	729	*180,485*
Net movement in funds per Statement of Financial Activities	265,479	*209,140*

EAST KENT MENCAP

England & Wales - Charity number 1188118

Accounts

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

Registered number: 12263702
Charity number: 1188118

East Kent Mencap

(A company limited by guarantee)

Trustees' Report and Financial Statements

For the Year Ended 30 March 2024

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

East Kent Mencap
(A company limited by guarantee)

Contents

	Page
Reference and administrative details of the Charity, its Trustees and advisers	1
Trustees' report	2 - 12
Independent auditors' report on the financial statements	13 - 15
Statement of financial activities	16
Balance sheet	17
Statement of cash flows	18
Notes to the financial statements	19 - 34

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

East Kent Mencap

(A company limited by guarantee)

Reference and Administrative Details of the Charity, its Trustees And Advisers
For The Year Ended 30 March 2024

Trustees	Amy Rutland-Gray, Chair Angela Stuart Bridget Crow Michael Roberts Mark Everett Audrey Emmett (Resigned 13 July 2023)
Company registered number	12263702
Charity registered number	1188118
Head office	Foresters Hall Meeting Street Ramsgate Kent. CT11 9RT
Registered Address CQC	Foresters Hall Meeting Street Ramsgate Kent. CT11 9RT
Key management personnel	Chief Executive Officer - Jason Gerlack Strategic Operations Manager/Registered Manager - Karen Roberts Business Administration Manager – Alison Stafford
Independent auditor	UHY Hacker Young Thames House Roman Square Sittingbourne Kent. ME10 4BJ
Solicitors	Girlings Solicitors Stourside Place Station Road Ashford Kent. TN23 1PP
Bankers	Lloyds Bank Plc The Centre Cecil Square Margate Kent. CT9 1JG
Health & Safety / Employment consultants	Peninsula Business Services Ltd Riverside New Bailey Street Manchester M3 5PB

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

Trustees' Report
For The Year Ended 30 March 2024

The Trustees, who are also Directors of the Charitable Company for the purposes of the Companies Act, are pleased to present their annual Trustees' report together with the Charitable Company's financial statements, which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the 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) issued in October 2019.

Governing document

East Kent Mencap is a Charitable Company registered with the Charity Commission and a Company Limited by Guarantee. The Charitable Company was entered on the Register of Charities on 15 February 2020 and uses East Kent Mencap as its working name.

The Company was set up under a Memorandum of Association, which established the objects and powers of the Charitable Company. It is governed by its Articles of Association. In the event of the Company being woundup, members are required to contribute an amount not exceeding £1.

Chair's report

The 2023/24 year was a further year of consolidation at East Kent Mencap. The well-documented cost-of-living crisis and threats to funding continued to present difficulties to the Health and Social Care Sector.

The impact of the cost-of-living crisis and National skills shortage on the Sector is well documented and East Kent Mencap has continued to work hard to maximise retention and recruitment.

Following a planned review, we recruited and inducted two new directors, which enhanced the board's wider skill set and contribution.

As an organisation we have continued to maintain our position during challenging times and ensured our membership is empowered and listened to.

We have worked harder to negotiate our way through the many external economic pressures and will continue to steer the organisation in the interests of our membership.

The year presented sizeable financial challenges which required significant controls across the charity. In addition to careful planning, it was necessary to implement a variety of reactive strategies as we faced emerging external pressures.

This work has resulted in the charity returning to a stronger financial position and has enabled the team to plan positive strategies to develop and enhance our charitable offer.

We wish to thank the Senior Management Team of East Kent Mencap, led by Chief Executive Officer, Jason Gerlack for the leadership and commitment shown.

East Kent Mencap is also extremely grateful to our directors and trustees who have all given up their valuable time to guide the charity through this sustained and unprecedented crisis.

Our sincere thanks to all the amazing employees, services, volunteers and fantastic supporters.

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

Trustees' Report
For The Year Ended 30 March 2024

The board of 10 members represent members/tenants from all services (two currently vacant) and geographical locations supported by East Kent Mencap.

The Members Committee have:

- Welcomed more members to the board.
- Supported staff and Directors in attending events and celebrations.
- Suggested, supported and took part in the implementation of successful new fundraising projects.
- Suggested, supported and implemented Member-led meetings for members and tenants.
- Created easy-read policies which are used across East Kent Mencap and other organisations.
- Liaised with and supported service managers to find a solution to the problems and barriers people with a learning disability are facing.
- East Kent Mencap took part in Focus Groups, enabling employment development for one of our members (who had gained employment with a local university; this was made possible with the support of EKM and the Gold project).
- Re-implemented the annual Red Arrows Discos.
- Worked in partnership with local Health Authorities to create easy-read documents and to discuss access to local services.
- Continued to represent members and services by providing vital feedback.
- Become more visible within our community.
- Continued to support the development of digital services.
- Committee members themselves are now accessing monthly meetings via Teams.
- Worked in collaboration with a local company to design and create supporters merchandise, which is sold to raise money for East Kent Mencap.
- Supported the implementation of an EKM Easy Read Newsletter.
- Supported requests from Management and Senior Management for feedback from Members and Tenants i.e. Expenses Policy/Survey/Bill paying.
- Continued to invite and discuss requests from Managers / Senior Management Team and Chief Executive Officer.

We have plans to reshape in 2024. We are looking forward to representing members of East Kent Mencap and the wider community of people with Learning Disabilities and breaking down barriers put in place outside East Kent Mencap and Nationally.

We are excited to continue working with our friends and peers to ensure they are proud, confident, listened to and heard.

We will proudly continue representing East Kent Mencap by working in coproduction with other services and local communities.

We feel that this would not have been possible without the support and encouragement we received from all East Kent Mencap employees, managers, senior management, and directors.

We want to thank all of you for encouraging us to be the best we can be.

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

OBJECTIVES AND ACTIVITIES

a. Objectives and Aims

Everything we do is about valuing and supporting adults and children with a learning disability, as well as their families and carers.

What East Kent Mencap wants (our vision)

Our vision is a world where people with a learning disability are valued equally, listened to and included. We want everyone to have the opportunity to achieve the things they want out of life.

How East Kent Mencap will achieve this (our mission):

We will:

~ listen to people with a learning disability.
~ support people to gain new skills.
~ support people with learning disabilities, their families and supporters to fight for changes they want and need.
~ support all people living with a learning disability to take control of their lives.
~ give excellent information and advice.
~ work with people and groups that want the same thing we do.
~ support people to take the lead in life choices/decisions.

East Kent Mencap believes in (our values):

~ being people-centred.
~ empowering, including and respecting all people.
~ challenging wrong ways of thinking about learning disability.
~ transforming lives.
~ developing new ideas.
~ support people with learning disabilities to get jobs or take a college course.
~ support people with learning disabilities to find a place of their own to live.
~ offer advice about things such as respite care, individual budgets or transport services.
~ support people with learning disabilities to be part of their local community.
~ offer supported living, day services and leisure groups to those with learning disabilities and their families and supporters.

b. Significant Activities

The main activities provided by the Charitable Society for children, young people and adults with a learning disability and their families are as follows:

1. Supported Housing.
2. Day resource activities (Hubs).
3. Social meetings through our clubs and dances (A return post-Covid, with a robust plan for 2024 expanded programme).
4. Working with partners to provide services to our members.
5. Advocacy and Person-Centred Planning.
6. Community Support Services for people with multiple disabilities.
7. Domiciliary Support.
8. Children’s Services.
9. Complex needs.
10. Older person’s services.

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

c. Volunteers

The number of volunteers, not including Trustees, was 15.

Whilst our activities and clubs were still significantly reduced, we are grateful to our volunteers who stepped in to help as they started to re-open. Volunteers to our Members Committee increased, helping to magnify the voices of everyone who uses our services and ensure their views and opinions are central to the charity.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

The Trustees confirm that they have referred to the guidelines contained in the Charity Commission's General Guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)' when reviewing the charity's aims and objectives and planning future activities.

The Charitable Company's objects are restricted specifically, in each case only for the public benefit to:

(a) Provide relief for adults and children with a Learning Disability, in particular by the provision of help, support and education training for them and their families, dependants and carers, and to promote Learning Disabilities, choice, opportunity, independence, inclusion and cultural diversity; and

(b) Provide or assist in the provision of facilities for the recreation or other leisure time occupation for people whohave need thereof by reason of Learning Disability with the object of improving their conditions of life.

East Kent Mencap has continued to invest in staff through training and development packages. This has ensured service quality and compliance with the Health and Social Care Act.

Further to our stated commitment in the previous year, we have continued to review our range of services and how we fund delivery. We experienced significant difficulties with one of our key contracts. The work undertaken has very recently culminated in a positive outcome and will ensure we are able to continue to support our membership.

This year East Kent Mencap celebrated its 75th anniversary of supporting people with a learning disability. The charity ran a year-long campaign of activities and fundraising events to celebrate the organisation's work. The celebrations culminated in a commemorative tree planting by the Mayor of Ramsgate in our garden at Foresters Hall, attended by many friends of the charity. We are very proud of what East Kent Mencap has achieved in the last 75 years with our incredible members, supporters, volunteers, employees, funders, and partners to offer choice, support, and opportunity to people with a learning disability and their families.

East Kent Mencap had six finalists and won two Kent Integrated Care Alliance (KiCA) Awards 2023 awards.
We have undertaken support for people with a Learning Disability in the Ashford District as requested by the retiring Charity. This has resulted in East Kent Mencap increasing support in that area. Directors have since set growth targets for the district. This work has been supported with a grant from the Kent Community Foundation.

We reviewed our assets and planned to dispose of one property as outlined in our strategic plan.

We complied with our statutory and regulatory requirements and responsibilities by:

- Maintaining our status with the Care Quality Commission
- Meeting the requirements of local authority contracts
- Working closely with external H&S and Employment consultants.
- Meeting the standards of Houses of Multiple Occupation
- Conducting internal audits via robust monitoring
- Undertaking a review of our functional assets
- Planning our approach to reducing the threats of Business Risk Setting our Investment Strategy and Strategic Plan

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

Workforce Development

Through receipt of transferred levies from donors, East Kent Mencap expanded its skills base by commencing and completing apprenticeships. Staff members achieved Health and Social Care qualifications at Levels 2, 3, and 5, with End-Point Assessments successfully completed, resulting in triply accredited certificates by ICQ, Cea, and Ofqual. Recognised certifications in Leadership Practice (CMI) and Human Resources (CIPD) were also attained. These developments have enriched our team's knowledge and skills, supporting enhanced service delivery and effective organisational leadership.

Fundraising Activities

Despite the cost-of-living crisis, fundraised income for the year totalled just over £137,000, plus gifts in kind to the value of £1,300. We are very grateful to the many individuals, organisations, and Grant Making Trusts for their generous support.

Notable donations included:

- National Lottery Know Your Neighbourhood grant of £43,474 over two years to boost our GOLD project.
- Hospital Saturday Fund grant of £2,000 to purchase a new hoist for our Complex Needs Service
- Barnardo's grant of £5,167 towards activities and equipment for our two Saturday Youth Clubs
- Ramsgate Town Council grant of £1,575 towards equipment for our Ramsgate Hub
- Tesco and Dunelm donated cash, kitchen equipment and Christmas gifts with a total value of £400
- Our two fundraising campaigns in Spring and at Christmas collectively raised £2,386 from donations and sponsorship.
- Several people chose us as the beneficiary for in memoriam gifts, and we appreciate the many friends and family of the bereaved for their kind donations.

In total over 24 donations and grants were received in addition to these.

Our marketing and communications activity has amplified our mission, engaged supporters and the people who use our services, and helped us to work more closely with third-party organisations in the local community. We conducted targeted email campaigns, keeping our supporters informed and engaged. Our social media campaigns on Facebook, Instagram and LinkedIn expanded our reach and helped us to further engage individuals with our work and to support our cause. In our printed newsletters, we worked with the Members Committee to share their achievements and experiences, ensuring their voices were heard. To build brand awareness, we created a 75th-anniversary logo, a suite of marketing assets and a new 'About Us' video to support our campaigns throughout the year. We designed and distributed flyers about events and campaigns locally to raise awareness and encourage participation. We provided fundraising kits for sponsorship challenges to inform and motivate participants to encourage maximum support. Content was created for our website, and our social platforms were kept fresh with new photography and stories. We also achieved local and regional PR coverage, including BBC Radio Kent and KMTV.

Fundraising Regulation and Compliance

During 2023-2024 fundraising was conducted by the East Kent Mencap team of employed fundraisers. No complaints were received with regards to fundraising throughout the course of the year, no professional fundraisers were contracted, and no commercial partnership agreements were entered in to. Fundraised income supports our non-statutory activities and projects.

The charity takes a blended approach. The Fundraising Manager and Communications and Marketing Coordinator work together to research and submit applications to Trusts and foundations, run individual giving campaigns and create local events. Funding needs are identified in discussion with managers and the Members Committee.

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

The organisation monitors and manages its fundraising regulation and compliance through a combination of training programmes, internal processes, internal audits and quarterly management reporting. This takes into consideration the collection and use of personal data, frequency of contact, how to identify and support vulnerable people and compliance and regulatory requirements.

East Kent Mencap is registered with the Fundraising Regulator. Its fundraising Manager is a Member of the Chartered Institute of Fundraising, and its communications and Marketing Coordinator is now also a member.

FINANCIAL REVIEW

Investment policy

The Charitable Company does not invest in the financial markets. All cash surpluses are placed in bank accounts to attain as high an interest rate return as possible.

It is East Kent Mencap's strategy to utilise cash surpluses to benefit the Membership through capital investment programmes, to acquire Housing and Day Provision from which to launch commissioned services and generate new sources of income.

Due to concerns raised regarding local authority funding across the sector, further purchases of property for supported living and the expansion of day provision were placed on hold.

As a result of ongoing concerns, the Business Risk Register was regularly reviewed during 2023 and 2024. Concerns have since been reduced, and reviews of The Strategic Plan and the Financial Business & Investment Plan will be undertaken later in 2024. In line with the Business Risk Register, the charity will continue to develop strategies which seek to reduce reliance on local authority contracts.

We have made progress in finalising the procedural aspect of valuing the lender-secured properties and expect this process to be completed in 2024.

Reserves Policy

The purpose of the East Kent Mencap reserves policy is to secure the future of our services, to fund projects and future building costs and property purchases for the benefit of our members. However, as a result of the cost-of-living crisis and other external forces, property purchases have been placed on hold.

The Trustees previously reviewed the Reserves policy and agreed that East Kent Mencap should hold free reserves equal to one to two months of employee payroll.

As of 30 March 2024, the amount of total funds held by East Kent Mencap was £3.0m (2023 £2.8m). Of these £424k (2023: £343k) related to restricted funds, leaving £2.6m (2023: £2.5m) in unrestricted funds.

Unrestricted funds do include capitalised fixed assets which are hence not available to freely spend on any of the Charity's purposes. At 30 March 2024, the net book value of fixed assets, including property held for charitable purposes was £2.8m (2023: 3.0m) and there were related secured loans on these assets related to their purchase of £822k (2023: £932k). Unrestricted funds therefore include a net £2.0m (2023: £2.1m) in relation to property and other tangible assets. At 30 March 2024 the Charity held completely "free" reserves of £600k (2023: £414k), calculated as unrestricted fund balances, less the net book value of fixed assets on the Balance Sheet, after also adjusting for associated loan balances.

The Trustees consider the market value of the freehold property to be considerably higher than the amount shown on the Balance Sheet.

Within the Tangible fixed assets figure are restricted funds of £134k (2023: £121k).

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

Trustees had carried out an extensive exercise identifying the functional assets of the charity and plans were drawn up to utilise any property reserves if the need should arise, based on their analysis. These were further reviewed in 2024 and resulted in the sale of a property in line with the agreed strategy.

The following was reviewed in Q3 of 2024:

- Reserves Policy
- Strategic Plan
- Financial Business and Investment Plan

Result for the year

Income and expenditure reported for the Year ended 30 March 2024:

Total income for the year was £3.29m (2023: £3.24m), predominantly comprising income of £3.07m (2023: £2.95m) from Charitable Activities plus an additional £180k (2023: £219k) (after costs) other income arising from the disposal of surplus properties. The increase in income from charitable activities represents significant year-on-year growth. Total income also includes donations, fundraising and investment income.

Total expenditure for the year was of £3.08m (2023: £3.26m), leaving a net movement in funds of £209k (2023: reduction in funds of £21k).

Note 26 to the financial statements provides a breakdown of the net movement in funds, splitting this between the operational surplus of £29k (2023: deficit of £240k) and the gain arising from the disposal of property. The Trustees were very pleased with the improvement in the operational result for the year.

East Kent Mencap remains grateful for the continued support from the National Lottery Community Fund – for the project Getting On with Learning Disability (GOLD) with their significant grant.

Significant Financial Events

The pandemic and subsequent economic shock continued to have a significant impact on East Kent Mencap's finances. We lost the majority of our self-financing income, and our plans to expand our Day Services to new locations were hampered. However, we continue to see a growth in demand for our Day Services particularly in the Herne Bay and Thanet Areas.

Trustees undertook a functional assessment of all assets, evaluated strategy, reviewed the reserves policy and updated the business risk register. A consultation with people using our services across the charity was carried out, which will inform future strategies. Following an invitation from Ashford Mencap to take over their work, workshops and events were hosted to assess local needs and agree on a Business Action Plan going forward. Continuation funding of a further three years was secured for our flagship project, GOLD. Work was completed to restore the roof and toilets of our listed building Foresters Hall in Ramsgate, funded by the Colyer Fergusson Charitable Trust.

East Kent Mencap has responded to the cost-of-living crisis, its effect on our employees, recruitment difficulties and rising energy prices by increasing wages. The National Employment Crisis posed serious pressures during 2022-23. Recruitment issues have slightly eased during 2023-24. However, non-parity in pay across the sector continues to impact growth. The previous UK Government again published a much larger National Minimum Wage than previously expected and suggested by the Equal Pay Commission. Following the publication of delivery contract prices, Directors were able to set the 2024 organisational structure and set pay awards.

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

Principal Risks and Uncertainties

In the face of a changing political landscape marked by the transition to a new government, our charity continues to confront a multifaceted operating environment which includes serious pressures on the public purse. Brexit continues to impact worker shortages and supply chains. At the same time, the war in Ukraine and threats in the Middle East escalates costs and exerts significant influence on the production and pricing within the food and fuel sectors impacting both Employees and the Charity. Against this backdrop, we recognise the pivotal role of donor considerations and the far-reaching consequences of changes in sovereignty.

Our commitment remains unwavering in response as we strategically align our plans with dynamic horizon scanning to ensure adaptability, financial resilience, and continued positive societal impact.

Future Plans

We will:

- Finalise the transfer of assets from the Trust to the Incorporated Charity.
- Conduct a further review of our Business Risk Register, Strategic Plans, Investment Strategy and Reserves Policy.
- Review the Local Authority's financial position.
- Diversify to become less dependent on statutory income.
- Review the effectiveness of East Kent Mencap's Organisational Structures.
- Maintain quality and contract compliance.
- Replace or dispose of older housing stock (Where possible and in line with resources).
- Explore closer partnership and consortium opportunities.
- Explore larger sustainable funding opportunities.
- Continue to develop Services across our charity in line with local and organisational strategy.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Governing Document

East Kent Mencap is a Company limited by guarantee governed by its Memorandum and Articles of Association dated 16th September 2019, the Articles of Associations were amended on 12th December 2019 by Special Written Resolution.

East Kent Mencap is a Charity registered with the Charity Commission.

The Charitable Company was entered into the Register of Charities on 15th February 2020.

b. Methods of Appointment or Election of Trustees / Directors

Those who wish to be considered for the post of Trustee / Director within the Charitable Company must registeran interest. Any person willing to act as a Trustee / Director and who is permitted by law to do so may beappointed to be a Trustee / Director by ordinary resolution of the Trustee / Director so that voting can take placeat that meeting. A Trustee / Director shall become a Member upon becoming a Director.

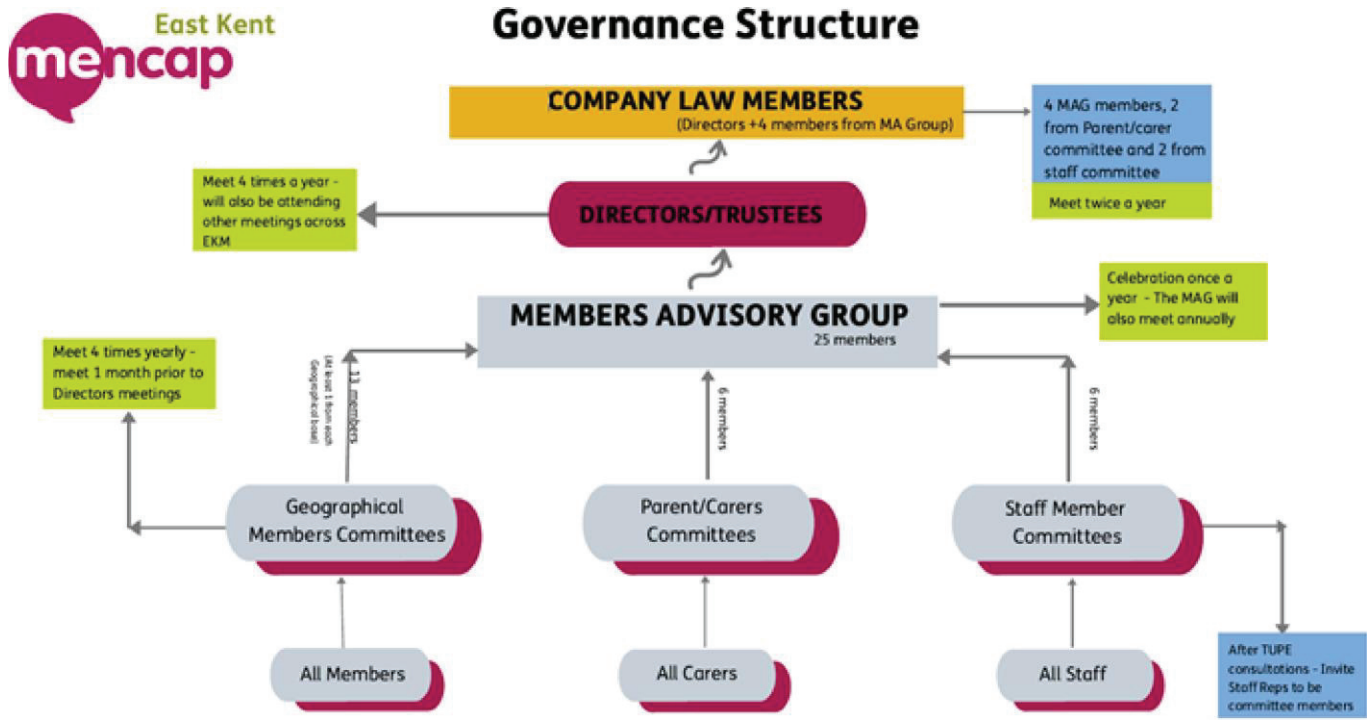
Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

c. Organisational Structure

The Charity is run by a board of Trustees / Directors who meets at least four times a year. The number of Trustees / Directors is not subject to a maximum but shall not be less than three.

Subject to Article 8 of the Articles of Association, Membership of the Charity shall be open to all people aged 18 years or over (whether with or without a learning disability) who declare their support for and are found in sympathy with the objects.

East Kent Mencap has published its current Governance Structure (To be reviewed 2025):



- The day-to-day running of the Charity is further delegated to the Chief Executive Officer (CEO).
- Members hold regular meetings and report and make requests to the appropriate teams.
- Regular employee meetings are held to ensure that quality assurance is maintained.
- The CEO reports to the Trustee / Directors which ensures due diligence is followed in all areas.
- Regular Health and Safety meetings seek to ensure continuous safety and welfare improvement. Designated consultants audit this process externally.
- Financial protocols are rigorously adhered to.

<u>Pay Policy for Senior Staff</u>

No new Management positions have been appointed within the reporting period.

The process for determining compensation for key management personnel at East Kent Mencap involves a structured competency framework. This framework evaluates skills, knowledge, and behaviour against specific requirements, with rewards being allocated based on achieved outcomes. To ensure fairness and competitiveness, our pay structure is externally benchmarked at local and national levels. This rigorous approach to compensation aligns with our commitment to transparency, equity, and excellence in talent management.

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

A review of our current structures will be undertaken in 2025.

d. Policies Adopted for the Induction and Training of Trustees / Directors

Trustees / Directors are made aware of their responsibilities by dialogue with existing Trustees and a copy of the Charity Commission booklet on trustee responsibilities. Due to the nature of our work, an Enhanced DBS check is required (updated every three years), and two references are obtained.

East Kent Mencap is dedicated to equipping its Trustees with a comprehensive understanding of their roles and responsibilities. Our approach involves utilising the locally sourced DELTA e-learning package, covering essential training areas such as safeguarding, governance, effective communications, and policy training (including Prevent and British values) tailored to individuals supporting those with learning disabilities. Additionally, our trustees benefit from first-hand insights from current trustees during induction. This collaborative learning environment ensures a well-rounded understanding of how charities operate and the importance of appropriate participation and promotes informed and effective leadership within the organisation.

e. Wider network

East Kent Mencap is affiliated to National Mencap through a Membership Agreement 2007-2009 (England& Wales).

Affiliation agreements have been retained under review with Mencap’s 20/20 plan.

There is little impact on East Kent Mencap policy as these are generally in line with Regulatory, Statutory or Legal responsibilities.

f. Risk management

Policy and procedure documentation is in place to cover organisational structure and decision-making processes. These policies are constantly updated and added to as soon as a need is recognised. Risk management is constantly reviewed by all staff involved, and written documentation in place.

East Kent Mencap has appointed Peninsula Business Services Ltd as consultants on Health & Safety matters.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes 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). The law applicable to charities in England and Wales 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles of the Charities SORP (FRS 102).
- Make judgements and accounting estimates that are reasonable and prudent; state whether applicable UK Accounting Standards (FRS 102) 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 business.

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

Trustees' Report
For The Year Ended 30 March 2024

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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 Charities Act 2011,the Charity (Accounts and Reports) Regulations 2008 and provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- So far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- That Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

The auditor, UHY Hacker Young, has indicated willingness to continue in office. The designated Trustees have proposed retaining the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Signed by:
3CC5D7DF4D4E40A...

.....
Amy Rutland-Gray
Chair

Date: 17 December 2024

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

East Kent Mencap
(A company limited by guarantee)

Independent Auditors' Report to the Members of East Kent Mencap

Opinion

We have audited the financial statements of East Kent Mencap (the 'charity') for the year ended 30 March 2024 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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 30 March 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charitable company'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 Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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:

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the charity through discussions with management, and from our commercial knowledge and experience in the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the charitable company, including the Charities Act 2011 and the Companies Act 2006;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity’s accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management and representatives of Trustees as to actual and potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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

Allan Hickie FCA (Senior statutory auditor)
for and on behalf of
UHY Hacker Young
Chartered Accountants
Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Date: 19 December 2024

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

East Kent Mencap
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 30 March 2024

	Note	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	*As restated Total funds 2023 £*
Income from:					
Donations and legacies	4	16,328	7,032	23,360	*59,857*
Charitable activities	5	190,629	2,876,453	3,067,082	*2,951,874*
Other trading activities	7	1,280	14,023	15,303	*4,734*
Investments	8	-	3,791	3,791	*738*
Other income	9	-	180,485	180,485	*218,567*
Total income		208,237	3,081,784	3,290,021	*3,235,770*
Expenditure on:					
Raising funds	10	187	4,447	4,634	*4,327*
Charitable activities:	11				
Other charitable activities		126,647	2,949,600	3,076,247	*3,252,902*
Total expenditure		126,834	2,954,047	3,080,881	*3,257,229*
Net movement in funds	26	81,403	127,737	209,140	*(21,459)*
Reconciliation of funds:					
Total funds brought forward		342,889	2,478,788	2,821,677	*2,843,136*
Net movement in funds		81,403	127,737	209,140	*(21,459)*
Total funds carried forward	20	424,292	2,606,525	3,030,817	*2,821,677*

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

The comparative year has been restated to show the profit on disposal of fixed assets as other income. In the 2023 financial statements this was shown as a credit within the expenditure section.

The notes on pages 19 to 34 form part of these financial statements.

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

East Kent Mencap

(A company limited by guarantee)
Registered number: 12263702

Balance Sheet
As at 30 March 2024

	Note		2024 £		*2023 £*
Fixed assets					
Tangible assets	16		2,829,177		*2,996,748*
Current assets					
Debtors	17	338,115		*464,532*	
Cash at bank and in hand		822,275		*451,894*	
		1,160,390		*916,426*	
Creditors: amounts falling due within one year	18	(223,531)		*(271,530)*	
Net current assets			936,859		*644,896*
Total assets less current liabilities			3,766,036		*3,641,644*
Creditors: amounts falling due after more than one year	19		(735,219)		*(819,967)*
Total net assets			3,030,817		*2,821,677*
Charity funds					
Restricted funds:					
Restricted funds	20		424,292		*342,889*
Unrestricted funds	20		2,606,525		*2,478,788*
Total funds			3,030,817		*2,821,677*

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Signed by:
3CC5D7DF4D4E40A...

Amy Rutland-Gray
(Chair of Trustees)

Date: 17 December 2024

The notes on pages 19 to 34 form part of these financial statements.

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

East Kent Mencap
(A company limited by guarantee)

Statement of Cash Flows
For the Year Ended 30 March 2024

	Note	2024 £	*2023 £*
Cash flows from operating activities			
Net cash used in operating activities		111,419	*(333,257)*
Cash flows from investing activities			
Dividends, interests and rents from investments		3,791	*738*
Proceeds from the sale of tangible fixed assets		305,000	*319,565*
Purchase of tangible fixed assets		(49,829)	*(168,045)*
Net cash provided by investing activities		258,962	152,258
Change in cash and cash equivalents in the year		370,381	(180,999)
Cash and cash equivalents at the beginning of the year		451,894	*632,893*
Cash and cash equivalents at the end of the year		822,275	*451,894*

The notes on pages 19 to 34 form part of these financial statements

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

Notes to the Financial Statements
For the Year Ended 30 March 2024

1. General information

East Kent Mencap is a private company limited by guarantee incorporated in England and Wales in the United Kingdom (registered number 12263702) . The registered office East Kent Mencap, Foresters Hall, Meeting Street, Ramsgate, Kent, CT11 9RT.

The financial statement are presented in sterling which is the functional currency of the Charity and rounded to the nearest £1.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

East Kent Mencap meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The trustees have a reasonable expectation that the Charity will have adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing the financial statements.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

Other trading activities comprise income generated from various fund raising and social events.

2.4 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. 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.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

2. Accounting policies (continued)

2.4 Expenditure (continued)

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Freehold property	-	2%	on cost
Motor vehicles	-	25%	reducing balance
Fixtures and fittings	-	25%	reducing balance

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

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

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

2. Accounting policies (continued)

2.11 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight-line basis over the lease term.

2.13 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

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

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimating the useful economic life of tangible fixed assets for the purposes of determining a depreciation rate.

Estimating the carrying value of assets for the purposes of ensuring that this does not exceed their recoverable amount.

Estimating the recoverability of debtors for the purposes of determining whether there is a need for a bad debt provision.

Critical areas of judgment:

There are no significant judgements in relation to the above accounting policies that have a material impact on the financial statements.

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

Notes to the Financial Statements For the Year Ended 30 March 2024

4. Income from donations and legacies

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Donations	16,328	7,032	23,360	*21,222*
Legacies	-	-	-	*38,635*
	16,328	7,032	23,360	*59,857*
Analysis of 2023 total by fund	*725*	*59,132*	*59,857*	

5. Income from charitable activities

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Income from charitable activities	190,629	2,876,453	3,067,082	*2,951,874*
Analysis of 2023 total by fund	*368,060*	*2,583,814*	*2,951,874*	

KCC	1,844,279	*1,542,818*
Housing benefit	489,250	*503,382*
Direct payments from members	391,208	*428,059*
Grants (note 6)	193,360	*373,431*
Transport	9,994	*10,449*
Rent from residents	92,277	*42,979*
Rent from leased buildings	9,431	*8,200*
Local Authority Funding (non KCC)	24,302	*30,811*
Other	12,981	*11,745*
	3,067,082	*2,951,874*

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

6. Analysis of grants received

	2024 £	*2023 £*
National Lottery Community Fund - GOLD	100,531	*84,949*
KCC - short break activity grant	41,864	*43,285*
Kent Community Foundation	10,000	*24,713*
Complex Needs	2,000	*2,260*
Sheerness Town Council Community Grant	570	*500*
Barnado's	5,167	-
Our Digital Health	4,833	-
SEK Microfunding (Thanet)	500	-
KCC Funday	300	-
KCC Swale Trinity Hub	520	-
Frank Brake Community Fund	5,000	-
Queenborough Fishery Trust	500	-
Other Restricted Buildings Fund	16,000	-
Historic England	2,500	-
Shared Prosperity	1,500	-
Ramsgate Town Council Fund	1,575	-
Colyer Fergusson	-	*130,000*
East Kent Area VPN Grant	-	*40,599*
KCC COVID-19 Grant	-	*19,736*
Jubilee Grant	-	*8,850*
Education & Skills Grant	-	*7,500*
Architectural Heritage Grant	-	*4,056*
Breakfast Club	-	*3,819*
Fit Start	-	*3,164*
	193,360	*373,431*

7. Income from other trading activities

Income from fundraising events

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Fundraising	1,280	14,023	15,303	*4,734*
Analysis of 2023 total by fund	*59*	*4,675*	*4,734*	

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

8. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Deposit account interest	3,791	3,791	*738*
Analysis of 2023 total by fund	*738*	*738*	

9. Other incoming resources

	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Profit on disposal of fixed assets	180,485	180,485	*218,567*
Total 2023	*218,567*	*218,567*	

The profit on disposal of fixed assets relates to the disposal of one property in December 2023.

The profit in the prior year relates to the disposal of two properties in June 2022.

10. Expenditure on raising funds

Fundraising trading expenses

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Fundraising trading expense	187	4,447	4,634	*4,327*
Analysis of 2023 total by fund	*3,692*	*635*	*4,327*	

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

11. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total 2024 £	*As restated Total 2023 £*
Cost of charitable activities	126,647	2,949,600	3,076,247	*3,252,902*
Analysis of 2023 total by fund	*215,920*	*3,036,982*	*3,252,902*	

12. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	*As restated Total funds 2023 £*
Cost of charitable activities	3,059,659	16,588	3,076,247	*3,252,902*
Analysis of 2023 total	*3,237,602*	*15,300*	*3,252,902*	

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

12. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2024 £	*As restated Total funds 2023 £*
Staff costs	2,516,220	*2,633,017*
Depreciation	92,885	*87,479*
Rates and water	13,164	*16,273*
Insurance	35,462	*32,052*
Light and heat	56,516	*46,079*
Telephone, postage and stationary	15,142	*21,159*
Advertising	1,434	*1,724*
Sundries	13,256	*15,645*
Computer costs	52,508	*74,558*
Tenant share of utilities	14,307	*15,729*
Vehicle and transport costs	25,019	*33,447*
Room hire	9,926	*11,462*
Repairs and renewals	34,235	*60,879*
Cleaning and house facilities	27,989	*30,760*
Activities	24,826	*22,978*
Training	1,615	*8,220*
Professional fees	32,042	*59,658*
Legal fees	24,918	*4,453*
Interest and similar charges	53,740	*53,211*
Bad debts	14,455	*8,819*
	3,059,659	*3,237,602*

Analysis of support costs

	Governance costs 2024 £	**Total funds 2024 £**	*Total funds 2023 £*
Auditor's remuneration	16,588	16,588	*15,300*
Total 2023	*15,300*	*15,300*	

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

Notes to the Financial Statements
For the Year Ended 30 March 2024

13. Auditors' remuneration

	2024 £	*2023 £*
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	16,588	*15,300*

14. Staff costs

	2024 £	*2023 £*
Wages and salaries	2,281,602	*2,377,125*
Social security costs	189,772	*208,415*
Pension costs	44,846	*47,477*
	2,516,220	*2,633,017*

The average number of persons employed by the Charity during the year was as follows:

	2024 No.	*2023 No.*
Productive Staff	96	*101*
Administrative Staff	17	*15*
	113	*116*

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024 No.	*2023 No.*
In the band £70,001 - £80,000	1	-
In the band £80,001 - £90,000	-	*1*

Key management personnel of the Trust comprise of the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £198,728 (2023 - £195,146).

15. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2023 - £NIL)*.

During the year ended 30 March 2024, no Trustee expenses have been incurred *(2023 - £NIL)*.

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

16. Tangible fixed assets

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Assets under construction £	Total £
Cost or valuation					
At 31 March 2023	3,568,429	50,935	126,332	119,510	3,865,206
Additions	47,189	-	2,640	-	49,829
Disposals	(193,934)	-	-	-	(193,934)
Transfers between classes	119,510	-	-	(119,510)	-
At 30 March 2024	3,541,194	50,935	128,972	-	3,721,101
Depreciation					
At 31 March 2023	767,954	17,867	82,637	-	868,458
Charge for the year	73,037	8,267	11,581	-	92,885
On disposals	(69,419)	-	-	-	(69,419)
At 30 March 2024	771,572	26,134	94,218	-	891,924
Net book value					
At 30 March 2024	2,769,622	24,801	34,754	-	2,829,177
At 30 March 2023	*2,800,475*	*33,068*	*43,695*	*119,510*	*2,996,748*

Included within Assets under construction were costs incurred during the previous year in respect of the restoration of Foresters Hall. The works were completed during the year and transferred to Freehold Property accordingly.

17. Debtors

	2024 £	*2023 £*
Due within one year		
Trade debtors	235,960	*372,723*
Other debtors	4,269	*2,256*
Prepayments and accrued income	97,886	*89,553*
	338,115	*464,532*

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

18. Creditors: Amounts falling due within one year

	2024 £	*2023 £*
Bank loans	86,994	*112,047*
Trade creditors	15,795	*32,056*
Other taxation and social security	37,214	*38,989*
Other creditors	33,686	*10,971*
Accruals	49,842	*77,467*
	223,531	*271,530*

19. Creditors: Amounts falling due after more than one year

	2024 £	*2023 £*
Bank loans	735,219	*819,967*

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2024 £	*2023 £*
Payable or repayable by instalments	212,937	*266,013*
	212,937	*266,013*

The bank loan is secured by a charge over the Charity's freehold property.

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

Notes to the Financial Statements
For the Year Ended 30 March 2024

20. Statement of funds

Statement of funds - current year

	Balance at 31 March 2023 £	Income £	Expenditure £	Balance at 30 March 2024 £
Unrestricted funds				
General Funds	2,478,788	3,081,784	(2,954,047)	2,606,525
Restricted funds				
Housing Property Fund	35,422	-	(4,168)	31,254
Thanet Community Fund	20,373	3,468	(7,407)	16,434
Sheppey Community Fund	18,292	-	-	18,292
Canterbury Fund	12,694	151	(3,623)	9,222
National Lottery Grants	62,114	100,531	(42,820)	119,825
Short Breaks Grants	6,688	41,864	(41,889)	6,663
Valuing People Now Fund	29,146	-	(30)	29,116
Hospital Saturday Fund	1,890	2,000	(532)	3,358
Kent Community Fund	5,209	10,500	(706)	15,003
Covid-19 Grants	19,736	-	-	19,736
Architectural Heritage	1,781	-	-	1,781
Restricted Buildings Funds	120,694	16,000	(2,754)	133,940
Paula Carr Diabetes Trust	-	4,800	(1,778)	3,022
Our Digital Health Fund	-	4,833	(1,410)	3,423
Barnardo's	-	5,167	(4,670)	497
KCC Herne Bay Members Fund	-	300	(300)	-
Sheerness Town Council Fund	-	620	(503)	117
KCC Swale Members Fund	-	520	(120)	400
Queenborough Fishery Trust	-	500	(247)	253
Other Restricted Funding	8,850	16,983	(13,877)	11,956
	342,889	208,237	(126,834)	424,292
Total of funds	2,821,677	3,290,021	(3,080,881)	3,030,817

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

20. Statement of funds (continued)

Unrestricted Fund:
General Fund – represents income and expenditure that has not been deemed as restricted in nature and is not designated for any purpose.

Restricted Funds:
Housing Property Fund – Grants received to assist in the purchase of Backler House and Arkley Road. Amounts released annually to match depreciation charge in proportion to amounts funded by grant.

Thanet Community Fund – Funding specifically for projects within the Thanet community.

Sheppey Community Fund – Funding specifically for projects within the Sheppey community.

Canterbury Fund – Funding specifically for projects within the Canterbury community.

National Lottery Community Fund – GOLD – Funding specifically for Getting On with Learning Disability project.

Short Breaks Grants - This funding enables us to facilitate a Saturday Club for Disabled Young People aged between 13 and 18 years old. Through the club, we can allow young people to try new things and develop peer networks and friendships. The Young People take the lead in planning their activities, including getting involved in Community Projects. Parents benefit from much-needed respite while knowing their son or daughter is safe and engaged in an activity they enjoy.

Kent Valuing People Partnership – Funding specifically to provide local workers and facilitate local presence and community working.

Hospital Saturday Fund - Funding secured for a new hoist for CXN.

Kent Community Foundation - Funding specifically received to review the charity's current administrative systems and identify ways to streamline invoicing and timesheet systems.

Covid-19 Grants - Funding provided to assist with the impact of Covid-19.

Architectural Heritage - Funding secured for a development grant. The development grant built on the previous work and enabled the project to achieve planning permission for the whole development at Foresters Hall, including the listed building.

Restricted Buildings Funds - Funding initially pledged funding for the restoration of Foresters Hall, the work was completed in 2023, with a much needed new roof and toilets for the listed building.

Paula Carr Diabetes Trust - Funding secured to provide a monthly pop up diabetes clinic.

Our Digital Health Fund - This project collaborates with six national universities and partner organisations to ensure inclusive research addressing intellectual disabilities. Partners provide expertise and shape recruitment, co-analysis workshops, and dissemination, promoting equity, accessibility, and meaningful engagement to achieve impactful research outcomes.

Barnardo's - Funding secured to provide activities for young people.

KCC Herne Bay Members Fund - Funding provided for a fun day in Herne Bay.

Sheerness Town Council Fund - Funding provided for a litter pick project.

KCC Swale Members Fund - Funding provided for a Moving into Adulthood Event

Queenborough Fishery Trust - Funding specifically for trips for the Sheppey members.

Other Restricted Funding - This category comprises several smaller restricted funds which have been received for specific purposes.

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 31 March 2022 £	*As restated Income* £	*As restated Expenditure* £	*Balance at 30 March 2023* £
Unrestricted funds				
General Funds	*2,649,479*	*2,866,926*	*(3,037,617)*	*2,478,788*
Restricted funds				
Housing Property Fund	*39,470*	*-*	*(4,048)*	*35,422*
Thanet Community Fund	*19,780*	*3,918*	*(3,325)*	*20,373*
Sheppey Community Fund	*18,281*	*500*	*(489)*	*18,292*
Canterbury Fund	*17,684*	*3,819*	*(8,809)*	*12,694*
National Lottery Grants	*84,366*	*86,833*	*(109,085)*	*62,114*
Short Breaks Grants	*6,529*	*43,560*	*(43,401)*	*6,688*
Valuing People Now Fund	*6,615*	*40,599*	*(18,068)*	*29,146*
Hospital Saturday Fund	*932*	*2,260*	*(1,302)*	*1,890*
Kent Community Fund	*-*	*24,713*	*(19,504)*	*5,209*
Jubilee Grant	*-*	*8,850*	*-*	*8,850*
Covid-19 Grants	*-*	*19,736*	*-*	*19,736*
Restricted Buildings Funds	*-*	*130,000*	*(9,306)*	*120,694*
Architectural Heritage	*-*	*4,056*	*(2,275)*	*1,781*
	193,657	*368,844*	*(219,612)*	*342,889*
Total of funds	*2,843,136*	*3,235,770*	*(3,257,229)*	*2,821,677*

21. Summary of funds

Summary of funds - current year

	Balance at 31 March 2023 £	**Income** £	**Expenditure** £	**Balance at 30 March 2024** £
General funds	2,478,788	3,081,784	(2,954,047)	2,606,525
Restricted funds	342,889	208,237	(126,834)	424,292
	2,821,677	3,290,021	(3,080,881)	3,030,817

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

21. Summary of funds (continued)

Summary of funds - prior year

	Balance at 31 March 2022 £	*As restated Income £*	*As restated Expenditure £*	*Balance at 30 March 2023 £*
General funds	*2,649,479*	*2,866,926*	*(3,037,617)*	*2,478,788*
Restricted funds	*193,657*	*368,844*	*(219,612)*	*342,889*
	2,843,136	*3,235,770*	*(3,257,229)*	*2,821,677*

22. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2024 £	**Unrestricted funds 2024 £**	**Total funds 2024 £**
Tangible fixed assets	293,827	2,535,350	2,829,177
Current assets	130,465	1,029,925	1,160,390
Creditors due within one year	-	(223,531)	(223,531)
Creditors due in more than one year	-	(735,219)	(735,219)
Total	424,292	2,606,525	3,030,817

Analysis of net assets between funds - prior period

	Restricted funds 2023 £	*Unrestricted funds 2023 £*	*Total funds 2023 £*
Tangible fixed assets	*184,480*	*2,812,268*	*2,996,748*
Current assets	*158,409*	*758,017*	*916,426*
Creditors due within one year	-	*(271,530)*	*(271,530)*
Creditors due in more than one year	-	*(819,967)*	*(819,967)*
Total	*342,889*	*2,478,788*	*2,821,677*

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

Notes to the Financial Statements
For the Year Ended 30 March 2024

23. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £44,846 (2023 - £47,477).

As at the year end, £8,454 (2023 - £8,482) was payable to the fund at the balance sheet date.

24. Operating lease commitments

At 30 March 2024 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024	*2023*
	£	*£*
Not later than 1 year	9,411	*12,544*
Later than 1 year and not later than 5 years	2,506	*11,916*
	11,917	*24,460*

25. Related party transactions

During the year, relatives of some trustees utilised the housing facilities at East Kent Mencap as customers. These transactions were at commercial rate.

26. Breakdown of net movement in funds

	2024	*2023*
	£	*£*
Core operational income	3,109,536	*3,017,203*
Core operational expenditure	(3,080,881)	*(3,257,229)*
Net operational surplus	28,655	*(240,026)*
Gain on property disposals	180,485	*218,567*
Net movement in funds per Statement of Financial Activities	209,140	*(21,459)*

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

East Kent mencap
Foresters Hall, Meeting Street, Ramsgate, CT11 9RT
01843 808 964 info@eastkentmencap.co.uk www.eastkentmencap.co.uk

UHY Hacker Young
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Dear Sirs

East Kent Mencap
Letter of Representation

This representation letter is provided in connection with your audit of the Charity's financial statements of East Kent Mencap ("EKM" / "the Charity") for the year ended 30 March 2024. We note that your audit was performed for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the result and financial position of the Charity in accordance with the UK Generally Accepted Accounting Practice financial reporting framework.

We confirm to the best of our knowledge and belief that, made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves, we can properly make each of the following representations made to you in connection with your audit of the Charity's financial statements: -

1. **General**

We acknowledge as trustees and directors our responsibility under the Companies Act 2006 for preparing financial statements, which give a true and fair view of the financial position of the Charity as at 30 March 2024, and of the result of the Charity's operations for the year then ended, and for making accurate representations to you.

The financial statements are free of material misstatements, including omissions.

We confirm that we have held discussions with you to ensure that we understand the meaning of the confirmations that we are making to you.

We have made available to you all the accounting records necessary for your audit, including books of account, supporting documentation and all minutes of meetings. All the charity's transactions have been reflected in the accounting records produced to you. We have not withheld any information, the knowledge of which could cause you to take a materially different view in your report.

All relevant access to persons within the Charity has been made available to you for the purpose of your audit.

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

East Kent mencap
Foresters Hall, Meeting Street, Ramsgate, CT11 9RT
01843 808 964 info@eastkentmencap.co.uk www.eastkentmencap.co.uk

We acknowledge our responsibility for the design and implementation of internal control procedures to prevent and detect fraud and error, and have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

We are not aware of any irregularities involving either management, employees with a significant role in internal control, former employees, or anyone else where those irregularities could have a material effect on the financial statements.

2. Audit Adjustments

We understand that, under the Financial Reporting Council (FRC) Ethical Standards, the provision of non-audit services to us by yourselves gives rise to a potential threat to independence. This includes the preparation of the statutory financial statements. We confirm that you have explained to us the threats and the safeguards that you have put in place to address the potential self-review threat.

We understand that you have discussed the draft financial statements and final journals with Jason Gerlack and Alison Stafford, who are designated as 'informed management', and agree to inclusion of the journals listed in Appendix I in the final financial statements.

We understand that there are no further unadjusted audit differences to consider this year.

3. Commitments, contingencies and liabilities

We have recorded or disclosed, as appropriate, all liabilities, both actual and contingent, and have disclosed in the financial statements all guarantees that we have given to third parties. We do not know of any material liabilities, contingent liabilities or capital commitments, other than those disclosed in the financial statements.

4. Litigation

There is no litigation in progress or pending.

5. Transactions and arrangements with officers and related parties

We confirm that we are aware that a related party of the Charity is a person or organisation which either (directly or indirectly) controls, has joint control of, or significantly influences the Charity. As a result this will include trustees and other key management, together with their close family and other business interests of trustees and other key management.

We confirm that all related party relationships and transactions have been accounted for and disclosed in accordance with the applicable financial reporting framework.

6. Post balance sheet events

No events or transactions have occurred, or are pending, which could either have a material effect on the financial statements or which are of such significance in relation to the Charity's affairs that they

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

East Kent mencap
Foresters Hall, Meeting Street, Ramsgate, CT11 9RT
01843 808 964 info@eastkentmencap.co.uk www.eastkentmencap.co.uk

should either require adjustment or be disclosed in the financial statements, or notes thereto, in order to avoid giving a misleading view of the Charity's financial position.

7. Laws and regulations

We are not aware of any events which involve possible or actual instances of non-compliance with those laws and regulations which provide a legal framework within which the entity conducts its business. The Charity has complied with all aspects of contractual agreements and the requirements of regulatory authorities that, in either case, could, in the event of non-compliance, have a material effect on the financial statements.

8. Future plans

We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.

9. Accounting estimates

The methods, data and significant assumptions used by us in making accounting estimates, and their related disclosures, are appropriate to achieve recognition, measurement and disclosure that is reasonable in the context of the applicable financial reporting framework.

We confirm that:

- significant judgements made in making the accounting estimates have considered all relevant information of which we are aware.
- the consistency and appropriateness in the selection or application of the methods, assumptions and data used by management in making the accounting estimates.
- the assumptions appropriately reflect our intent and ability to carry out specific courses of action on behalf of the charity, whenever relevant to the accounting estimates and disclosures.
- disclosures related to accounting estimates, including disclosures describing estimation uncertainty, are complete and are reasonable in the context of the applicable financial reporting framework.
- that appropriate specialised skills or expertise has been applied in making the accounting estimates, where appropriate.
- that no subsequent event requires adjustment to the accounting estimates and related disclosures included in the financial statements.

10. Going concern

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

East Kent mencap
Foresters Hall, Meeting Street, Ramsgate, CT11 9RT
01843 808 964 info@eastkentmencap.co.uk www.eastkentmencap.co.uk

We have made an assessment of the Charity's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements were approved for release. As a result of our assessment we consider that Charity are able to continue to operate as a going concern and that it is appropriate to prepare the financial statements on a going concern basis.

In making our assessment, we did not consider there to be any material uncertainty relating to events or conditions that individually or collectively may cast significant doubt on the Charity's ability to continue as a going concern.

11. Title deeds

We are aware that at the year-end title registers held at the Land Registry are not in the name of the charity, but in the name of the trustees of the charity in office at the time of acquisition of the following properties:

- Gateway House
- Backler House
- Halfway Road
- Arkley Road
- 40 Clarence Avenue
- Foresters Hall
- 27 Canterbury Road

We confirm that the charity enjoys the rights to these properties and also bears any obligations arising from them, and are therefore considered to be owned by the charity. The Land Registry entries were made prior to the incorporation of the Charity, and this required to be updated to reflect the Charity's ownership. We are in the process of transferring the properties into the name of East Kent Mencap, with a view that this is completed in early 2025.

Yours faithfully,

Signed by:
3CC5D7DF4D4E40A...
.....
Amy Rutland Gray

For and on behalf of East Kent Mencap

Date: 17 December 2024

Docusign Envelope ID: 533ED77A-7EE2-483D-967E-08DA59F7B4A8

East Kent mencap
Foresters Hall, Meeting Street, Ramsgate, CT11 9RT
01843 808 964 info@eastkentmencap.co.uk www.eastkentmencap.co.uk

APPENDIX I – ADJUSTING JOURNALS

The following adjustments were discussed and agreed with you, and the impact on the net surplus is shown below:

	£	£
Surplus per draft financial statements presented for audit		**292,708**
Buildings depreciation	(86,788)	
Brought forward correction to depreciation	(126)	
Capitalisation of Colyer Fergusson works	34,811	
Reversal of negative creditors	(2,407)	
Clearing old unreconciled bank items	72	
Potential bad debt provision	(9,786)	
Credit balances on sales ledger (£23,190)	-	
Reversal of accrual opening balance	(660)	
Missed audit accrual	(15,912)	
Missed accruals (utilities / IT)	(10,932)	
Missed pension liability	(8,454)	
Derecognition of property revaluations	-	
Adjustment to depreciation following reversal of property revaluation	16,614	
Total Impact of adjustments		**(83,568)**
Surplus per audited financial statements		**209,140**

EAST KENT MENCAP

England & Wales - Charity number 1188118

Accounts

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

Registered number: 12263702
Charity number: 1188118

East Kent Mencap

(A company limited by guarantee)

Trustees' Report and Financial Statements

For the Year Ended 30 March 2023

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

East Kent Mencap
(A company limited by guarantee)

Contents

	Page
Reference and administrative details of the Charity, its Trustees and advisers	1
Chairman's statement	2
Trustees' report	3 - 12
Independent auditors' report on the financial statements	13 - 15
Statement of financial activities	16
Balance sheet	17
Statement of cash flows	18
Notes to the financial statements	19 - 36

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

EAST KENT MENCAP
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 30 MARCH 2023

Trustees	Amy Rutland, Chair Angela Stuart Audrey Emmett (resigned 11 July 2023) Bridget Crow Keith Smith (resigned 24 June 2022) Michael Roberts (appointed 24 September 2022) Mark Everett (appointed 9 October 2022)
Company registered number	12263702
Charity registered number	1188118
Head office	Foresters Hall Meeting Street Ramsgate Kent. CT11 9RT
Registered Address CQC	Foresters Hall Meeting Street Ramsgate Kent. CT11 9RTp
Key management personnel	Jason Gerlack - Chief Executive Officer Karen Roberts - Strategic Operations Manager/Registered Manager Susan Beaumont – Strategic Operations Manager (resigned 16 November 2022)
Independent auditors	UHY Kent LLP t/a UHY Hacker Young Thames House Roman Square Sittingbourne Kent. ME10 4BJ
Solicitors	Girlings Solicitors Stourside Place Station Road Ashford Kent. TN23 1PP
Bankers	Lloyds Bank Plc The Centre Cecil Square Margate Kent. CT9 1JG
Health & Safety/ Employment consultants	Peninsula Business Services Ltd Riverside New Bailey Street Manchester M3 5PB

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

EAST KENT MENCAP
(A company limited by guarantee)

CHAIR OF TRUSTEES' STATEMENT
FOR THE YEAR ENDED 30 MARCH 2023

The 2022/23 year was a further year of consolidation at East Kent Mencap. Covid-19 continued to present difficulties to the Health and Social Care Sector.

The impact of the cost-of-living crisis and National skills shortage on the Sector is well documented and East Kent Mencap has worked hard to maximise retention and recruitment.

As a board, we said goodbye to one additional Director and inducted the two new directors to the board.

As an organisation we have continued to maintain our position in during challenging times and ensured our membership is empowered and listened to.

We have worked hard to negotiate our way through the many external economic pressures and will continue to steer the organisation in the interests of our membership.

We wish to thank the Senior Management Team of East Kent Mencap, led by Chief Executive Officer, Jason Gerlack for the leadership and commitment shown.

East Kent Mencap is also extremely grateful to our directors and trustees who have all given up their valuable time to guide the charity through this sustained and unprecedented crisis.

Our sincere thanks to all the amazing employees, services, volunteers and fantastic supporters.

DocuSigned by:
AD0A10B44163484...

…….

A Rutland – Chair of Trustees

Date: 20 December 2023

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

TRUSTEES' REPORT
FOR THE YEAR ENDED 30 MARCH 2023

The Trustees present their annual report together with the audited financial statements of the Charity for the year ended 30 March 2023. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

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

Members Committee

The board has 14 members who represent members /tenants from all services and geographical locations supported by East Kent Mencap.

The Members Committee have:

- Welcomed more members to the board.
- Supported staff and Directors to attended events and celebrations.
- Suggested, supported and took part in the implementation of successful new fundraising projects.
- Suggested, supported and implemented, Member led meetings for members and tenants.
- Created easy read policies which are used across East Kent Mencap and other organisations.
- Liaised with and supported service managers in order to find a solution to the problems and barriers people with a learning disability are facing.
- Worked in partnership with local Health Authorities to create easy read documents and to discuss access to local services.
- Continued to represent members and services by providing vital feedback.
- Become more visible within our community.
- Continued to support the development of digital services.
- Some members were successful in graduating the BEMIX Be A Leader course.
- Continued to invite and discuss requests from Managers / Senior Management Team and Chief Executive Officer.

We look forward to working towards another great year ahead and supporting more of our friends and peers to proud, confident and heard. We also look forward to representing East Kent Mencap by working in co-production with other services and our local communities.

We would like to thank all of the staff for the support they give, to the Senior Management Team and Directors of East Kent Mencap.

OBJECTIVES AND ACTIVITIES

Objectives and aims

Everything we do is about valuing and supporting adults and children with a learning disability, as well as their families and carers.

What East Kent Mencap wants (our vision)

Our vision is a world where people with a learning disability are valued equally, listened to and included. We want everyone to have the opportunity to achieve the things they want out of life.

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

How East Kent Mencap will achieve this (our mission)

We will:

- listen to people with a learning disability
- support people to gain new skills
- support people with learning disabilities, their families and supporters, to fight for changes they want and need
- support all people living with a learning disability to take control of their lives
- give excellent information and advice
- work with people and groups that want the same thing we do
- support people to take the lead in life choices/decisions

East Kent Mencap believes in (our values)

- being people centred
- empowering, including and respecting all people
- challenging wrong ways of thinking about learning disability
- transforming lives
- developing new ideas
- support people with learning disabilities to get a job or take a college course
- support people with learning disabilities to find a place of their own to live
- offer advice about things such as respite care, individual budgets or transport services
- support people with learning disabilities to be part of their local community
- offer supported living, day services and leisure groups to those with learning disabilities and their families and supporters.

Significant activities

The main activities provided by the Charitable society for children, young people and adults with a learning disability and their families are as follows:

1. Supported Housing
2. Day resource activities (Hubs)
3. Social meetings through our clubs and dances (A return post-Covid, with a robust plan for 2024 expanded programme)
4. Working with partners to provide services to our members
5. Advocacy and Person-Centred Planning
6. Community Support Services for people with multiple disabilities
7. Domiciliary Support
8. Children's Services
9. Complex needs
10. Older person's services

Volunteers

The number of volunteers not including Trustees was 15.

Whilst our activities and clubs were still greatly reduced, we are grateful to our volunteers who stepped into help as they started to re-open. Volunteers to our Members Committee increased, helping to magnify the voices of everyone who uses our services and ensure their views and opinions are central to the charity.

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

In accordance with Section 17 of the Charities Act 2011, the Trustees have due regard to the guidance published by the Charity Commission on the operation of the requirement that our charitable purpose is for the public benefit, when reviewing the charities aims and objectives and in planning future activities.

The Charitable Company's objects are restricted specifically, in each case only for the public benefit to:

a) provide relief for adults and children with a Learning Disability in particular by the provision of help, support and education training for them and their families, dependants and carers, and to promote Learning Disabilities, choice, opportunity, independence, inclusion and cultural diversity; and

b) 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.

East Kent Mencap has continued to invest in staff through training and development packages. This has ensuredservice quality and compliance with the Health and Social Care Act.

In response to the serious national threats posed by the “Big Resignation” East Kent Mencap has continued to invest in employee salaries, resulting in improved staff retention, creating a more stabilised workforce. However, recruitment of new workers follows national trends, and shortages persist.

Further to our stated commitment in the previous year, we have continued to review our range of services and how we fund delivery. Reacting to short deadlines we tendered for and were successful in the award of an additional contract to support children and families.

We have been enhancing our Governance model by expanding our Members Committee, which has resulted in increased co-production and better shaping of service delivery. This committee includes representatives from each of the services we operate. Our successes have been recognised externally, including our partnerships with the NHS and Local Authority. Additionally, the Members Committee is currently working in partnership with a consortium of six UK universities.

We are proud to celebrate our 75th Anniversary as a successful and vibrant charity that provides vital support to local communities.

In recognition of our work, we won the following Kent Integrated Care Alliance (KICA) Awards:

- Apprentice of the Year
- Supported Living Champion

And were finalists for:

- Putting People First
- Registered Manager of the Year
- Workforce development
- Frontline Manager of the Year

The local authority funded East Kent Mencap’s Valuing People Now (VPN) for a further 6 months in recognition of their critical work on co-producing easy read information.

East Kent Mencap was a regional finalist for the 'Great British Care Awards'.

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

We tendered in the Local Authority procurement process to select providers to sit on the new Day Service contracts. We were successful in our approach ensuring up to four years of stability and growth.

We have secured numerous grants which have enabled the charity to sustain and create new opportunities for children and adults.

We have undertaken support for people with a Learning Disability in the Ashford District as requested by the retiring Charity. This has resulted in East Kent Mencap increasing support in that area. Directors have since set growth targets for the district.

Building on our investments to improve virtual support and cloud-based working, we have been awarded grants to increase digital inclusion.

We reviewed our assets and planned to dispose of one property as outlined in our strategic plan.

We complied with our statutory and regulatory requirements and responsibilities by;

- Maintaining our status with the Care Quality Commission
- Meeting the requirements of local authority contracts
- Working closely with external H&S and Employment consultants
- Meeting the standards of Houses of Multiple Occupation Conducting internal audits via robust monitoring
- Undertaking a review of our functional assets
- Planning our approach to reducing the threats of Business Risk
- Setting our Investment Strategy and Strategic Plan

Fundraising activities

As the financial crisis fully embedded, it became apparent that external funding had become an essential requirement of all charities and groups. As such, fundraising became challenging across the sector as may groups applied for dwindling resources.

Despite the pressures, we were successful in generating significant funds:

- The National Lottery – Two awards of £216,672 and £43,474 over three and two years
- Kent Community Foundation - £16,120
- A legacy of £37,851
- Over 40 other donations and grants

We are thankful of the support we have received during the financial year.

Fundraising Regulation and Compliance

During the year to 30 March 2023 fundraising was conducted by the East Kent Mencap team of employed fundraisers. No complaints were received with regards to fundraising throughout the course of the year, no professionalfundraisers were contracted, and no commercial partnership agreements were entered in to. Income from fundraising supports our non-statutory activities and projects.

The charity takes a blended approach. A part-time Fundraising Manager researches and submits applications to trusts and foundations, runs individual giving campaigns and creates local events. Funding needs are identified in discussion with managers and the Members Committee.

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

The organisation monitors and manages its fundraising regulation and compliance through a combination of training programmes, internal processes, internal audits and quarterly management reporting. This takes into consideration the collection and use of personal data, frequency of contact, how to identify and support vulnerable people and compliance and regulatory requirements.

East Kent Mencap is registered with the Fundraising Regulator. Jane Brooke, East Kent Mencap's Fundraising Manager is a Member of the Chartered Institute of Fundraising.

FINANCIAL REVIEW

Results for the year

Income and expenditure reported for the year ended 30 March 2023:

Total income for the year amounted to £3,017,203, comprising £2,951,874 generated from charitable activities. A comparison to the previous year the income was £3,045,763 of which £2,933,111 was made up of charitable activities which does represent growth.

Two of the Charity's properties were sold in June 2022, generating a profit on disposal of £218,567 which has been disclosed separately within the Statement of Financial Activities.

Total expenditure for the year amounted to £3,257,229, leading to a net movement of funds and a deficit of £21,459. Compared with the Year ended 30 March 2022, after total expenditure of £3,050,276, there was a reported net movement in funds and a deficit of £4,513.

East Kent Mencap remains grateful for the continued support and significant grant funding from the National Lottery Community Fund for the project Getting On with Learning Disability (GOLD).

Significant financial events

The pandemic and subsequent economic shock continued to have a significant impact on East Kent Mencap's finances, we lost the majority of our self-financing income and our plans to expand our Day Services to new locations were hampered. However, we continue to see a growth in demand for our Day Services particularly in the Herne Bay and Thanet Areas.

Trustees undertook a functional assessment of all assets, evaluation of strategy, reviewed the reserves policy and updated the business risk register. A consultation with people using our services across the charity was carried out which will inform future strategy. Following an invitation from Ashford Mencap to take over their work, workshops and events were hosted to assess local needs and agree a Business Action Plan going forward. Continuation funding of a further three years was secured for our flagship project, GOLD.

Work was completed to restore the roof and toilets of our listed building Foresters Hall in Ramsgate, funded by the Colyer Fergusson Charitable Trust. Links with other community organisations resumed as COVID restrictions were reduced.
East Kent Mencap has responded to the cost-of-living crisis, the effect it has had on our employees, recruitment difficulties and rising energy prices by increasing wages.

Having identified recruitment and retention difficulties in 2021, it became apparent that the National Employment Crisis was far worse than expected and this was clear during the 2022-23 operating period. However, some employees who resigned to take up better paid roles externally, returned to EKM due to their alignment to our Mission and Vision.

The UK Government has recently published a much larger National Minimum Wage increase than previously expected. Directors will convene in January 2024 to review organisational structure and set pay points.

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

Reserves policy

The purpose of the East Kent Mencap reserves policy is to secure the future of our services, to fund projects andfuture building costs and property purchases for the benefit of our members. However, as a result of the cost-of-living crisis and other external forces, property purchases have been placed on hold.

The Trustees reviewed the Reserves policy and agreed that East Kent Mencap should hold reserves equal to one to two months of employee payroll.

As of 30 March 2023, the amount of total funds held by East Kent Mencap was £2,821,677, of which the unrestricted reserve total was £2,478,788.

Included in the total funds for the Year ended 30 March 2023, are Tangible fixed assets of £2,996,748 of which Freehold property is stated with a net book value of £2,919,985.

The Trustees consider that the market value of the freehold property to be considerably higher than the amount shown on the Balance Sheet.

The intention to value the properties using professional valuations was undertaken, however, we await reports from our Solicitors.

Within the Tangible fixed assets figure are restricted funds of £184,480.

In considering the charity reserves, the Trustees had carried out an extensive exercise identifying the functional assets of the charity and plans were drawn up for utilising any property reserves if the need should arise, based on their analysis.

Ahead of setting the Reserves Policy, Directors reviewed and or completed the following documents:

- Business Risk Register
- Strategic Plan
- Financial Business an Investment Plan
- Functional Asset Impact Analysis

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Investment policy

Investment within the financial markets are not undertaken by the Charitable Company. All cash surpluses are placed in bank accounts to attain as high an interest rate return as possible.

It is East Kent Mencap’s strategy to utilise cash surpluses to benefit the Members through capital investment programmes, to acquire Housing and Day Provision from which to launch commissioned services and generate new sources of income.

However, due to the Pandemic and pressures on the Charity’s finances, further purchases of property for supported living continue to be placed on hold. The expansion of the Day Services is a priority as well as investigating new income streams in order to reduce the Charity’s reliance on local authority contracts.

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

As planned properties in the Swale area were sold by auction in June 2022. It is hoped in the future that these monies may be used to acquire a suitable property for the benefit of our Members.

The Strategic plan, Financial Business & Investment Plan and Business Risk register were all extensively reviewed during 2022 and signed off by the Directors in September 2022.

More recently we have had to respond again to the cost-of-living crisis, the effect it has had on our employees, recruitment difficulties and rising energy prices which have all proven to be financially challenging.

In recent years East Kent Mencap had made further significant investments to modernise the Charity, we incorporated the Charity, then merged the Charitable Trust, East Kent Mencap (Charity Number 220798) to East Kent Mencap Charitable Company in June 2020.

We have made significant progress to finalise the procedural aspect of a valuation of the lender-secured properties and expect this process to be completed in 2024.

Following the merger, the Charitable Company is now registered with CQC.

Principal risks and uncertainties

In the face of a changing political landscape marked by the imminent likelihood of a government transition, our charity confronts a multifaceted operating environment which includes serious pressures on the public purse. Brexit continues to impact worker shortages and supply chains. At the same time, the war in Ukraine escalates costs and exerts significant influence on the production and pricing within the food and fuel sectors impacting both employees and the Charity. Simultaneously, a recent government decision to diminish the hierarchical status of the Minister for Disability raises concerns about potential shifts in focus on our mission. Against this backdrop, we recognise the pivotal role of donor considerations and the far-reaching consequences of changes in sovereignty. Our commitment remains unwavering in response as we strategically align our plans with dynamic horizon scanning to ensure adaptability, financial resilience, and continued positive societal impact.

Future Plans

We will:

- Seek to complete the final elements of transferring assets from the trust to the company
- Conduct a further review of our, Business Risk Register, Strategic Plans, Investment Strategy and Reserves Policy
- Review the Local Authorities financial position
- Review East Kent Mencap Organisation Structures
- Maintain quality and contract compliance
- Diversify to become less dependent on statutory income
- Replace or dispose of older housing stock (Where possible and in line within resources)
- Continue to explore options to enhance/widen our delivery in all Districts
- Explore closer partnership and consortium opportunities
- Explore larger sustainable funding opportunities
- Continue to develop Services across our charity in line with local and organisational strategy

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

East Kent Mencap is a Charitable Company registered with the Charity Commission and a Company Limited by Guarantee. The Charitable Company was entered on the Register of Charities on 15 February 2020 and uses East Kent Mencap as its working name.

The Company was set up under a Memorandum of Association which established the objects and powers of theCharitable Company and is governed under its Articles of Association. In the event of the Company being woundup members are required to contribute an amount not exceeding £1.

Methods of appointment or election of Trustees / Directors

Those who wish to be considered for a post of Trustee within the Charitable Company need to register an interest. Any person who is willing to act as a Trustee and who is permitted by law to do so, may be appointed by ordinary resolution of the Trustees so that voting can take place at that meeting. A Trustee shall also become a Member on their appointment.

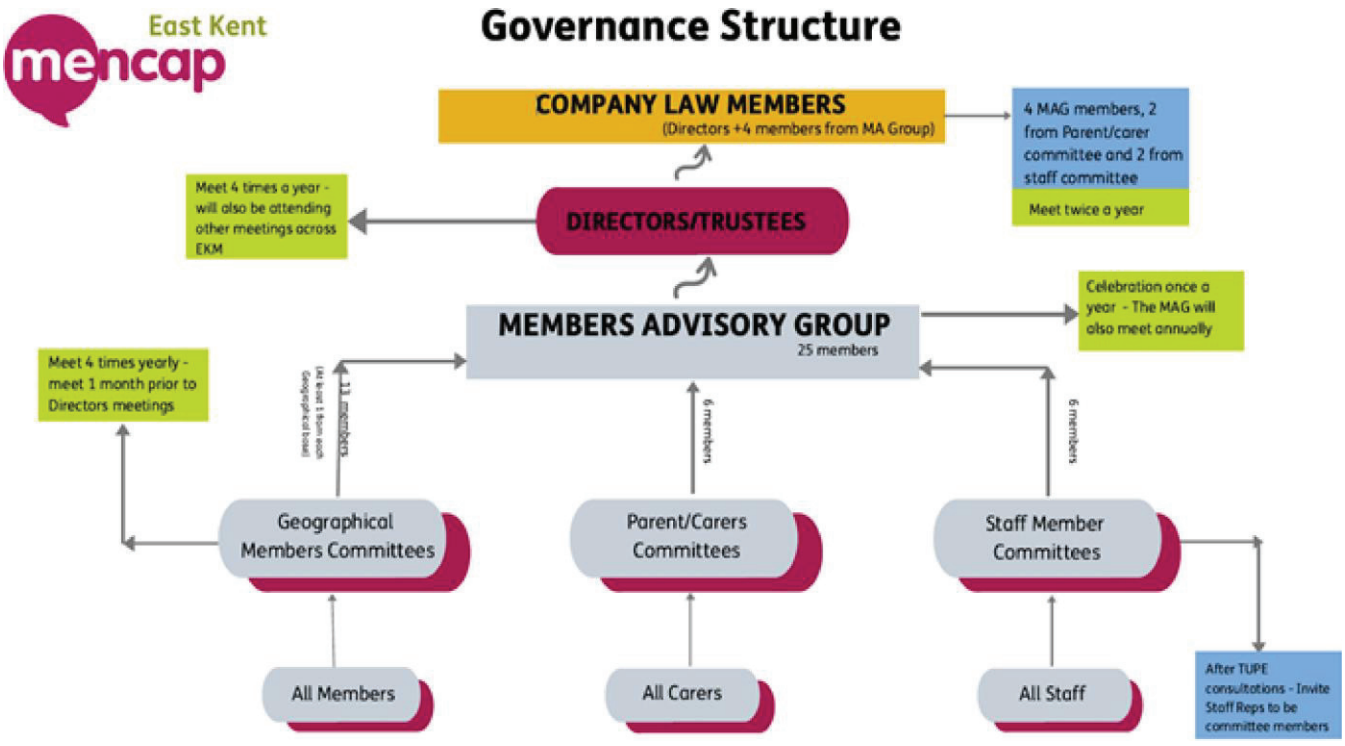
Organisational structure

The Charity is run by a board of Trustees who meets at least four times a year.

The number of Trustees is not subject to a maximum but shall not be less than three.

Subject to Article 8 of the Articles of Association, Membership of the Charity shall be open to all people aged 18 years or over (whether with or without a learning disability) who declare their support for and are found in sympathy with the objects.

East Kent Mencap has published its current Governance Structure:



DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

The day to day running of the Charity is further delegated to the Chief Executive Officer (CEO) Jason Gerlack.

Members hold regular meetings, and report and make requests to the appropriate teams. Regular employee meetings are held to ensure that quality assurance is maintained. The CEO reports to the Trustees which ensures due diligence is followed in all areas.

Regular Health & Safety meetings seek to ensure continuous safety and welfare improvement. Thisprocess is audited externally by designated consultants.

Financial protocols are rigorously adhered to.

Pay Policy for Senior Staff

No new Management positions have been appointed within the reporting period.

The process for determining compensation for key management personnel at East Kent Mencap involves a structured competency framework. This framework evaluates skills, knowledge, and behaviour against specific requirements, with rewards being allocated based on achieved outcomes. To ensure fairness and competitiveness, our pay structure is externally benchmarked at local and national levels. This rigorous approach to compensation aligns with our commitment to transparency, equity, and excellence in talent management.

A review of our current structures will be undertaken in 2024.

Policies adopted for the induction and training of Trustees / Directors

Trustees / Directors are made aware of their responsibilities by dialogue with existing Trustees, a copy of the Charity Commission booklet on trustee responsibilities.
Due to the nature of our work, an Enhanced DBS check is required (updated every three years) and two references obtained.

East Kent Mencap is dedicated to equipping its Trustees with a comprehensive understanding of their roles and responsibilities. Our approach involves utilising the locally sourced DELTA e-learning package, covering essential training areas such as safeguarding, governance, effective communications, and policy training (including Prevent and British values) tailored to individuals supporting those with learning disabilities. Additionally, our Trustees benefit from first-hand insights during induction from current Trustees. This collaborative learning environment ensures a well-rounded understanding of how charities operate, the importance of appropriate participation, and promotes informed and effective leadership within the organisation.

Wider network

East Kent Mencap is affiliated to National Mencap through a Membership Agreement 2007-2009 (England& Wales). Affiliation agreements have been retained under review with Mencap's 20/20 plan.

There is little impact on East Kent Mencap policy as these are generally in line with Regulatory, Statutory or Legal responsibilities.

Risk management

Policy and procedure documentation is in place to cover organisational structure and decision-making processes. These policies are constantly updated and added to as soon as a need is recognised. Risk management is constantly reviewed by all staff involved, and written documentation in place.

East Kent Mencap has appointed Peninsula Business Services Ltd as consultants on Health & Safety matters.

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

TRUSTEES' REPORT
FOR THE YEAR ENDED 30 MARCH 2023

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes 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). The law applicable to charities in England and Wales 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent; state whether applicable UK Accounting Standards (FRS 102) 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 business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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 Charities Act 2011,the Charity (Accounts and Reports) Regulations 2008 and provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to the auditors

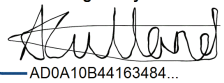
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware ofany relevant audit information and to establish that the charity's auditor is aware of that information.

Auditors

The auditors, UHY Hacker Young, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

DocuSigned by:

AD0A10B44163484...

.....
Amy Rutland
Chair of Trustees

Date: 20 December 2023

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

East Kent Mencap

(A company limited by guarantee)

Independent Auditors' Report to the Members of East Kent Mencap

Opinion

We have audited the financial statements of East Kent Mencap (the 'charity') for the year ended 30 March 2023 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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 30 March 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charitable company'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 Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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:

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the charity through discussions with management, and from our commercial knowledge and experience in the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the charitable company, including the Charities Act 2011 and the Companies Act 2006;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity’s accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management and representatives of Trustees as to actual and potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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



Allan Hickie FCA (Senior statutory auditor)
for and on behalf of
UHY Kent LLP
Chartered Accountants
Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Date: 21 December 2023

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

East Kent Mencap

(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 30 March 2023

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Income from:					
Donations and legacies	4	725	59,132	59,857	*111,560*
Charitable activities	5	368,060	2,583,814	2,951,874	*2,933,111*
Other trading activities	7	59	4,675	4,734	*1,047*
Investments	8	-	738	738	*45*
Total income		368,844	2,648,359	3,017,203	*3,045,763*
Expenditure on:					
Raising funds	9	3,692	635	4,327	*191*
Charitable activities:	10				
Profit on sale of tangible fixed assets		-	(218,567)	(218,567)	-
Other charitable activities		215,920	3,036,982	3,252,902	*3,050,085*
Total expenditure		219,612	2,819,050	3,038,662	*3,050,276*
Net movement in funds		149,232	(170,691)	(21,459)	*(4,513)*
Reconciliation of funds:					
Total funds brought forward		193,657	2,649,479	2,843,136	*2,847,649*
Net movement in funds		149,232	(170,691)	(21,459)	*(4,513)*
Total funds carried forward	19	342,889	2,478,788	2,821,677	*2,843,136*

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

The notes on pages 19 to 36 form part of these financial statements.

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

East Kent Mencap

(A company limited by guarantee)
Registered number: 12263702

Balance Sheet
As at 30 March 2023

	Note		2023 £		*2022 £*
Fixed assets					
Tangible assets	15		2,996,748		*3,017,180*
Current assets					
Debtors	16	464,532		*407,082*	
Cash at bank and in hand		451,894		*632,893*	
		916,426		*1,039,975*	
Creditors: amounts falling due within one year	17	(271,530)		*(291,828)*	
Net current assets			644,896		*748,147*
Total assets less current liabilities			3,641,644		*3,765,327*
Creditors: amounts falling due after more than one year	18		(819,967)		*(922,191)*
Total net assets			2,821,677		*2,843,136*
Charity funds					
Restricted funds:					
Restricted funds	19		342,889		*193,657*
Unrestricted funds	19		2,478,788		*2,649,479*
Total funds			2,821,677		*2,843,136*

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

DocuSigned by:
AD0A10B44163484...

Amy Rutland, Chair

Date: 20 December 2023

The notes on pages 19 to 36 form part of these financial statements.

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

East Kent Mencap
(A company limited by guarantee)

Statement of Cash Flows
For the Year Ended 30 March 2023

	Note	2023 £	*2022 £*
Cash flows from operating activities			
Net cash used in operating activities	22	(333,257)	*(3,700)*
Cash flows from investing activities			
Dividends, interests and rents from investments		738	*45*
Proceeds from the sale of tangible fixed assets		319,565	-
Purchase of tangible fixed assets		(168,045)	-
Net cash provided by investing activities		152,258	45
Change in cash and cash equivalents in the year		(180,999)	(3,655)
Cash and cash equivalents at the beginning of the year		632,893	*636,548*
Cash and cash equivalents at the end of the year	23	451,894	*632,893*

The notes on pages 19 to 36 form part of these financial statements

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

Notes to the Financial Statements
For the Year Ended 30 March 2023

1. General information

East Kent Mencap is a private company limited by guarantee incorporated in England and Wales in the United Kingdom (registered number12263702) . The registered office East Kent Mencap, Foresters Hall, Meeting Street, Ramsgate, Kent, CT11 9RT.

The financial statement are presented in sterling which is the functional currency of the Charity and rounded to the nearest £1.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

East Kent Mencap meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e., whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. They make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements.

Their assessment takes into account a review of prudent forecasts which have been prepared by management for the period through to 31 December 2024 using all currrently known information.

The charitable company is in the process of selling a property, the sale of which is expected to generate an accounting profit and a boost to cash flow before the end of the 2023/24 financial year.

Talking the above into consideration, the Trustees have a reasonable expectation that the Charity will have adequate resources to continue in operational existence for the foreseeable future, and accordingly the Charity continues to adopt the going concern basis in preparing the financial statements.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

Other trading activities comprise income generated from various fund raising and social events.

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

2. Accounting policies (continued)

2.4 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 allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Government grants are credited to the Statement of financial activities as the related expenditure is incurred.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Freehold property	-	2%	on cost
Motor vehicles	-	25%	reducing balance
Fixtures and fittings	-	25%	reducing balance
Other fixed assets	-		

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 Cash at bank and in hand

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

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

2.12 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight-line basis over the lease term.

2.14 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

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

Investment income, gains and losses are allocated to the appropriate fund.

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimating the useful economic life of tangible fixed assets for the purposes of determining a depreciation rate.

Estimating the carrying value of assets for the purposes of ensuring that this does not exceed their recoverable amount.

Estimating the recoverability of debtors for the purposes of determining whether there is a need for a bad debt provision.

Critical areas of judgment:

There are no significant judgements in relation to the above accounting policies that have a material impact on the financial statements.

4. Income from donations and legacies

	Restricted funds 2023 £	**Unrestricted funds 2023 £**	**Total funds 2023 £**	*Total funds 2022 £*
Donations	725	20,497	21,222	*8,055*
Legacies	-	38,635	38,635	*100,000*
Government grants	-	-	-	*3,505*
	725	59,132	59,857	*111,560*
Analysis of 2022 total by fund	*2,221*	*109,339*	*111,560*	

Included with government grants above are amounts received from HMRC amounting to £Nil (2022 - £1,787) for the coronavirus job retention scheme. There are no unfilled conditions or other contingencies attached to the grant at the balance sheet date and no other form of government assistance has been received during the period.

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

5. Income from charitable activities

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Income from charitable activities	368,060	2,583,814	2,951,874	*2,933,111*
Analysis of 2022 total by fund	*210,762*	*2,722,349*	*2,933,111*	
KCC			1,542,818	*1,505,516*
Housing benefit			503,382	*523,207*
Direct payments from members			428,059	*403,714*
Grants (note 6)			373,431	*320,097*
Transport			10,449	*7,018*
Rent from residents			42,979	*48,913*
Rent from leased buildings			8,200	*7,050*
Local Authority Funding (non KCC)			30,811	*108,996*
Other			11,745	*8,600*
			2,951,874	*2,933,111*

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

6. Analysis of grants received

	2023 £	*2022 £*
National Lottery Community Fund - GOLD	266,571	*98,915*
Colyer Fergusson	130,000	-
KCC - short break activity grant	43,285	*29,600*
East Kent Area VPN Grant	40,599	*40,599*
Kent Community Foundation	24,713	*6,300*
KCC COVID-19 Grant	19,736	*14,445*
Jubilee Grant	8,850	-
Education & Skills Grant	7,500	*3,000*
Architectural Heritage Grant	4,056	*14,984*
Breakfast Club	3,819	-
Fit Start	3,164	-
Complex Needs	2,260	-
Sheerness Town Council Community Grant	500	*500*
The National Lottery Coronavirus Community Support Fund	-	*4,618*
KCC - Infection Control Grant	-	*39,643*
KCC Workforce Capacity	-	*23,693*
Sport England Tacking Inequalities Grant	-	*3,399*
Community Confidence Project Grant	-	*1,255*
Young People's Autistic Spectrum Condition Innovation Grant	-	*17,426*
East Kent Treat Me Campaign	-	*1,300*
Access Impact Business Growth Fund	-	*4,050*
Letsgetdigital Grant	-	*10,032*
Dover District Council - Green Initiatives Project	-	*2,838*
Ramsgate Town Council Fund	-	*3,500*
	555,053	*320,097*

7. Income from other trading activities

Income from fundraising events

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Fundraising	59	4,675	4,734	*1,047*
Analysis of 2022 total by fund	*282*	*765*	*1,047*	

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

8. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Deposit account interest	738	738	*45*
Analysis of 2022 total by fund	*45*	*45*	

9. Expenditure on raising funds

Fundraising trading expenses

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Fundraising trading expense	3,692	635	4,327	*191*
Analysis of 2022 total by fund	*-*	*191*	*191*	

10. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total 2023 £	*Total 2022 £*
Cost of charitable activities	215,920	2,818,415	3,034,335	*3,050,085*
Analysis of 2022 total by fund	*157,941*	*2,892,144*	*3,050,085*	

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

11. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	*Total funds 2022 £*
Cost of charitable activities	3,019,035	15,300	3,034,335	*3,050,085*
Analysis of 2022 total	*3,022,609*	*27,476*	*3,050,085*	

Analysis of direct costs

	Total funds 2023 £	*Total funds 2022 £*
Staff costs	2,633,017	*2,454,168*
Depreciation	87,479	*89,277*
Rates and water	16,273	*17,832*
Insurance	32,052	*27,181*
Light and heat	46,079	*40,629*
Telephone, postage and stationary	21,159	*27,868*
Advertising	1,724	*1,297*
Sundries	15,645	*17,522*
Computer costs	74,558	*53,054*
Tenant share of utilities	15,729	*11,524*
Vehicle and transport costs	33,447	*49,317*
Room hire	11,462	*10,202*
Repairs and renewals	60,879	*46,213*
Cleaning and house facilities	30,760	*26,123*
Activities	22,978	*15,572*
Training	8,220	*2,663*
Professional fees	59,658	*65,541*
Legal fees	4,453	*1,808*
Interest and similar charges	53,211	*54,742*
Bad debts	8,819	*10,076*
Profit on sale of tangible fixed assets	(218,567)	-
	3,019,035	*3,022,609*

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

11. Analysis of expenditure by activities (continued)

Analysis of support costs

	Governance costs 2023 £	Total funds 2023 £	*Total funds 2022 £*
Auditor's remuneration	15,300	15,300	*27,476*
Total 2022	*27,476*	*27,476*	

12. Auditors' remuneration

	2023 £	*2022 £*
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	15,300	*18,460*
Fees payable to the Charity's auditor in respect of:		
All non-audit services not included above	-	*9,016*

13. Staff costs

	2023 £	*2022 £*
Wages and salaries	2,377,125	*2,227,554*
Social security costs	208,415	*182,429*
Contribution to defined contribution pension schemes	47,477	*44,185*
	2,633,017	*2,454,168*

The average number of persons employed by the Charity during the year was as follows:

	2023 No.	*2022 No.*
Productive Staff	101	*95*
Administrative Staff	15	*26*
	116	*121*

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

13. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023 No.	*2022 No.*
In the band £80,001 - £90,000	1	*1*

Key management personnel of the Trust comprise of the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £195,146 (2022 - £210,467).

14. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2022 - £NIL)*.

During the year ended 30 March 2023, no Trustee expenses have been incurred *(2022 - £NIL)*.

15. Tangible fixed assets

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Assets under construction £	Total £
Cost or valuation					
At 31 March 2022	3,672,023	14,945	121,218	-	3,808,186
Additions	-	35,990	12,545	119,510	168,045
Disposals	(103,594)	-	(7,431)	-	(111,025)
At 30 March 2023	3,568,429	50,935	126,332	119,510	3,865,206
Depreciation					
At 31 March 2022	702,356	14,842	73,808	-	791,006
Charge for the year	71,715	3,025	12,740	-	87,480
On disposals	(6,117)	-	(3,911)	-	(10,028)
At 30 March 2023	767,954	17,867	82,637	-	868,458
Net book value					
At 30 March 2023	2,800,475	33,068	43,695	119,510	2,996,748
At 30 March 2022	*2,969,667*	*103*	*47,410*	-	*3,017,180*

Included within Assets under construction are costs incurred during the year in respect of the restoration of Foresters Hall. The works were not complete at the year end, and were therefore not in uses. Because of this there has been no depreciation charged.

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

16. Debtors

	2023 £	*2022 £*
Due within one year		
Trade debtors	372,723	*333,722*
Other debtors	2,256	*6,586*
Prepayments and accrued income	89,553	*66,774*
	464,532	*407,082*

17. Creditors: Amounts falling due within one year

	2023 £	*2022 £*
Bank loans	112,047	*137,489*
Trade creditors	32,056	*22,156*
Other taxation and social security	38,989	*39,834*
Other creditors	10,971	*11,193*
Accruals	77,467	*81,156*
	271,530	*291,828*

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

18. Creditors: Amounts falling due after more than one year

	2023 £	*2022 £*
Bank loans	819,967	*922,191*

Included within the above are amounts falling due as follows:

	2023 £	*2022 £*
Between one and two years		
Bank loans	76,106	*114,634*
Between two and five years		
Bank loans	477,848	*492,399*
Over five years		
Bank loans	266,013	*315,158*

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2023 £	*2022 £*
Payable or repayable by instalments	266,013	*315,158*
	266,013	*315,158*

The bank loan is secured by a charge over the Charity's freehold property.

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

19. Statement of funds

Statement of funds - current year

	Balance at 31 March 2022 £	Income £	Expenditure £	Balance at 30 March 2023 £
Unrestricted funds				
General Funds	2,649,479	2,648,359	(2,819,050)	2,478,788
Restricted funds				
Housing Property Fund	39,470	-	(4,048)	35,422
Thanet Community Fund	19,780	3,918	(3,325)	20,373
Sheppey Community Fund	18,281	500	(489)	18,292
Canterbury Fund	17,684	3,819	(8,809)	12,694
Big Lottery Fund - GOLD	84,366	86,833	(109,085)	62,114
KCC - Children & Youth	6,529	43,560	(43,401)	6,688
Valuing People Now	6,615	40,599	(18,068)	29,146
Complex Needs	932	2,260	(1,302)	1,890
Kent Community Foundation	-	24,713	(19,504)	5,209
Jubilee	-	8,850	-	8,850
Covid-19	-	19,736	-	19,736
Colyer Fergusson	-	130,000	(9,306)	120,694
Architectural Heritage	-	4,056	(2,275)	1,781
	193,657	368,844	(219,612)	342,889
Total of funds	2,843,136	3,017,203	(3,038,662)	2,821,677

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

19. Statement of funds (continued)

Unrestricted Fund:
General Fund – represents income and expenditure that has not been deemed as restricted in nature and is not designated for any purpose.

Restricted Funds:
Housing Property Fund – Grants received to assist in the purchase of Backler House and Arkley Road. Amounts released annually to match depreciation charge in proportion to amounts funded by grant.

Thanet Community Fund – Funding specifically for projects within the Thanet community.

Sheppey Community Fund – Funding specifically for projects within the Sheppey community.

Canterbury Fund – Funding specifically for projects within the Canterbury community.

National Lottery Community Fund – GOLD – Funding specifically for Getting On with Learning Disability project.

Kent Valuing People Partnership – Funding specifically to provide local workers and facilitate local presence and community working.

Children & Youth – Funding specifically to provide support for individuals aged between 8 and 26.

Valuing People Now – Funding specifically to improve the lives of people with learning disabilities and their families which is part of the government's three year big plan. It covers all aspects of life, including health, housing, getting a paid job, personalisation transition, advocacy, hate crime and relationships.

Complex Needs – A service specifically seeking to improve the lives of people with profound and multiple learning difficulties. This can include having severe learning difficulties and other significant difficulties such as physical disabilities, sensory impairment or a severe medical condition.

Kent Community Foundation - Funding specifically received to review the charity's current administrative systems and identify ways to streamline invoicing and timesheet systems.

Jubilee - Funding secured specifically to celebrate the Queens Jubilee. The project worked with local artists in four East Kent Mencap locations across East Kent to create a variety of projects with people with a learning disability to celebrate the Queen's Platinum Jubilee.

Colyer Fergusson Charitable Foundation - Funding initially pledged funding for the restoration of Foresters Hall, the work was completed in 2023, with a much needed new roof and toilets for the listed building.

Architectural Heritage - Funding secured for a development grant. The development grant built on the previous work and enabled the project to achieve planning permission for the whole development at Foresters Hall, including the listed building.

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 March 2021 £	*Income* £	*Expenditure* £	*Balance at 30 March 2022* £
Unrestricted funds				
General Funds - all funds	*2,707,851*	*2,833,963*	*(2,892,335)*	*2,649,479*
Restricted funds				
Housing Property Fund	*40,865*	*14,986*	*(16,381)*	*39,470*
Thanet Community Fund	*10,471*	*15,695*	*(6,386)*	*19,780*
Sheppey Community Fund	*8,799*	*11,866*	*(2,384)*	*18,281*
Canterbury Fund	*14,196*	*12,946*	*(9,458)*	*17,684*
Big Lottery Fund - GOLD	*60,802*	*114,408*	*(90,844)*	*84,366*
KCC - Children & Youth	*6,529*	-	-	*6,529*
Valuing People Now	*(2,796)*	*41,899*	*(32,488)*	*6,615*
Complex Needs	*932*	-	-	*932*
	139,798	*211,800*	*(157,941)*	*193,657*
Total of funds	*2,847,649*	*3,045,763*	*(3,050,276)*	*2,843,136*

20. Summary of funds

Summary of funds - current year

	Balance at 31 March 2022 £	**Income** £	**Expenditure** £	**Balance at 30 March 2023** £
General funds	2,649,479	2,648,359	(2,819,050)	2,478,788
Restricted funds	193,657	368,844	(219,612)	342,889
	2,843,136	3,017,203	(3,038,662)	2,821,677

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

20. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 March 2021 £	*Income £*	*Expenditure £*	*Balance at 30 March 2022 £*
General funds	*2,707,851*	*2,833,963*	*(2,892,335)*	*2,649,479*
Restricted funds	*139,798*	*211,800*	*(157,941)*	*193,657*
	2,847,649	*3,045,763*	*(3,050,276)*	*2,843,136*

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2023 £	**Unrestricted funds 2023 £**	**Total funds 2023 £**
Tangible fixed assets	184,480	2,812,268	2,996,748
Current assets	158,409	758,017	916,426
Creditors due within one year	-	(271,530)	(271,530)
Creditors due in more than one year	-	(819,967)	(819,967)
Total	342,889	2,478,788	2,821,677

Analysis of net assets between funds - prior year

	Restricted funds 2022 £	*Unrestricted funds 2022 £*	*Total funds 2022 £*
Tangible fixed assets	*170,205*	*2,846,975*	*3,017,180*
Current assets	*23,452*	*1,016,523*	*1,039,975*
Creditors due within one year	-	*(291,828)*	*(291,828)*
Creditors due in more than one year	-	*(922,191)*	*(922,191)*
Total	*193,657*	*2,649,479*	*2,843,136*

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

22. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	*2022 £*
Net expenditure for the year (as per Statement of Financial Activities)	(21,459)	*(4,513)*
Adjustments for:		
Depreciation charges	87,479	*89,277*
(Profit)/loss on sale of tangible asset	(218,567)	-
Dividends, interests and rents from investments	(738)	*(45)*
Decrease/(increase) in debtors	(57,450)	*80,297*
Decrease in creditors	(122,522)	*(168,716)*
Net cash used in operating activities	(333,257)	*(3,700)*

23. Analysis of cash and cash equivalents

	2023 £	*2022 £*
Cash in hand	451,894	*632,893*
Total cash and cash equivalents	451,894	*632,893*

24. Analysis of changes in net debt

	At 31 March 2022 £	Cash flows £	At 30 March 2023 £
Cash at bank and in hand	632,893	(180,999)	451,894
Debt due within 1 year	(137,489)	25,442	(112,047)
Debt due after 1 year	(922,191)	102,224	(819,967)
	(426,787)	(53,333)	(480,120)

25. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £47,477 (2022 - £44,185).

As at the year end, £8,482 (2022 - £8,269) was payable to the fund at the balance sheet date and are included in creditors.

DocuSign Envelope ID: 269F45A3-6976-4B8D-89C7-0DCE6AE2A8C2

26. Operating lease commitments

At 30 March 2023 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023	*2022*
	£	*£*
Not later than 1 year	12,544	*19,983*
Later than 1 year and not later than 5 years	11,916	*19,881*
	24,460	*39,864*

27. Related party transactions

During the year, relatives of some trustees utilised the housing facilities at East Kent Mencap as customers. These transactions were at commercial rate.

EAST KENT MENCAP

England & Wales - Charity number 1188118

Accounts

Registered number: 12263702
Charity number: 1188118

EAST KENT MENCAP

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 MARCH 2022

EAST KENT MENCAP
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the Company, its Trustees and advisers	1 - 2
Trustees' report	3 - 14
Independent auditor's report on the financial statements	15 - 18
Statement of financial activities	19
Balance sheet	20 - 21
Statement of cash flows	22
Notes to the financial statements	23 - 44

EAST KENT MENCAP

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 30 MARCH 2022

Trustees	Amy Rutland, Chair Angela Stuart, Trustee Audrey Emmett, Trustee Bridget Crow, Trustee Keith Smith, Trustee (resigned 24 June 2022) Amanda Rackley, Trustee (resigned 24 February 2022) Michael Roberts, Trustee (appointed 24 September 2022) Mark Everett, Trustee (appointed 9 October 2022)
Company registered number	12263702
Charity registered number	1188118
Head office	Foresters Hall Meeting Street Ramsgate Kent CT11 9RT
Registered Address CQC	New Gateway House 132 Northdown Road Margate Kent CT9 2RB
Key management personnel	Chief Executive Officer - Jason Gerlack Strategic Operations Manager/Registered Manager - Karen Roberts
Independent auditor	MHA MacIntyre Hudson Maidstone United Kingdom
Solicitors	Girlings Solicitors Stourside Place Station Road Ashford Kent TN23 1PP
Bankers	Lloyds Bank Plc The Centre Cecil Square Margate Kent CT9 1JG

Health & Safety/ Employment consultants	Peninsula Business Services Ltd Riverside New Bailey Street Manchester M3 5PB

TRUSTEES' REPORT
FOR THE YEAR ENDED 30 MARCH 2022

The Trustees who are also Directors of the Charitable Company for the purposes of the Companies Act, are pleased to present their annual Directors' report together with the financial statements of the Charitable Company and which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the 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) issued in October 2019.

Governing document

East Kent Mencap is a Charitable Company registered with the Charity Commission and a Company Limited by Guarantee. The Charitable Company was entered on the Register of Charities on 15 February 2020 and uses East Kent Mencap as its working name.

The Company was set up under a Memorandum of Association which established the objects and powers of the Charitable Company and is governed under its Articles of Association. In the event of the Company being wound up members are required to contribute an amount not exceeding £1.

Chair's report

The 2021/22 year was a year of consolidation at East Kent Mencap. A focus on rebuilding our services following the impact of Covid-19 and returning back to a new normal as an organisation.

Outbreaks and service disruption still happened regularly, but we knew how to handle it and was able to successfully navigate through.

As a board, we said goodbye to two of our longest serving Trustees and Directors, Keith Smith and Amanda Rackley, and welcomed two new Directors to the board, Mark Everett and Michael Roberts.

As an organisation we have continued to excel, from resource centres to our housing and community services. They have each thrived in a new, normal, making sure our membership is empowered and listened to.

A part of this has been the embedding of our members committee. This is a democratic structure to make sure our members have a vehicle for change. They hold regular meetings, speak to the people they represent and give advice and problem solve to improve their experiences at EKM.

We wish to thank the Senior Management Team of East Kent Mencap, led by Chief Executive Officer, Jason Gerlack for the leadership and commitment shown. East Kent Mencap is also extremely grateful to our directors and trustees who have all given up their valuable time to guide the charity through this unprecedented crisis. Our sincere thanks to all the amazing staff, services, volunteers and fantastic supporters.

Members Committee

Now has a board of 13 members with a meeting booked for the final member to join the committee from the Complex Needs Services. Once this member has been welcomed onto the committee, there will be a members / tenants representative from all services, across all geographical locations supported by East Kent Mencap

In 2022, the Members Committee have:

- Welcomed more members to the board.
- Supported staff and Directors to attended events and celebrations
- Suggested, supported and took part in the implementation of successful new fundraising projects i.e. The Spring Forward Challenge
- Suggested, supported and implemented, Member led meetings for members and tenants
- Created easy read policies along with Mental Capacity Act which are now used across East Kent Mencap
- Suggested and supported the implementation of recycling systems across services
- Liaised with and supported service managers and local authorities to address local banks in order to find a solution to the problems and barriers people with a learning disability are facing when trying to access and manage their funds
- Worked in partnership with local Health Authorities to create easy read documents and to discuss access to local services
- Liaising with local schools to support “What’s Next” for students leaving education
- Continued to represent members and services by providing vital feedback to managers and chasing responses where necessary
- Become more visible within our community
- Continued to support Alcove to improve services for people using Kara Carephone
- Some members were successful candidates for the BEMIX Be A Leader course
- Supported Kent County Council with their creating the application questions for the new Day services Tender
- Continued to invite and discuss requests from Managers / Senior Management Team and Chief Executive Officer.

There is so much more we have been able to do and to support our peers with that the list could go on. We feel we could not achieve half of this if it was not for the support, commitment and encouragement we receive from staff at East Kent Mencap.

The past couple of years have been difficult due to the pandemic however, East Kent Mencap have been able to give its members even more of a voice, we have gone from strength to strength even in the hardest of times.

We now chair the members / tenant's meetings and are told people feel more confident about speaking up. Staff are always supportive of our requests and suggestions and work with members to provide a service tailored to the needs of the individuals with a person-centred approach.

We look forward to working towards another great year ahead and supporting more of our friends and peers to proud, confident and heard. We also look forward to representing East Kent Mencap by working in co-production with other services and our local communities.

We would like to thank all of the staff for the support they give, to the Senior Management Team, Jason Gerlack and Directors for always fulfilling your promise to us and, living up to the missions and values you state are at the heart of East Kent Mencap.

OBJECTIVES AND ACTIVITIES

a. Objectives and aims

Everything we do is about valuing and supporting adults and children with a learning disability, as well as their families and carers.

What East Kent Mencap wants (our vision)

Our vision is a world where people with a learning disability are valued equally, listened to and included. We want everyone to have the opportunity to achieve the things they want out of life.

How East Kent Mencap will achieve this (our mission)

We will:
~ listen to people with a learning disability
~ support people to gain new skills
~ support people with learning disabilities, their families and supporters, to fight for changes they want and need
~ support all people living with a learning disability to take control of their lives
~ give excellent information and advice
~ work with people and groups that want the same thing we do
~ support people to take the lead in life choices/decisions

East Kent Mencap believes in (our values)

~ being people centred
~ empowering, including and respecting all people
~ challenging wrong ways of thinking about learning disability
~ transforming lives
~ developing new ideas
~ support people with learning disabilities to get a job or take a college course
~ support people with learning disabilities to find a place of their own to live
~ offer advice about things such as respite care, individual budgets or transport services
~ support people with learning disabilities to be part of their local community
~ offer supported living, day services and leisure groups to those with learning disabilities and their families and supporters.

b. Significant activities

The main activities provided by the Charitable society for children, young people and adults with a learning disability and their families are as follows:

1. Supported Housing
2. Day centre activities
3. Social meetings through our Clubs and dances
4. Working with partners to provide services to our members
5. Advocacy and Person-Centred Planning
6. Community Support Services for people with multiple disabilities
7. Domiciliary Support
8. Children’s Services
9. Complex needs
10. Older person’s services

c. Volunteers

The number of volunteers not including Trustees was 11.

Whilst our activities and clubs were still greatly reduced, we are grateful to our volunteers who stepped into help as they started to re-open. Volunteers to our Members Committee increased, helping to magnify the voices of everyone who uses our services and ensure their views and opinions are central to the charity.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities
The Trustees confirm that they have referred to the guidelines contained in the Charity Commissions General Guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)' when reviewing the charities aims and objectives and in planning future activities.

The Charitable Company's objects are restricted specifically, in each case only for the public benefit to:

(a) provide relief for adults and children with a Learning Disability in particular by the provision of help, support and education training for them and for their families, dependants and carers, and to promote Learning Disabilities, choice, opportunity, independence, inclusion and cultural diversity; and

(b) 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

East Kent Mencap has continued to invest in staff through training and development packages. This has ensured service and quality and compliance with the Health and Social Care Act.

In response to the serious National threats posed by the "Big Resignation" East Kent Mencap invested heavily by increasing employee salaries. This resulted in the improvement of recruitment and retention.

East Kent Mencap has committed to undertake additional reviews to counter the cost-of-living crisis on beneficiaries

Further to our stated commitment in the previous year, we have continued to review our range of services and how we fund delivery. Reacting to short deadlines we tendered for and were successful in the award of an additional contract to support children and families.

We have built on the strengths of our Governance model which has resulted in the expansion of our members Committee. This has increased co-production and the shaping of service delivery with representatives from each service we operate. These successes have been externally recognised with the Members Committee now supporting the development of approaches within the NHS and Local Authority.

We have experienced a retraction of some service delivery, notably within the community, but are working hard to return to pre-pandemic levels.

In recognition of our work, we won the following Kent Care Awards:
Putting People First
Apprentice of the Year
Recruitment, Recognition, and Reward

And were finalists for:
Support Worker of the Year
Care Team of the Year

The Kent Community Health NHS Foundation Trust (KCHNFT) awarded East Kent Mencap's Valuing People Now (VPN) delivery groups with Group of the Year in recognition of their work on co-producing easy read information.

East Kent Mencap was a regional finalist for the 'Great British Care Awards'.

We won the Workforce Development' category at the Kent Integrated Care Alliance (KICA) awards.

We prepared to tender for the Local Authority tender process to select providers to sit on the new Day Service contracts. We were successful in our approach ensuring up to four years of stability and growth.

We have secured numerous grants which have enabled the charity to sustain and create new opportunities for children and adults.

We worked with external consultants to explore the development charitable opportunity, but have concluded that the current economic climate is not yet conducive to creating an additional trading arm.

We were approached by an affiliated charity (before they closed) to provide support in the Ashford District. This has resulted in East Kent Mencap increasing support in that area. Directors have since set growth targets for the district.

Building on our investments to improve virtual support and cloud-based working, we have been awarded grants to reduce loneliness and isolation and also streamline our administration processes.

Our digital/virtual plans and concepts have been introduced to external funders with two notable grants being awarded to increase and enhance our approaches.

We reviewed our assets and sold two properties in Swale as planned within our strategic plan.

We secured planning permission for a major redevelopment of a Thanet based site and secured funding to initiate the first stage of this development.

We complied with our statutory and regulatory requirements and responsibilities by;
Maintaining our status with the Care Quality Commission
Meeting the requirements of local authority contracts
Working closely with external H&S and Employment consultants
Meeting the standards of Houses of Multiple Occupation
Conducting internal audit via robust monitoring
Planning our approach to reducing the threats of Business Risk
Setting our Investment Strategy and Strategic Plan

Fundraising activities

With the charity still experiencing the challenges of Covid-19, our funding priority was for projects that helped us to move forward. A grant from Kent Community Foundation enabled us to work with a marketing consultant to refresh our communications, whilst also keeping people informed about any changes to services and reassuring every one of our commitments to staying safe. Grants from KCC and Canterbury County Council funded work with members to help them adjust to the rules for staying safe in public including testing, social distancing and wearing a mask, giving them confidence to come back to face-to-face services. A legacy of £100,000 from an ex-service user was timely, as the charity experienced the increased costs of smaller groups, PPE and higher staff absences due to Covid-19. Despite a reduced team, following the departure of our Community Fundraiser, the charity continued to receive strong support from the community, who generously donated gifts and funds.

Fundraising Regulation and Compliance

During 2021-2022 fundraising was conducted by the East Kent Mencap team of employed fundraisers. No complaints were received with regards to fundraising throughout the course of the year, no professional fundraisers were contracted, and no commercial partnership agreements were entered in to.

The organisation monitors and manages its fundraising regulation and compliance through a combination of training programmes, internal processes, internal audits and quarterly management reporting. This takes into consideration the collection and use of personal data, frequency of contact, how to identify and support vulnerable people and compliance and regulatory requirements.

East Kent Mencap is registered with the Fundraising Regulator. Jane Brooke, East Kent Mencap's Fundraising Manager is a Member of the Chartered Institute of Fundraising.

FINANCIAL REVIEW

Investment policy

Investment within the financial markets are not undertaken by the Charitable Company. All cash surpluses are placed in bank accounts to attain as high an interest rate return as possible.

It is East Kent Mencap's strategy to utilise cash surpluses to benefit the Membership through capital investment programmes, to acquire Housing and Day Provision from which to launch commissioned services and generate new sources of income.
However, due to the Pandemic and pressures on the Charities finances, further purchases of property for supported living have been put on hold. The expansion of the Day Services is a priority as well as investigating new income streams in order to reduce the Charities reliance on local authority contracts.

As planned properties in the Swale area were sold by auction in June 2022. It is hoped in the future that these monies may be used to acquire a suitable property for the benefit of our Members.

The employees and members of East Kent Mencap have continued to benefit from the investment of cloud-based technology which was implemented during the Pandemic. The use of KARA tablets, a joint project with Kent County Council has continued to benefit our members.

The Strategic plan, Financial Business & Investment Plan and Business Risk register were all extensively reviewed during 2022 and signed off by the Directors in September 2022.

In the strategic plan, East Kent Mencap identified that it seeks to do more to improve the lives of people with a learning disability. However, it was noted that adapting to the financial pressures of the pandemic would place significant pressure on income which would affect our ability to respond to these challenges.

More recently we have had to respond to the cost-of-living crisis, the effect it has had on our employees, recruitment difficulties and rising energy prices have proven to be financially challenging.

In recent years East Kent Mencap had made further significant investments to modernise the Charity, we incorporated the Charity, then merged the Charitable Trust, East Kent Mencap 220798 to East Kent Mencap Charitable Company in June 2020.

Due to the extraordinary impact of the pandemic, it remains necessary to finalise the procedural aspect of a valuation of the lender-secured properties. Regardless, all assets are now under control of the Charitable Company and therefore in substance the transfer is complete and reflected as such in these financial statements.

Following the merger, the Charitable Company is now registered with CQC.

Reserves policy

The purpose of the East Kent Mencap reserves policy is to secure the future of our services, to fund projects and future building costs and property purchases for the benefit of our Members. However as a result of the Pandemic, property purchases have been put on hold for the time being.

The Trustees reviewed the Reserves policy and were in agreement that East Kent Mencap should hold reserves equal to one to two months of employee payroll.

At 30 March 2022, the amount of total funds held by East Kent Mencap was £2,843,136, the unrestricted reserve total was £2,649,479 and calculated as unrestricted net assets of £2,649,479.

Included in the total funds for the Year ended 30 March 2022, are Tangible fixed assets of £3,017,180 of which Freehold property is stated with a net book value of £2,969,667.

The Trustees consider that the market value of the freehold property to be considerably higher than the amount shown on the Balance Sheet.

The intention was to value the properties using professional valuations, however the pandemic put this on hold. It is the intention of the Trustees to carry out the valuations during 2023.

Within the Tangible fixed assets figure are restricted funds of £170,205.

In considering the charity reserves, the Trustees had carried out an extensive exercise identifying the functional assets of the charity and plans were drawn up for utilising any property reserves if the need should arise, based on their analysis.

Ahead of setting the Reserves Policy, Directors reviewed and or completed the following documents:

Business Risk Register
Strategic Plan
Financial Business an Investment Plan
Functional Asset Impact Analysis

Financial review

The comparison results for the Year ended 30 March 2021 are clouded by the merger of the unincorporated Charity, East Kent Mencap 220798 with the incorporated East Kent Mencap Charitable Company in June 2020. This has meant the comparison results, for the Year ended 30 March 2021, presented in the accounts are post-merger for nine months.

Income and expenditure reported for the first complete year as a Charitable Company for the Year ended 30 March 2022:

Total income was £3,045,763 of which £2,933,111 was from Charitable Activities, this is compared with nine month post-merger results, for the Year ended 30 March 2021, income of £5,233,930 of which £2,012,601 was from Charitable Activities. Included in the income figure of £5,233,930, is a donation figure of £3,170,154 which arose as a result of the treatment of the transfer of net assets following the merger of East Kent Mencap unincorporated Charity, with the incorporated East Kent Mencap Charitable Company on 30 June 2020.

For the Year ended 30 March 2022, after total expenditure of £3,050,276, a net movement of funds and a loss of £4,513 is shown. Compared with the Year ended 30 March 2021, after total expenditure of £2,384,744, results in a net movement in funds and a surplus of £2,849,186. However removing the merger donation of £3,170,154, would have resulted in a net movement of funds and a loss of £320,968 for the nine month post-merger period from 30 June 2020.

East Kent Mencap was grateful to receive local authority grants during the financial year to help with the costs relating to Covid-19, such as testing, vaccinating employees and retention of staff. During the initial periods of lockdown we were funded by the local authority, based on our planned contractual services. However, as the restrictions continued, this funding ceased. This has had a significant effect on our finances especially as our frontline employees continue to contract Covid-19.

East Kent Mencap remains grateful for the continued support from the National Lottery Community Fund – for the project Getting On with Learning Disability (GOLD) with their significant grant.

East Kent Mencap received HMRC Government Grants in respect of the Job Retention Scheme and Coronavirus Statutory Sick Pay Rebate Scheme during the Financial Year.

Significant financial events

There is no doubt that the pandemic had a significant impact on East Kent Mencap's finances, we lost the majority of our self-financing income and our plans to expand our Day Services were severely curtailed. However, we continue to see a growth in demand for our Day Services particularly in the Herne Bay Area.

There will definitely be challenges ahead. East Kent Mencap has responded to the cost-of-living crisis, the effect it has had on our employees, recruitment difficulties and rising energy prices.

Having identified recruitment and retention difficulties in 2021, it became apparent that the National Employment Crisis was far worse than expected.

As resignations rapidly increased, we struggled to meet our responsibilities and found it necessary to work with the individuals we supported and the local authority to secure alternative support.

This was a difficult period, but we ensured that we complied with our statutory responsibilities.

In recognition of the threat, Directors utilised reserves to increase employee salaries.

This resulted in a steady status, buying sufficient time to commence analysis and planning for the future.

Following completion of this process, Directors will consider the next steps in 2023.

Principal risks and uncertainties

The charity took significant steps to mitigate the threats of the National Staffing Crisis. Our approach achieved the immediate objectives of increasing recruitment and retention. Since then, additional threats to the UK economy linked to Brexit and the war in Ukraine have emerged. The economic outlook for the UK and our sector in the next operating year is challenging. This has been recognised within the charities Strategic Operation Plan and Investment Strategy which has been carefully considered against a detailed Business Risk Register.

In addition to our usual processes, we will carefully analyse economy, efficiency and effectiveness taking appropriate steps to ensure we maintain a healthy financial position.

Future Plans

We will:

Seek to complete the final elements of transferring assets from the trust to the company

Conduct a further review of our Strategic Plans and Investment Strategy

Re-tender for Lot 2 of the Day Service Contract (January 2023)

Maintain quality and contract compliance

Diversify to become less dependent on statutory income

Replace older housing stock (Where possible and in line with resources)

Continue to explore options to enhance/widen our delivery in all Districts

Explore closer partnership and consortium opportunities

Explore larger sustainable funding opportunities

Continue to develop Services across our charity in line with local and organisational strategy

Work with a local Housing Provider Agency to explore an opportunity to secure a new opportunity in Deal

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Governing document

East Kent Mencap is a Company limited by guarantee governed by its Memorandum and Articles of Association dated 16th September 2019, the Articles of Associations were amended on 12th December 2019 by Special Written Resolution.

East Kent Mencap is a Charity registered with the Charity Commission.

The Charitable Company was entered on the Register of Charities on 15th February 2020.

b. Methods of appointment or election of Trustees / Directors

Those who wish to be considered for a post of Trustee / Director within the Charitable Company need to register an interest. Any person who is willing to act as a Trustee / Director and who is permitted by law to do so, may be appointed to be a Trustee / Director by ordinary resolution of the Trustee / Directors so that voting can take place at that meeting. A Trustee / Director shall become a Member on becoming a Director.

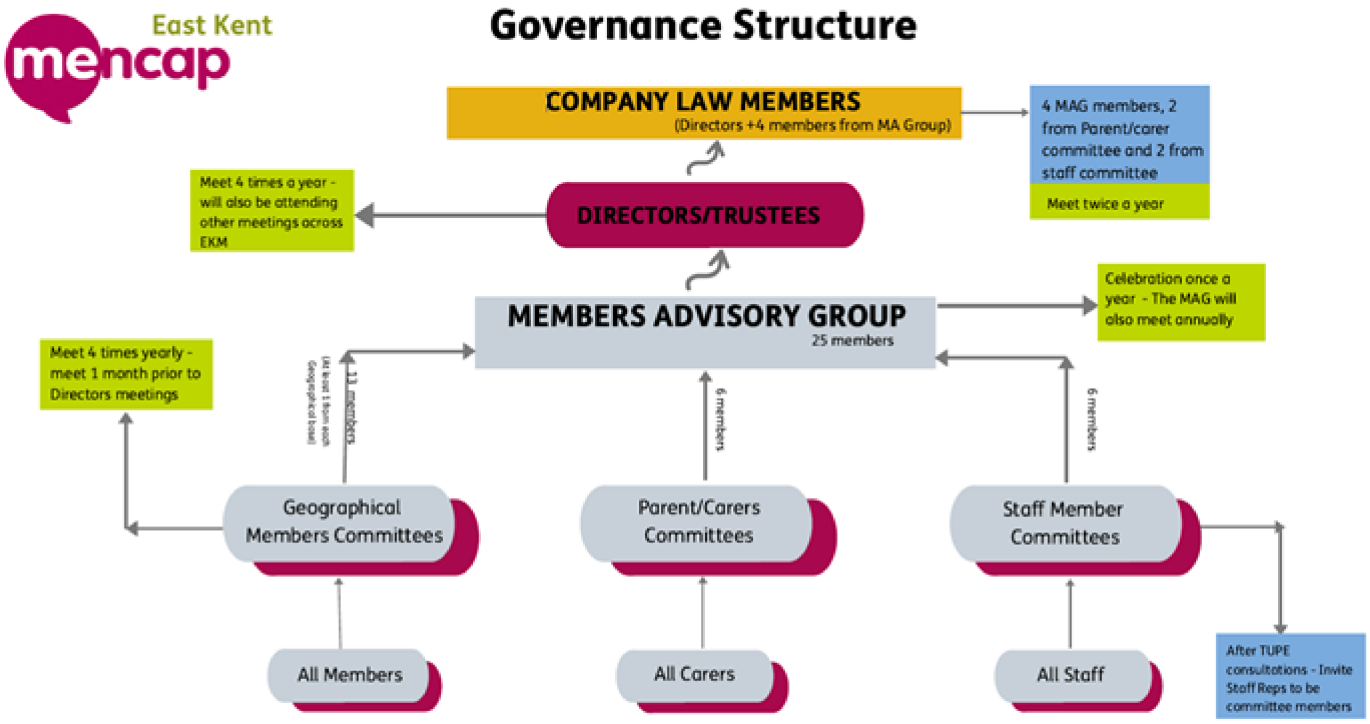
c. Organisational structure

The Charity is run by Trustees / Directors who shall meet at least four times a year.

The number of Trustees / Directors is not subject to a maximum but shall not be less than three.

Subject to Article 8 of the Articles of Association, Membership of the Charity shall be open to all people aged 18 years or over (whether with or without a learning disability) who declare their support for and are found in sympathy with the objects.

East Kent Mencap has published its current Governance Structure:



The day to day running of the Charity is further delegated to the Chief Executive Officer (CEO) Jason Gerlack.

Members hold regular meetings, and report and make requests to the appropriate teams

Regular employee meetings are held to ensure that quality assurance is maintained.

The CEO reports to the Trustee / Directors which ensures due diligence is followed in all areas.

Regular Health & Safety meetings seek to ensure continuous safety and welfare improvement. This process is audited externally by designated consultants.

Financial protocols are rigorously adhered to.

Pay Policy for Senior Staff

New Management positions (none within the reporting period) are benchmarked against the sector in order to establish commensurate salaries.

The charity has continued to deploy a competency framework which enables employees to progress in their career and secures increased salaries.

The competency framework was not reviewed as planned in 2022 due to the need to take urgent actions in early 2022.

Whilst we have recorded strong outcomes in many services, a number have continued to be impacted by the pandemic.

A review of our current management and administration structures will be undertaken in 2023

d. Policies adopted for the induction and training of Trustees / Directors

All Trustees / Directors are made aware of their responsibilities by dialogue with existing Trustees, a copy of the Charity Commission booklet on trustee responsibilities. Because of the nature of our work, a full DBS check is required (updated every three years) and two references obtained. Governance training is available and encouraged.

e. Wider network

East Kent Mencap is affiliated to National Mencap through a Membership Agreement 2007-2009 (England & Wales).

Affiliation agreements have been retained under review with Mencap's 20/20 plan.

There is little impact on East Kent Mencap policy as these are generally in line with Regulatory, Statutory or Legal responsibilities.

f. Risk management

Policy and procedure documentation is in place to cover organisational structure and decision-making processes. These policies are constantly updated and added to as soon as a need is recognised. Risk management is constantly reviewed by all staff involved, and written documentation in place.

East Kent Mencap has appointed Peninsula Business Services Ltd as consultants on Health & Safety matters

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes 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). The law applicable to charities in England and Wales 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent; state whether applicable UK Accounting Standards (FRS 102) 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 business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

The auditor, MHA MacIntyre Hudson, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

.....
Amy Rutland
Chair
Date: 29/03/23

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EAST KENT MENCAP

Opinion

We have audited the financial statements of East Kent Mencap (the 'charitable company') for the year ended 30 March 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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 30 March 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charitable company'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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EAST KENT MENCAP (CONTINUED)

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

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:

- Enquiry of management around actual and potential litigation and claims; and
- enquiry of management to identify any instances of non-compliance with laws and regulations; and
- performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias; and
- reviewing minutes of meetings of those charged with governance; and
- maintaining risk-awareness and appropriate professional scepticism throughout our other audit work.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EAST KENT MENCAP (CONTINUED)

Use of our report

This report is made solely to the charitable company'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 charitable company'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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

MHA MacIntyre Hudson

MHA MacIntyre Hudson
Statutory Auditor
Maidstone
United Kingdom

Date: 30 March 2023

MHA MacIntyre Hudson are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 30 MARCH 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Income from:					
Donations and legacies	4	**110,282**	**1,278**	**111,560**	*3,220,036*
Charitable activities	5	**2,722,871**	**210,240**	**2,933,111**	*2,012,601*
Other trading activities	8	**765**	**282**	**1,047**	*1,273*
Investments	9	**45**	**-**	**45**	*20*
Total income		**2,833,963**	**211,800**	**3,045,763**	*5,233,930*
Expenditure on:					
Raising funds	10	**191**	**-**	**191**	*512*
Charitable activities	11	**2,892,144**	**157,941**	**3,050,085**	*2,384,232*
Total expenditure		**2,892,335**	**157,941**	**3,050,276**	*2,384,744*
Net movement in funds		**(58,372)**	**53,859**	**(4,513)**	*2,849,186*
Reconciliation of funds:					
Total funds brought forward		**2,707,851**	**139,798**	**2,847,649**	*(1,537)*
Net movement in funds		**(58,372)**	**53,859**	**(4,513)**	*2,849,186*
Total funds carried forward		**2,649,479**	**193,657**	**2,843,136**	*2,847,649*

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

The notes on pages 23 to 44 form part of these financial statements.

EAST KENT MENCAP

(A company limited by guarantee)
REGISTERED NUMBER: 12263702

BALANCE SHEET
AS AT 30 MARCH 2022

	Note		2022 £		*2021* *£*
Fixed assets					
Tangible assets	16		**3,017,180**		*3,106,457*
			3,017,180		*3,106,457*
Current assets					
Debtors	17	**407,082**		*487,379*	
Cash at bank and in hand		**632,893**		*636,548*	
		1,039,975		*1,123,927*	
Creditors: amounts falling due within one year	18	**(291,828)**		*(325,447)*	
Net current assets / (liabilities)			**748,147**		*798,480*
Creditors: amounts falling due after more than one year	19		**(922,191)**		*(1,057,288)*
Total net assets			**2,843,136**		*2,847,649*
Charity funds					
Restricted funds	21		**193,657**		*139,798*
Unrestricted funds	21		**2,649,479**		*2,707,851*
Total funds			**2,843,136**		*2,847,649*

BALANCE SHEET (CONTINUED)
AS AT 30 MARCH 2022

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
Amy Rutland
Chair
Date: 29/03/23

The notes on pages 23 to 44 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 MARCH 2022

	2022 £	*2021* *£*
Cash flows from operating activities		
Net cash used in operating activities	**(3,700)**	*739,313*
Cash flows from investing activities		
Purchase of tangible fixed assets	**-**	*(17,649)*
Interest received	**45**	*20*
Net cash provided by/(used in) investing activities	**45**	**(17,629)**
Cash flows from financing activities		
Repayments of borrowing	**-**	*(95,299)*
Net cash provided by/(used in) financing activities	**-**	**(95,299)**
Change in cash and cash equivalents in the year	**(3,655)**	**626,385**
Cash and cash equivalents at the beginning of the year	**636,548**	*10,163*
Cash and cash equivalents at the end of the year	**632,893**	*636,548*

The notes on pages 23 to 44 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 MARCH 2022

1. General information

East Kent Mencap is a company limited by guarantee incorporated in England and Wales in the United Kingdom. The registered office is East Kent Mencap Foresters Hall, Meeting Street, Ramsgate, Kent, CT11 9RT.

The financial statements are presented in sterling which is the functional currency of the Company and rounded to the nearest £1.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

East Kent Mencap meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The trustees have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Company, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

Other trading activities comprise income generated from various fund raising and social events.

2. Accounting policies (continued)

2.4 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 allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Government grants are credited to the Statement of financial activities as the related expenditure is incurred.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Taxation

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Freehold property	-	2%	on cost
Motor vehicles	-	25%	reducing balance
Fixtures and fittings	-	25%	reducing balance

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 Cash at bank and in hand

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

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

2.12 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

2. Accounting policies (continued)

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Other than those disclosed in note 2, there were no estimates or judgements made by management in the preparation of these financial statements.

4. Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Donations	6,777	1,278	**8,055**	*3,178,440*
Legacies	100,000	-	**100,000**	*-*
Government grants	3,505	-	**3,505**	*41,596*
Total 2022	110,282	1,278	**111,560**	*3,220,036*
Total 2021	*2,823,206*	*396,830*	*3,220,036*	

In the prior year accounts, as at 30 June 2020, East Kent Mencap, a charitable trust transferred its business and net assets to the Charitable Company, except for certain domiciliary care contracts which continue to be held on behalf of the Charitable Company until CQC approval for their transfer has been granted, in addition to the valuation of lender-secured properties. The transfer of net assets of £3,170,154 is included within last year's donations above.

Included within government grants above are amounts received from HMRC in relation to £1,787 (2021: £35,409) for the coronavirus job retention scheme. There are no unfulfilled conditions or other contingencies attached to the grant at the balance sheet date and no other form of government assistance has been received during the period.

5. Income from charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Income from charitable activities	2,722,871	210,240	**2,933,111**	*2,012,601*
Total 2021	*1,899,960*	*112,641*	*2,012,601*	

6. Income from charitable activities

	2022 £	*2021 £*
KCC	**1,505,516**	*1,008,466*
Housing benefit	**523,207**	*404,320*
Direct payments from members	**403,714**	*216,423*
Grants (note 7)	**320,097**	*253,908*
Transport	**7,018**	*2,997*
Rent from residents	**48,913**	*29,477*
Rent from leased buildings	**7,050**	*4,500*
Local Authority Funding (non KCC)	**108,996**	*88,722*
Other	**8,600**	*3,788*
	2,933,111	*2,012,601*

7. Analysis of grants received

	2022 £	*2021 £*
Groundwork UK	**-**	*500*
National Lottery Community Fund - GOLD	**98,915**	*97,780*
The National Lottery Coronavirus Community Support Fund	**4,618**	*28,892*
KCC - Infection Control Grant	**39,643**	*45,450*
South Kent Coast & Thanet Strategic Grant	**-**	*12,041*
Ashford and Canterbury Coastal Strategic Grant	**-**	*8,259*
Swale Borough Council Grant	**-**	*500*
Julia & Hans Rausing Trust Grant	**-**	*41,215*
KCC Workforce Capacity Fund	**23,693**	*10,672*
Pfizer - Virtual Isolation Club Grant	**-**	*1,000*
Sport England Tacking Inequalities Grant	**3,399**	*3,399*
Community Confidence Project Grant	**1,255**	*4,200*
Young People's Autistic Spectrum Condition Innovation Grant	**17,426**	-
East Kent Treat Me Well Campaign	**1,300**	-
Kent Community Foundation	**6,300**	-
KCC - Short break activity grant	**29,600**	-
East Kent Area VPN Grant	**40,599**	-
Education & Skills Grant	**3,000**	-
Access Impact Business Growth Fund	**4,050**	-
Letsgetdigital Grant	**10,032**	-
KCC COVID-19 Grant	**14,445**	-
Dover District Council - Green Initiatives Project	**2,838**	-
Architectural Heritage Grant	**14,984**	-
Sheerness Town Council Community Grant	**500**	-
Ramsgate Town Council Fund	**3,500**	-
	320,097	*253,908*

8. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Fundraising events	765	282	**1,047**	*1,207*
Social events	-	-	**-**	*66*
Total 2022	765	282	**1,047**	*1,273*
Total 2021	*1,273*	*-*	*1,273*	

9. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Deposit account interest	45	**45**	*20*
Total 2021	*20*	*20*	

10. Expenditure on raising funds

Fundraising trading expenses

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Fundraising event expenses	191	**191**	*512*
Total 2021	*512*	*512*	

11. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	*Total 2021 £*
Cost of charitable activities	2,892,144	157,941	**3,050,085**	*2,384,232*
Total 2021	*2,262,693*	*121,539*	*2,384,232*	

12. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	*Total funds 2021 £*
Cost of charitable activities	3,022,609	27,476	**3,050,085**	*2,384,232*
Total 2021	*2,367,652*	*16,580*	*2,384,232*	

12. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Cost of charitable activities 2022 £	Total funds 2022 £	*Total funds 2021 £*
Staff costs	2,454,168	**2,454,168**	*1,939,961*
Depreciation	89,277	**89,277**	*68,660*
Rates and water	17,832	**17,832**	*11,671*
Insurance	27,181	**27,181**	*19,334*
Light and heat	40,629	**40,629**	*34,703*
Telephone, postage & stationery	27,868	**27,868**	*22,461*
Advertising	1,297	**1,297**	*1,649*
Sundries	17,522	**17,522**	*11,459*
Computer expenses	53,054	**53,054**	*51,363*
Tenants share of utilities	11,524	**11,524**	*11,429*
Vehicle & transport costs	49,317	**49,317**	*33,809*
Room hire	10,202	**10,202**	*7,702*
Repairs & renewals	46,213	**46,213**	*43,598*
Cleaning & housing facilities	26,122	**26,122**	*17,984*
Activities	15,573	**15,573**	*12,817*
Training	2,663	**2,663**	*118*
Professional fees	65,541	**65,541**	*19,915*
Legal fees	1,808	**1,808**	*12,789*
Interest payable and similar charges	54,742	**54,742**	*43,214*
Bad debts	10,076	**10,076**	*3,016*
Total 2022	3,022,609	**3,022,609**	*2,367,652*
Total 2021	*2,367,652*	*2,367,652*	

12. Analysis of expenditure by activities (continued)

Analysis of support costs

	Governance costs 2022 £	Total funds 2022 £	*Total funds 2021 £*
Auditor's remuneration	*27,476*	**27,476**	*16,580*
Total 2021	*16,580*	*16,580*	

13. Auditor's remuneration

	2022 £	*2021 £*
Fees payable to the Company's auditor for the audit of the Company's annual accounts	**18,460**	*10,500*
Fees payable to the Company's auditor in respect of:		
All non-audit services not included above	**9,016**	*6,080*

14. Staff costs

	2022 £	*2021* *£*
Wages and salaries	**2,227,554**	*1,769,650*
Social security costs	**182,429**	*136,858*
Contribution to defined contribution pension schemes	**44,185**	*33,453*
	2,454,168	*1,939,961*

Termination payments were paid to an employee totalling £Nil (2021 - £5,615).

The average number of persons employed by the Company during the year was as follows:

	2022 No.	*2021* *No.*
Productive staff	**95**	*95*
Administrative staff	**26**	*26*
	121	*121*

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022 No.	*2021* *No.*
In the band £70,001 - £80,000	**-**	*1*
In the band £90,001 - £100,000	**1**	-

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to was £184,744 (2021 - £157,947).

15. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2021 - £NIL)*.

During the year ended 30 March 2022, no Trustee expenses have been incurred *(2021 - £NIL)*.

16. Tangible fixed assets

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 31 March 2021	**3,672,023**	**14,945**	**121,218**	**3,808,186**
At 30 March 2022	**3,672,023**	**14,945**	**121,218**	**3,808,186**
Depreciation				
At 31 March 2021	**628,920**	**14,806**	**58,003**	**701,729**
Charge for the year	**73,436**	**36**	**15,805**	**89,277**
At 30 March 2022	**702,356**	**14,842**	**73,808**	**791,006**
Net book value				
At 30 March 2022	**2,969,667**	**103**	**47,410**	**3,017,180**
At 30 March 2021	*3,043,103*	*139*	*63,215*	*3,106,457*

The Trustees consider that the market value of the freehold properties held at 30 March 2022 is considerably higher than the amount shown on the Balance Sheet. In the absence of a current professional valuation, the increase in the value cannot be quantified.

In the prior year accounts, as at 30 June 2020, East Kent Mencap, a charitable trust transferred its tangible fixed assets to the charitable company net book value of £2,965,468.

17. Debtors

	2022 £	*2021* *£*
Due within one year		
Trade debtors	**333,722**	*345,080*
Other debtors	**6,586**	*53,327*
Prepayments and accrued income	**66,774**	*88,972*
	407,082	*487,379*

The Trustees have been granted access in the year by the bank to the account transferred from Isle Of Sheppey Mencap. Last year, at the balance sheet the bank account was not sufficiently accessible to be classified as a Cash and Cash Equivalent and the balance of £53,327 and had been categorised instead within Other Debtors as a current asset. Accordingly in the current year, the balance of £2,547 has been classified to Cash at Bank & in Hand.

18. Creditors: Amounts falling due within one year

	2022 £	*As restated* *2021* *£*
Bank loans	**137,489**	*133,189*
Trade creditors	**22,156**	*30,864*
Other taxation and social security	**39,834**	*42,610*
Other creditors	**11,193**	*11,577*
Accruals and deferred income	**81,156**	*107,207*
	291,828	*325,447*

19. Creditors: Amounts falling due after more than one year

	2022 £	*2021 £*
Bank loans	**922,191**	*1,057,288*

Included within the above are amounts falling due as follows:

	2022 £	*2021 £*
Between one and two years		
Bank loans	**114,634**	*135,156*
Between two and five years		
Bank loans	**492,399**	*398,042*
Over five years		
Bank loans	**315,158**	*524,090*

The bank loan is secured by a charge over the Charity's freehold property.

20. Prior year adjustments

A prior year adjustment has been made in the year in respect to the 2021 accounts, to recategorise funds from restricted to unrestricted.

As a result the unrestricted funds carried forward from 2021 have increased by £248,134 to £2,707,851, and restricted funds have decreased by £248,134 to £139.798. The overall charity funds have remained the same after the adjustments.

21. Statement of funds

Statement of funds - current year

	Balance at 31 March 2021 £	Income £	Expenditure £	Balance at 30 March 2022 £
Unrestricted funds				
General Fund	**2,707,851**	**2,833,963**	**(2,892,335)**	**2,649,479**
Restricted funds				
Housing Property Fund	**40,865**	**14,986**	**(16,381)**	**39,470**
Thanet Community Fund	**10,471**	**15,695**	**(6,386)**	**19,780**
Sheppey Community Fund	**8,799**	**11,866**	**(2,384)**	**18,281**
Canterbury Fund	**14,196**	**12,946**	**(9,458)**	**17,684**
Big Lottery Fund - GOLD	**60,802**	**114,408**	**(90,844)**	**84,366**
KCC - Children & Youth	**6,529**	**-**	**-**	**6,529**
Valuing People Now	**(2,796)**	**41,899**	**(32,488)**	**6,615**
Complex Needs	**932**	**-**	**-**	**932**
	139,798	**211,800**	**(157,941)**	**193,657**
Total of funds	**2,847,649**	**3,045,763**	**(3,050,276)**	**2,843,136**

21. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 March 2020 £	*Income* £	*Expenditure* £	*As restated Transfers in/out* £	*As restated Balance at 30 March 2021* £
Unrestricted funds					
General Fund	*(1,537)*	*1,905,988*	*(2,202,182)*	*3,005,582*	*2,707,851*
Housing Fund	-	*1,127,759*	*(61,023)*	*(1,066,736)*	-
Isle of Sheppey Merger	-	*1,690,712*	-	*(1,690,712)*	-
	(1,537)	*4,724,459*	*(2,263,205)*	*248,134*	*2,707,851*
Restricted funds					
Housing Property Fund	-	*196,305*	*(3,376)*	*(152,064)*	*40,865*
Thanet Community Fund	-	*12,278*	*(1,278)*	*(529)*	*10,471*
Sheppey Community Fund	-	*9,561*	*(763)*	*1*	*8,799*
Canterbury Fund	-	*17,780*	*(3,638)*	*54*	*14,196*
Big Lottery Fund - GOLD	-	*130,043*	*(62,274)*	*(6,967)*	*60,802*
KCC - Children & Youth	-	*78,816*	*(18,322)*	*(53,965)*	*6,529*
Valuing People Now	-	*63,757*	*(31,888)*	*(34,665)*	*(2,796)*
Complex Needs	-	*931*	-	*1*	*932*
	-	*509,471*	*(121,539)*	*(248,134)*	*139,798*
Total of funds	*(1,537)*	*5,233,930*	*(2,384,744)*	-	*2,847,649*

21. Statement of funds (continued)

Unrestricted Fund:

General Fund - represents income and expenditure that has not been deemed as restricted in nature and is not designated for any purpose.

Restricted Funds:

Housing Property Fund - Grants received to assist in the purchase of Backler House and Arkley Road. Amounts released annually to match depreciation charge in proportion to amounts funded by grant.

Thanet Community Fund - Funding specifically for projects within the Thanet community.

Sheppey Community Fund - Funding specifically for projects within the Sheppey community.

Canterbury Fund - Funding specifically for projects within the Canterbury community.

National Lottery Community Fund - GOLD - Funding specifically for Getting On with Learning Disability project.

Kent Valuing People Partnership - Funding specifically to provide local workers and facilitate local presence and community working.

Children & Youth - Funding specifically to provide support for individuals aged between 8 and 26.

Valuing People Now - Funding specifically to improve the lives of people with learning disabilities and their families which is part of the government's three year big plan. It covers all aspects of life, including health, housing, getting a paid job, personalisation, transition, advocacy, hate crime and relationships.

Complex Needs - A service specifically seeking to improve the lives of people with profound and multiple learning difficulties. This can include having severe learning difficulties and other significant difficulties such as physical disabilities, sensory impairment or a severe medical condition.

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	2,846,975	170,205	**3,017,180**
Current assets	1,016,523	23,452	**1,039,975**
Creditors due within one year	(291,828)	-	**(291,828)**
Creditors due in more than one year	(922,191)	-	**(922,191)**
Total	2,649,479	193,657	**2,843,136**

22. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	*As restated Restricted funds 2021 £*	*Total funds 2021 £*
Tangible fixed assets	*2,931,751*	*174,706*	*3,106,457*
Current assets	*1,158,835*	*(34,908)*	*1,123,927*
Creditors due within one year	*(325,447)*	*-*	*(325,447)*
Creditors due in more than one year	*(1,057,288)*	*-*	*(1,057,288)*
Total	*2,707,851*	*139,798*	*2,847,649*

23. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	*2021 £*
Net income/expenditure for the year (as per Statement of Financial Activities)	**(4,513)**	*2,849,186*
Adjustments for:		
Depreciation charges	**89,277**	*68,660*
Decrease/(increase) in debtors	**80,297**	*(487,379)*
Increase/(decrease) in creditors	**(168,716)**	*1,274,334*
Interest received	**(45)**	*(20)*
Transfer of intangible fixed assets	**-**	*(2,965,468)*
Net cash provided by/(used in) operating activities	**(3,700)**	*739,313*

24. Analysis of cash and cash equivalents

	2022 £	*2021 £*
Cash in hand	**632,893**	*636,548*
Total cash and cash equivalents	**632,893**	*636,548*

25. Analysis of changes in net debt

	At 31 March 2021	Cash flows	At 30 March 2022
	£	£	£
Cash at bank and in hand	**636,548**	**(3,655)**	**632,893**
Debt due within 1 year	**(133,189)**	**(4,300)**	**(137,489)**
Debt due after 1 year	**(1,057,288)**	**135,097**	**(922,191)**
	(553,929)	**127,142**	**(426,787)**

26. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £44,185 (2021: £33,453).

As at the year end, £8,269 (2021: £8,264) was payable to the fund at the balance sheet date and are included in creditors.

27. Operating lease commitments

At 30 March 2022 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022	*2021*
	£	*£*
Not later than 1 year	**270**	*270*
Later than 1 year and not later than 5 years	**1,080**	*1,080*
Later than 5 years	**2,970**	*3,240*
	4,320	*4,590*

28. Related party transactions

In the prior year accounts, as at 30 June 2020, the net assets and business of the Charitable Trust, East Kent Mencap, were transferred to the Charitable Company. It remains necessary to finalise the procedural aspect of a valuation of the lender-secured properties, additionally certain domiciliary care contracts are being managed by the Charitable Trust on behalf of the Charitable Company pending CQC approval of their novation. However, all assets were from the 30 June 2020 under control of the Charitable Company and therefore in substance the transfer was complete at that date and reflected as such in these financial statements. The transfer of net assets of £3,170,154 was included in Donations. As at the year end, there were no amounts owed to or from the Charitable Trust.

During the year, relatives of some trustees utilised the housing facilities at East Kent Mencap as customers. These transactions were at commercial rate.

29. Post balance sheet events

In March 2022, the Trustees approved the sale of properties in Delamark Road, comprising the Mount and the Olives. These properties were subsequently sold on the 23 June 2022 for £336,000.

EAST KENT MENCAP

England & Wales - Charity number 1188118

Accounts

Registered number: 12263702
Charity number: 1188118

EAST KENT MENCAP

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 MARCH 2021

EAST KENT MENCAP
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the Company, its Trustees and advisers	1 - 2
Trustees' report	3 - 13
Independent auditor's report on the financial statements	14 - 17
Statement of financial activities	18
Balance sheet	19 - 20
Statement of cash flows	21
Notes to the financial statements	22 - 41

EAST KENT MENCAP

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 30 MARCH 2021

Trustees	Amy Rutland, Chair Angela Stuart, Trustee Audrey Emmett, Trustee Bridget Crow, Trustee (appointed 28 April 2020) Keith Smith, Trustee (appointed 28 April 2020) Lynda Holding, Trustee (appointed 28 April 2020, resigned 20 August 2020) Amanda Rackley, Trustee (appointed 28 April 2020)
Company registered number	12263702
Charity registered number	1188118
Registered office	Foresters Hall Meeting Street Ramsgate Kent CT11 9RT
Key management personnel	Chief Executive Officer - Jason Gerlack Strategic Operations Manager Adult/ Children Day Services and Projects - Karen Loughrill Strategic Operations Manager Housing & Community - Sue Beaumont
Independent auditor	MHA MacIntyre Hudson Maidstone United Kingdom
Solicitors	Robinson Allfree 17-25 Cavendish Street Ramsgate Kent CT11 9AL Girlings Solicitors Stourside Place Station Road Ashford Kent TN23 1PP
Bankers	Lloyds Bank Plc The Centre Cecil Square Margate Kent CT9 1JG

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 30 MARCH 2021

Health & Safety/ Employment consultants	Peninsula Business Services Ltd Riverside New Bailey Street Manchester M3 5PB

TRUSTEES' REPORT
FOR THE YEAR ENDED 30 MARCH 2021

The Trustees who are also Directors of the Charitable Company for the purposes of the Companies Act, are pleased to present their annual Directors' report together with the financial statements of the Charitable Company and which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the 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) issued in October 2019.

Governing document

East Kent Mencap is a Charitable Company registered with the Charity Commission and a Company Limited by Guarantee. The Charitable Company was entered on the Register of Charities on 15 February 2020 and uses East Kent Mencap as its working name.

The Company was set up under a Memorandum of Association which established the objects and powers of the Charitable Company and is governed under its Articles of Association. In the event of the Company being wound up members are required to contribute an amount not exceeding £1.

Chair's report

This is the first financial year that the new Charitable Company is trading following the transfer of net assets and business from the Charitable Trust, Charity number 220798 in June 2020 which was delayed several months due to Covid-19, sadly, due to the extraordinary impact of the pandemic, we are yet to finalise aspects of the process however it is complete in substance..

It should be said that, the year to 30 March 2021 was a year like no other but, for our members with a learning disability, their families, the staff and volunteers who support them it has been a particularly challenging time.

The Trustees / Directors offers their heartfelt sympathy to all who have suffered in this pandemic and, its admiration and sincere thanks to all who have worked tirelessly and selflessly for the benefit of others particularly our members.

Across all our front-line operations, led by our Senior Management Team and our committed staff teams, we were determined to continue to deliver the vital support services, which our members needed during the pandemic; we have been continually adapting and responding to the impact of the Covid-19 pandemic.

From the very beginning of the pandemic and with the lockdown, our Senior Management Team, Communications Team and Support Managers worked on a comprehensive communication strategy to ensure that our Day Services and GOLD (National Lottery Community funded grant) members had access to essentials such food, and medicine we also provided emotional support by phone and email / post. Our Housing and Community teams continued with their essential vital support at home. We delivered shopping, provided a hot meals service and risk assessed welfare checks. Our Human Resources team provided staff with well-being support and weekly staff Newsletters provided the essential communication. Our staff teams were highly innovative and we supported members through live social media chats. Our support did not just include our members but also the wider Community, we found that in April 2020 in one week we were reaching over 5,000 people through Facebook alone. In collaboration with a trained fitness professional, we offered virtual fitness sessions. We also adapted our Day Service support sessions for virtual sessions in drama, art and cooking, as well as music activities and fun engaging activities for our members. Our staff were constantly innovative; activity packs were posted to our members. Staff worked on keeping in touch with those of our members who could not access the internet.

We rapidly invested and upgraded our Information Technology systems using a combination of welcome grants and cash reserves. We provided a significant number of members with a tablet to access the innovative Kara service; this was in conjunction with KCC to provide essential support dialogue through group chats and one to one support. We also implemented previously agreed plans to move to cloud based technology. The cloud based technology ensured that our staff not delivering front line services were able to work safely from home.

East Kent Mencap celebrated the contribution their staff were making in October 2020, our wonderful members and families had chance to express their thanks. We were grateful and deeply touched when some of our members fundraised for us, especially one of our members Natalie, after contracting Covid-19, Natalie had to spend some weeks in Intensive Care, she had to learn to walk again and build up her strength. As a focus, she decided to set herself the challenge to walk 39 steps unsupported. Natalie exceeded her goal and raised funds over £3,000 for East Kent Mencap. We are extremely grateful and her story was an inspiration of why this Charity exists. We were also very grateful to our staff who visited and supported Natalie during her stay in hospital.

By Christmas 2020, our Communications team calculated that our staff had directly supported 200 individuals and reached 50,000 via social media platforms. The members produced many videos however; one of the most memorable was the YouTube 'Christmas sing-a-long 2020' where members, directors and staff participated virtually.

Unfortunately, during the Lockdown period, we were required to suspend a number of the services we had previously provided and as previously stated, staff were very innovative and worked hard to provide as much as was possible.

During the initial period of lockdown, based on our planned contractual services the local authority funded us however, as the restrictions continued, this funding ceased. Our operations have been impacted by Covid-19, and this financial affect will be felt for some time. East Kent Mencap have prepared to adapt, respond and rebuild for the future. We have seen some growth in demand for our Day Services however, we are mindful that we are constantly evaluating all our services to ensure we have the flow of funds to secure our safe future for generations to come so that we can provide our vital support to the Community.

We had been concerned that there may be a potential for retrospective payments for sleep-in shifts, however, even though the Supreme Court heard this case in February 2020, its decision was handed down much later, in March 2021. The verdict in the sleep-ins case meant that the Royal Mencap Society (who we are affiliated to) found in their favour and back pay in respect of sleep-in shifts were not required.

We are always hoping that the Government will commit to finding solutions to the issues faced in the support / care sector especially, as we are finding it difficult to recruit staff with the salaries that we can afford to pay, this is now our greatest challenge. However, it is within this difficult environment of unease, compounded by the pandemic that we remain determined to continue to grow and develop our Charity, to offer our vital services to many more individuals in the local and wider Community who need them.

We wish to thank The Senior Management Team of East Kent Mencap, led by Chief Executive Officer Jason Gerlack for the leadership and commitment shown. East Kent Mencap are also extremely grateful to our Directors / Trustees who have all given up their valuable time to guide the Charity through this unprecedented crisis. Our sincere thanks to all the amazing staff, volunteers and fantastic supporters.

OBJECTIVES AND ACTIVITIES

a. Objectives and aims

Everything we do is about valuing and supporting adults and children with a learning disability, as well as their families and carers.

What East Kent Mencap wants (our vision)

Our vision is a world where people with a learning disability are valued equally, listened to and included. We want everyone to have the opportunity to achieve the things they want out of life.

How East Kent Mencap will achieve this (our mission)

We will:
~ listen to people with a learning disability
~ support people to gain new skills
~ support people with learning disabilities, their families and supporters, to fight for changes they want and need
~ support all people living with a learning disability to take control of their lives
~ give excellent information and advice
~ work with people and groups that want the same thing we do
~ support people to take the lead in life choices/decisions

East Kent Mencap believes in (our values)

~ being people centred
~ empowering, including and respecting all people
~ challenging wrong ways of thinking about learning disability
~ transforming lives
~ developing new ideas
~ support people with learning disabilities to get a job or take a college course
~ support people with learning disabilities to find a place of their own to live
~ offer advice about things such as respite care, individual budgets or transport services
~ support people with learning disabilities to be part of their local community
~ offer supported living, day services and leisure groups to those with learning disabilities and their families and supporters.

b. Significant activities

The main activities provided by the Charitable society for children, young people and adults with a learning disability and their families are as follows:

1. Supported Housing
2. Day centre activities
3. Social meetings through our Clubs and dances
4. Working with partners to provide services to our members
5. Advocacy and Person-Centred Planning
6. Community Support Services for people with multiple disabilities
7. Domiciliary Support
8. Children's Services
9. Complex needs
10. Older person's services

These activities will be provided by the Charitable Company following the transfer of net assets and business from with the Charitable Trust.

c. Volunteers

Volunteers are an important part of our team, making a huge difference to the Charity, enabling us to generate funds and offer an enhanced service. Inevitably, the pandemic impacted on their roles, with clubs and activities becoming virtual or having to be postponed. Some volunteers took on virtual challenges or donated online, recognising the huge pressure on the charity to manage its operations in a crisis. We were grateful to those volunteers who were able to offer virtual support, as well as the many people who delivered food and medicines, and made masks and visors. Staff and volunteers also worked closely with Members to help them to become more confidence online. As a result our Members Committee, who are all volunteers, have the skills and technology to hold online meetings, and make a valuable contribution to the charity's strategic planning.

The number of volunteers not including Trustees was 11.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

The Trustees confirm that they have referred to the guidelines contained in the Charity Commissions General Guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)' when reviewing the charities aims and objectives and in planning future activities.

The Charitable Company's objects are restricted specifically, in each case only for the public benefit to:

(a) provide relief for adults and children with a Learning Disability in particular by the provision of help, support and education training for them and for their families, dependants and carers, and to promote Learning Disabilities, choice, opportunity, independence, inclusion and cultural diversity; and

(b) 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.

East Kent Mencap has continued to invest in staff through training and development packages. This has ensured service and quality and compliance with the Health and Social Care Act.

We reconfirm our responsibility to ensure that the rights and needs of people with learning disabilities and their families are championed through targeted campaigns. As a Charity we will continue to explore how we fund a new range of services aimed at supporting the people who use our services and those who are turning to us for help.

Despite the pressures caused by the pandemic, we have strengthened our governance structure by fully implementing Members Committees defined within our Governance Structure Organisation Chart. These committees meet monthly and represent all EKM geographical districts and the majority of services. Members play and important and proactive role in evaluating and developing services.

Acquired, in July 2019, the new Day Resource centre in Herne Bay, we experienced strong referrals to evidence that the new project would prove to be successful. Despite the impact of the lockdowns, the resource centre acknowledged increasing referrals which could not be accepted due to rising pressures of Pandemic. As restrictions further eased, so service has strengthened and has proven to be a desirable option for those seeking new options.

We have continued to deliver commissioned contracts, but have experienced the same National recruitment and retention problems. The charity will consider new options during 2022, but have secured a new contract to deliver Children's community support services.

The designated Day Resource for younger and adult people with complex needs has continued to thrive and will require the addition of additional space to support growing referrals.

- We secured additional grants to provide extended support to children and young people and will pursue additional grants in 2022.

- Continued to promote Valuing People Now in East Kent via the KCC grants.

- Conducted a further review our supported housing model and agreed a replacement strategy which we hope to see implemented by the acquisition of new services in Swale and Thanet in 2022.

- We have prepared for new a new Day Service tender to secure new contracts in March 2022.

In response to the pandemic, the charity escalated a previously agreed strategy to completely modernise our IT systems and move to new methods of operation. These we highly successful and enabled charity to deliver a range of virtual approaches and sessions.

The charity has proactively responded to the pressures of the pandemic and was able to secure early access to the NHS vaccination programme for employees.

Recognising the difficulties many of our Members were experiencing, we worked with the NHS to utilise our Ramsgate Day Resource as a vaccination site to great success.

Fundraising activities

With the transition to the new Charitable Company, the Fundraising Team worked with finance to ensure all funders were informed of our new status and charitable numbers to amend their records. In response to the ongoing pandemic, the fundraising and communications team reviewed its plans for the year and made substantial changes. Planned events were cancelled or changed to virtual activities. All scheduled funding applications had to be reviewed as some Charitable Trusts stopped accepting funding bids in response to the pandemic, and others amended their criteria to reflect the need for crisis funding. Some funding that already been secured was able to be repurposed, in discussion with the funders to meet the immediate needs of the charity, including a grant from the People's Postcode Lottery. We were fortunate to secure several crisis grants, to alleviate the financial pressure, including the Julia and Hans Rausing Trust, the National Community Lottery Fund and Kent Community Foundation. On a local level, we were grateful for the many offers of help from our community, to support the charity through the pandemic, including grants, gifts and messages of support. The fundraising team worked closely with the Communications Officer to ensure our messaging kept funders and supporters informed about changes in services as well as reassured Members that EKM was still operating and doing everything it could to support them.

Fundraising Regulation and Compliance

During 2020-2021 any fundraising was conducted by the EKM team of employed fundraisers. No complaints were received with regards to fundraising throughout the course of the year, no professional fundraisers were contracted, and no commercial partnership agreements were entered in to.

The organisation monitors and manages its fundraising regulation and compliance through a combination of training programmes, internal processes, internal audits and quarterly management reporting. This takes into consideration the collection and use of personal data, frequency of contact, how to identify and support vulnerable people and compliance and regulatory requirements.

Jane Brooke, East Kent Mencap's Fundraising Manager is a Member of Chartered Institute of Fundraising.

FINANCIAL REVIEW

Investment policy

Investment within the financial markets are not currently undertaken by the Charitable Company. All cash surpluses are placed in bank accounts to attain as high an interest rate return as possible.

It is East Kent Mencap's strategy to utilise its cash surpluses to benefit the Membership through capital investment programmes, to acquire Housing and Day Provision from which to launch commissioned services and generate new sources of income. However due to the Pandemic this has been put on hold. In the future we anticipate the sale of two properties in Swale and will the use of financial assets to acquire a newer site for the benefit of our Members.

From the onset of the pandemic East Kent Mencap invested heavily and implemented previously agreed plans to move to cloud based technology. East Kent Mencap invested significantly to enhance digital communications, some of this was achieved due to the generosity of funding through grants. This benefited both our Members and staff and ensured that vital support was delivered to our Members utilising KARA tablets during Pandemic lockdowns. The cloud based technology ensured that our staff not delivering vital front line services were able to work safely from home.

The Investment Strategy Policy was updated during the Financial Year and formally reviewed by the Trustees in February 2020. This was updated but not yet signed off in Summer 2021 although elements were discussed at Directors / Trustees meetings.

The new investment plan takes into account the effects of the Pandemic which had a direct and negative impact on East Kent Mencap's resources. Income had fallen due to individuals either declining support or our support staff being unable to provide support due to the threat of Covid-19 infection. This has resulted in our reserves being depleted but our main priority has always been to operate safely, cash flow has been strictly monitored.

As a result of owning the majority of our property this has helped us in the time of the Pandemic as we have been able to manage our services safely without consulting a third party. We believe the value of the property and land far exceeds the depreciated balance sheet value.

East Kent Mencap has made further significant investments to modernise the Charity, we took the appropriate steps to incorporate the Charity following Members consultation and appraisal and during the Special General Meeting of 16 January 2020. At this meeting it was agreed with the Members to the transfer of all assets and liabilities from the Charitable Trust, East Kent Mencap 220798 to East Kent Mencap Company number 12263702 Registered Charity Number 1188118 and subject to the transfer of all assets and liabilities to acknowledge the Charity shall cease to exist and authorise the Trustees to take all such actions as may be necessary to effect such, including to register the arrangement on the register of Mergers of the Charity Commission. The transfer took place on 30 June 2020. Due to the extraordinary impact of the pandemic, it remains necessary to finalise the procedural aspect of a valuation of the lender-secured properties. Additionally certain domiciliary care contracts are being managed by the Charitable Trust on behalf of the Charitable Company pending CQC approval of their novation. Regardless, all assets are now under control of the Charitable Company and therefore in substance the transfer is complete and reflected as such in these financial statements.

Reserves policy

The purpose of the reserves of East Kent Mencap is to secure the future of our services, to fund any projects, to fund future building costs and property purchases for the benefit of our Members. Although property purchases had been put on hold during the pandemic from April 2020.

Trustees have approved that unrestricted funds which have not been designated for a specific purpose should not be less than £400,000. The aim is that this would cover on-going costs should there be problems with contracts or grants. This will be reviewed annually or as when required in accordance with Charity Commission guidance.

At 30 March 2021, the amount of total funds held by East Kent Mencap was £2,847,649, the unrestricted reserve total was £2,459,717, calculated as unrestricted net assets. There are no designated reserves.

Financial review

As a result of the transfer from the charitable trust, net assets transferred to the Charitable Company of £3,170,154 are included in donations.

The income and expenditure reported is for the 9 month period 1 July 2020 to 30 March 2021. For this 9 month period the income from Charitable Activities was £2,012,601, with donations and fundraising activities (including the transfer) total income was £5,233,930. After expenditure this resulted in a net movement of funds of £2,849,186. The transfer has clouded the results, a deficit would have occurred without the transfer.

East Kent Mencap was grateful to receive local authority grants received during the financial year to help with the costs relating to Covid-19, such as testing and vaccinating employees. During the initial period of lockdown we were funded by the local authority, based on our planned contractual services. However, as the restrictions continued, this funding then ceased.

East Kent Mencap received HMRC Government Grants in respect of the Job Retention Scheme and monies to cover COVID-19 sickness.

There is no doubt that the pandemic had a significant impact on East Kent Mencap's finances, we lost the majority of our self-financing income and also our plans to expand our Day Services especially in Herne Bay were severely curtailed. We have seen growth in demand for our Day Services particularly in the Herne Bay Area. We are constantly evaluating all our services, innovating ways and initiatives to save money to ultimately ensure that we make sure we have the flow of funds to secure our safe future for the short and long term.

Significant financial events

The Pandemic has had an enormous impact on the charity's resources, activities and services. This has forced a full review of our strategic and business planning. We postponed the sign off of the Investment Strategy following the Local Authorities delay in posting the new tender for Day Services which is now project for April 2022. It was essential to do so in order to fully project the scope of our business development and identify how best to utilise our reserves and assets.

Whilst the charity has been able to respond and react to financial pressures, some elements of our business, community services, have struggled resulting in deficits. These issues have been closely monitored and supported by various internal investment initiatives. Planning decisions will be concluded in March 2022 which will result in setting new or focussed strategies or directions by June 2022.

EKM participated in a tender to deliver Children's services in April 2021 which has recently (November 2021) as successful. Directors are yet to review the draft contract, but it will be noted that finances offered within the terms are an improvement.

Principal risks and uncertainties

A worrying National pattern emerged in late summer of 2021. The National staffing crisis firmly took hold and, like all service providers, EKM experienced a significant rise in the loss of skilled employees. We continue to work with our colleagues and other providers in order to incentivise our sector. Whilst we have had successes

within Day Service, Housing and Community services have proved problematic. We anticipate the need to streamline these areas of our business, but also see opportunities by reacting to opportunities created by the growth of virtual support and also our strong track record in Day Provision. This will be reported within our revised Investment and Strategic Plan following the outcome of Tenders.

Being an adaptable organisation, we are adept at reacting to market forces and have sufficient recourses to diversify.

Future Plans

Finalise the procedural aspect of the transfer from the Charitable Trust of the valuation of the lender-secured properties and novation of certain domiciliary care contracts on receipt of CQC approval.

Re-tender for Day Service contracts (March 2022)

Finalise the EKM Investment Strategy and review the Strategic Plan.

Maintain quality and contract compliance

Diversify to become less dependent on statutory income

Replace older housing stock

Continue to explore options to enhance/widen our delivery in all Districts

Explore closer partnership and consortium opportunities

Explore larger sustainable funding opportunities

Continue to develop Services across our charity in line with local and organisational strategy

EKM Directors agreed to further invest in our Community and Housing services in December 2021. This model will be implemented and monitored from early 2022. Should we not experience improved recruitment and retention, it will be necessary to review current and future delivery models.

EKM was approached by Ashford Mencap to take the lead in supporting its local Membership. EKM Directors fully supported this approach which will be explored in early 2022.

We anticipate the sale of two properties in Swale and the use of financial assets to acquire a newer site.

We hope to secure a new lease for a two to three bedroom site in Broadstairs which will lead to the sale of an older property in Margate.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Governing document

East Kent Mencap is a Company limited by guarantee governed by its Memorandum and Articles of Association dated 16th September 2019, the Articles of Associations were amended on 12th December 2019 by Special Written Resolution.

East Kent Mencap is a Charity registered with the Charity Commission, the Charitable Company was entered on the Register of Charities on 15th February 2020.

b. Methods of appointment or election of Trustees / Directors

Those who wish to be considered for a post of Trustee / Director with the Charitable Company need to register an interest. Any person who is willing to act as a Trustee / Director and who is permitted by law to do so, may be appointed to be a Trustee / Director by ordinary resolution of the Trustee / Directors so that voting can take place at that meeting. A Trustee / Director shall become a Member on becoming a Director.

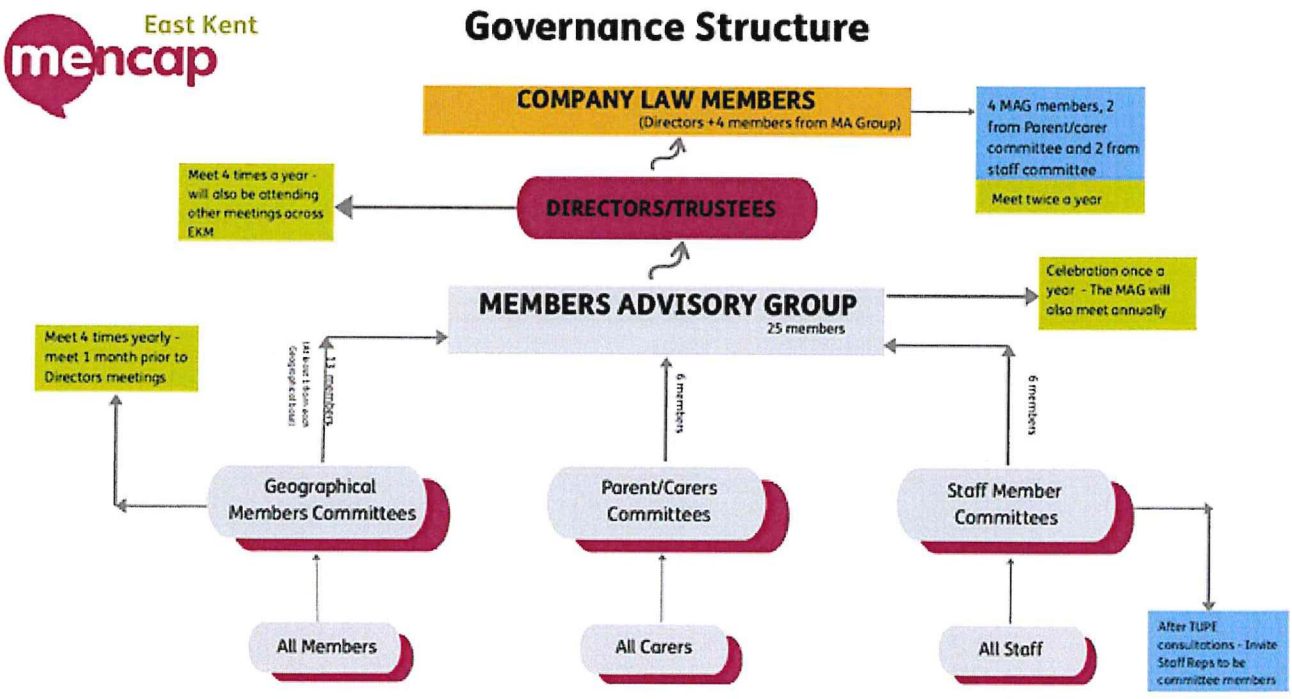
c. Organisational structure

The Charitable Company is run by Trustees / Directors who shall meet at least four times a year.

The number of Trustees / Directors is not subject to a maximum but shall not be less than three.

Subject to Article 8 of the Articles of Association, Membership of the Charity shall be open to all people aged 18 years or over (whether with or without a learning disability) who declare their support for and are found in sympathy with the objects.

East Kent Mencap has published its current Governance Structure:



The day to day running of the Charitable Company is further delegated to the Chief Executive Officer (CEO) Jason Gerlack.

Members hold regular meetings, and report any requests to the appropriate teams.

Regular staff meetings are held to ensure that quality assurance is maintained.

The CEO reports to the Trustee / Directors which ensures due diligence is followed in all areas.

Regular Health & Safety meetings seek to ensure continuous safety and welfare improvement. This process is audited externally by designated consultants.

Financial protocols are rigorously adhered to.

Pay Policy for Senior Staff

New Management positions (one within the reporting period) are benchmarked against the sector in order to establish commensurate salaries.

The charity has deployed a competency framework which enables employees to progress in their career and secures increased salaries. The competency framework will be reviewed in 2022 to ensure it remains effective during this challenging period.

Whilst we have recorded strong outcomes in many services, a number have been seriously impacted by the pandemic. A review of our current management structures will probably take place in June 2022.

d. Policies adopted for the induction and training of Trustees / Directors

All Trustees / Directors are made aware of their responsibilities by dialogue with existing Trustees, a copy of the Charity Commission booklet on trustee responsibilities. Because of the nature of our work, a full DBS check is required (Updated every three years) and two references obtained. Governance training is available and encouraged.

e. Wider network

East Kent Mencap is affiliated to National Mencap through a Membership Agreement 2007-2009 (England & Wales).

Affiliation agreements have been retained under review with Mencap's 20/20 plan.

There is little impact on EKM policy as these are generally in line with Regulatory, Statutory or Legal responsibilities.

f. Risk management

Policy and procedure documentation is in place to cover organisational structure and decision-making processes. These policies are constantly updated and added to as soon as a need is recognised. Risk management is constantly reviewed by all staff involved, and written documentation in place.

East Kent Mencap has appointed Peninsula Business Services Ltd as consultants on Health & Safety matters and employment issues.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 MARCH 2021

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes 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). The law applicable to charities in England and Wales 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent; state whether applicable UK Accounting Standards (FRS 102) 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 business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

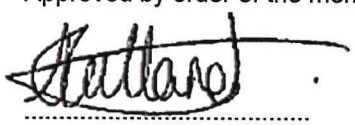
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

The auditor, MHA MacIntyre Hudson, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Amy Rutland
Chair
Date: 23 February 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EAST KENT MENCAP

Opinion

We have audited the financial statements of East Kent Mencap (the 'charitable company') for the year ended 30 March 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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 30 March 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charitable company'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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EAST KENT MENCAP (CONTINUED)

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EAST KENT MENCAP (CONTINUED)

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.

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:

- Enquiry of management around actual and potential litigation and claims; and
- enquiry of management to identify any instances of non-compliance with laws and regulations; and
- performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias; and
- reviewing minutes of meetings of those charged with governance; and
- maintaining risk-awareness and appropriate professional scepticism throughout our other audit work.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EAST KENT MENCAP (CONTINUED)

Use of our report

This report is made solely to the charitable company'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 charitable company'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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

MHA MacIntyre Hudson
Statutory Auditors
Maidstone
United Kingdom

Date: 09 March 2022

MHA MacIntyre Hudson 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.

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 30 MARCH 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Income from:					
Donations and legacies	4	**2,823,206**	**396,830**	**3,220,036**	-
Charitable activities	5	**1,899,960**	**112,641**	**2,012,601**	-
Other trading activities	8	**1,273**	**-**	**1,273**	-
Investments	9	**20**	**-**	**20**	-
Total income		**4,724,459**	**509,471**	**5,233,930**	-
Expenditure on:					
Raising funds	10	**512**	**-**	**512**	-
Charitable activities	11	**2,262,693**	**121,539**	**2,384,232**	*1,537*
Total expenditure		**2,263,205**	**121,539**	**2,384,744**	*1,537*
Net movement in funds		**2,461,254**	**387,932**	**2,849,186**	*(1,537)*
Reconciliation of funds:					
Total funds brought forward		**(1,537)**	**-**	**(1,537)**	-
Net movement in funds		**2,461,254**	**387,932**	**2,849,186**	*(1,537)*
Total funds carried forward		**2,459,717**	**387,932**	**2,847,649**	*(1,537)*

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

The notes on pages 22 to 41 form part of these financial statements.

EAST KENT MENCAP
(A company limited by guarantee)
REGISTERED NUMBER: 12263702

BALANCE SHEET
AS AT 30 MARCH 2021

	Note		2021 £		*2020 £*
Fixed assets					
Tangible assets	16		**3,106,457**		*192,000*
			3,106,457		*192,000*
Current assets					
Debtors	17	**487,379**		-	
Cash at bank and in hand		**636,548**		*10,163*	
		1,123,927		*10,163*	
Creditors: amounts falling due within one year	18	**(325,447)**		*(203,700)*	
Net current assets / (liabilities)			**798,480**		*(193,537)*
Creditors: amounts falling due after more than one year	19		**(1,057,288)**		-
Total net assets			**2,847,649**		*(1,537)*
Charity funds					
Restricted funds	20		**387,932**		-
Unrestricted funds	20		**2,459,717**		*(1,537)*
Total funds			**2,847,649**		*(1,537)*

BALANCE SHEET (CONTINUED)
AS AT 30 MARCH 2021

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....

Amy Rutland
Chair
Date: 23 February 2022

The notes on pages 22 to 41 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 MARCH 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities	**739,313**	*(37)*
Cash flows from investing activities		
Purchase of tangible fixed assets	**(17,649)**	*(192,000)*
Interest received	**20**	-
Net cash used in investing activities	**(17,629)**	**(192,000)**
Cash flows from financing activities		
Cash inflows from new borrowing	**-**	*202,200*
Repayments of borrowing	**(95,299)**	-
Net cash (used in)/provided by financing activities	**(95,299)**	**202,200**
Change in cash and cash equivalents in the year	**626,385**	**10,163**
Cash and cash equivalents at the beginning of the year	**10,163**	-
Cash and cash equivalents at the end of the year	**636,548**	*10,163*

The notes on pages 22 to 41 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 MARCH 2021

1. General information

East Kent Mencap is a company limited by guarantee incorporated in England and Wales in the United Kingdom. The registered office is East Kent Mencap Foresters Hall, Meeting Street, Ramsgate, Kent, CT11 9RT.

The financial statements are presented in sterling which is the functional currency of the Company and rounded to the nearest £1.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

East Kent Mencap meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared on a going concern basis. In response to the COVID-19 pandemic, the Trustees have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of a possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact of COVID-19.

After making appropriate enquiries, the Trustees are satisfied that the Company is able to operate for the foreseeable future. Therefore, they have adopted the going concern basis in preparing these financial statements.

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Other trading activities comprise income generated from various fund raising and social events.

2. Accounting policies (continued)

2.4 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 allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Government grants are credited to the Statement of financial activities as the related expenditure is incurred.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Taxation

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Freehold property	-	2% on cost
Motor vehicles	-	25% reducing balance
Fixtures and fittings	-	25% reducing balance

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 Cash at bank and in hand

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

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

2.12 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

2. Accounting policies (continued)

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Other than those disclosed in note 2, there were no estimates or judgements made by management in the preparation of these financial statements.

4. Income from donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Donations	2,781,610	396,830	**3,178,440**	-
Government grants	41,596	-	**41,596**	-
Total 2021	2,823,206	396,830	**3,220,036**	-
Total 2020	-	-	-	

At at 30 June 2020, East Kent Mencap, a charitable trust transferred its business and net assets to the Charitable Company, except for certain domiciliary care contracts which continue to be held on behalf of the Charitable Company until CQC approval for their transfer has been granted, in addition to the valuation of lender-secured properties. The transfer of net assets of £3,170,154 is included within donations above.

Included within government grants above are amounts received from HMRC in relation to £35,409 for the coronavirus job retention scheme. There are no unfulfilled conditions or other contingencies attached to the grant at the balance sheet date and no other form of government assistance has been received during the period.

5. Income from charitable activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Income from charitable activities	1,899,960	112,641	**2,012,601**	-

6. Income from charitable activities

	2021 £	*2020 £*
KCC	**1,008,466**	-
Housing benefit	**404,320**	-
Direct payments from members	**216,423**	-
Grants (note 7)	**253,908**	-
Transport	**2,997**	-
Rent from residents	**29,477**	-
Rent from leased buildings	**4,500**	-
Local Authority Funding (non KCC)	**88,722**	-
Other	**3,788**	-
	2,012,601	-

7. Analysis of grants received

	2021 £	*2020 £*
Groundwork UK	**500**	-
National Lottery Community Fund - GOLD	**97,780**	-
The National Lottery Coronavirus Community Support Fund	**28,892**	-
KCC - Infection Control Grant	**45,450**	-
South Kent Coast & Thanet Strategic Grant	**12,041**	-
Ashford and Canterbury Coastal Strategic Grant	**8,259**	-
Swale Borough Council Grant	**500**	-
Julia & Hans Rausing Trust Grant	**41,215**	-
KCC Workforce Capacity Fund	**10,672**	-
Pfizer - Virtual Isolation Club Grant	**1,000**	-
Sport England Tacking Inequalities Grant	**3,399**	-
Community Confidence Project Grant	**4,200**	-
	253,908	-

8. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Fundraising events	1,207	**1,207**	-
Social events	66	**66**	-
Total 2021	1,273	**1,273**	-

9. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Deposit account interest	20	**20**	-

10. Expenditure on raising funds

Fundraising trading expenses

	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Fundraising event expenses	512	**512**	-

11. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Cost of charitable activities	2,262,693	121,539	**2,384,232**	*1,537*
Total 2020	*1,537*	-	*1,537*	

12. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	*Total funds 2020 £*
Cost of charitable activities	2,367,652	16,580	**2,384,232**	*1,537*
Total 2020	*37*	*1,500*	*1,537*	

12. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Cost of charitable activities 2021 £	Total funds 2021 £	*Total funds 2020 £*
Staff costs	1,939,961	**1,939,961**	-
Depreciation	68,660	**68,660**	-
Rates and water	11,671	**11,671**	-
Insurance	19,334	**19,334**	-
Light and heat	34,703	**34,703**	-
Telephone, postage & stationery	22,461	**22,461**	-
Advertising	1,649	**1,649**	-
Sundries	11,459	**11,459**	-
Computer expenses	51,363	**51,363**	-
Tenants share of utilities	11,429	**11,429**	-
Vehicle & transport costs	33,809	**33,809**	-
Room hire	7,702	**7,702**	-
Repairs & renewals	43,598	**43,598**	-
Cleaning & housing facilities	17,984	**17,984**	-
Activities	12,817	**12,817**	-
Training	118	**118**	-
Professional fees	19,915	**19,915**	-
Legal fees	12,789	**12,789**	-
Interest payable and similar charges	43,214	**43,214**	*37*
Bad debts	3,016	**3,016**	-
Total 2021	2,367,652	**2,367,652**	*37*
Total 2020	*37*	*37*	

12. Analysis of expenditure by activities (continued)

Analysis of support costs

	Governance costs 2021 £	Total funds 2021 £	*Total funds 2020 £*
Auditor's remuneration	16,580	**16,580**	*1,500*
Total 2020	*1,500*	*1,500*	

13. Auditor's remuneration

	2021 £	*2020 £*
Fees payable to the Company's auditor for the audit of the Company's annual accounts	**10,500**	-
Fees payable to the Company's auditor in respect of:		
All non-audit services not included above	**6,080**	*1,500*

14. Staff costs

	2021 £	*2020* *£*
Wages and salaries	**1,769,650**	-
Social security costs	**136,858**	-
Contribution to defined contribution pension schemes	**33,453**	-
	1,939,961	-

In February 2021, a termination payment was paid to an employee totalling £5,615 (2020 - £Nil).

The average number of persons employed by the Company during the year was as follows:

	2021 No.	*2020* *No.*
Productive staff	**95**	-
Administrative staff	**26**	*3*
	121	*3*

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021 No.	*2020* *No.*
In the band £70,001 - £80,000	**1**	-

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to was £157,947 (2020 - £Nil).

15. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2020 - £NIL)*.

During the year ended 30 March 2021, no Trustee expenses have been incurred *(2020 - £NIL)*.

16. Tangible fixed assets

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 31 March 2020	**192,000**	**-**	**-**	**192,000**
Additions	**-**	**-**	**17,649**	**17,649**
Transfer in from charitable trust	**3,480,023**	**14,945**	**103,569**	**3,598,537**
At 30 March 2021	**3,672,023**	**14,945**	**121,218**	**3,808,186**
Depreciation				
Charge for the year	**56,042**	**35**	**12,583**	**68,660**
Transfer in from charitable trust	**572,878**	**14,771**	**45,420**	**633,069**
At 30 March 2021	**628,920**	**14,806**	**58,003**	**701,729**
Net book value				
At 30 March 2021	**3,043,103**	**139**	**63,215**	**3,106,457**
At 30 March 2020	*192,000*	-	-	*192,000*

The Trustees consider that the market value of the freehold properties held at 30 March 2021 is considerably higher than the amount shown on the Balance Sheet. In the absence of a current professional valuation, the increase in the value cannot be quantified.

As at 30 June 2020, East Kent Mencap, a charitable trust transferred its tangible fixed assets to the charitable company net book value of £2,965,468.

17. Debtors

	2021 £	*2020* *£*
Due within one year		
Trade debtors	**345,080**	-
Other debtors	**53,327**	-
Prepayments and accrued income	**88,972**	-
	487,379	-

The Trustees have not been granted access by the bank to the account transferred from Isle Of Sheppey Mencap. Whilst they are confident this will be processed shortly, at the balance sheet the bank account is consequently insufficiently liquid to be classified as a Cash and Cash Equivalent and the balance of £53,327 has been categorised instead within other debtors as a current asset.

18. Creditors: Amounts falling due within one year

	2021 £	*2020* *£*
Bank loans	**133,189**	-
Trade creditors	**30,864**	-
Other taxation and social security	**42,610**	-
Pension fund loan payable	**8,264**	-
Other creditors	**3,313**	*202,200*
Accruals and deferred income	**107,207**	*1,500*
	325,447	*203,700*

19. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Bank loans	**1,057,288**	-

Included within the above are amounts falling due as follows:

	2021 £	2020 £
Between one and two years		
Bank loans	**135,156**	-
Between two and five years		
Bank loans	**398,042**	-
Over five years		
Bank loans	**524,090**	-

Included in the above loans, are Lloyds bank loans of the outstanding amount payable of £1,190,477 as at 30 March 2021 which holds a charge over the Charity's freehold property to secure the bank loans.

20. Statement of funds

Statement of funds - current year

	Balance at 30 March 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 March 2021 £
Unrestricted funds					
General Fund	(1,537)	1,905,988	(2,202,182)	2,757,448	2,459,717
Housing Fund	-	1,127,759	(61,023)	(1,066,736)	-
Isle of Sheppey Merger	-	1,690,712	-	(1,690,712)	-
	(1,537)	4,724,459	(2,263,205)	-	2,459,717
Restricted funds					
Housing Property Fund	-	196,305	(3,376)	-	192,929
Thanet Community Fund	-	12,278	(1,278)	-	11,000
Sheppey Community Fund	-	9,561	(763)	-	8,798
Canterbury Fund	-	17,780	(3,638)	-	14,142
Big Lottery Fund - GOLD	-	130,043	(62,274)	-	67,769
KCC - Children & Youth	-	78,816	(18,322)	-	60,494
Valuing People Now	-	63,757	(31,888)	-	31,869
Complex Needs	-	931	-	-	931
	-	509,471	(121,539)	-	387,932
Total of funds	(1,537)	5,233,930	(2,384,744)	-	2,847,649

20. Statement of funds (continued)

Statement of funds - prior year

	Income £	*Expenditure* £	*Balance at 30 March 2020* £
Unrestricted funds			
General Fund	-	*(1,537)*	*(1,537)*

Unrestricted Fund:

Housing Fund - represents income accumulated relating to the accommodation occupied by clients.

Isle of Sheppey Society - Isle of Sheppey Society on 28 March 2019 transferred its business and net assets into East Kent Mencap of £1,636,298.

General Fund - represents income and expenditure that has not been deemed as restricted in nature and is not designated for any purpose.

Restricted Funds:

Housing Property Fund - Grants received to assist in the purchase of Backler House and Arkley Road. Amounts released annually to match depreciation charge in proportion to amounts funded by grant.

Thanet Community Fund - Funding specifically for projects within the Thanet community.

Sheppey Community Fund - Funding specifically for projects within the Sheppey community.

Canterbury Fund - Funding specifically for projects within the Canterbury community.

National Lottery Community Fund - GOLD - Funding specifically for Getting On with Learning Disability project.

Kent Valuing People Partnership - Funding specifically to provide local workers and facilitate local presence and community working.

Children & Youth - Funding specifically to provide support for individuals aged between 8 and 26.

Valuing People Now - Funding specifically to improve the lives of people with learning disabilities and their families which is part of the government's three year big plan. It covers all aspects of life, including health, housing, getting a paid job, personalisation, transition, advocacy, hate crime and relationships.

Complex Needs - A service specifically seeking to improve the lives of people with profound and multiple learning difficulties. This can include having severe learning difficulties and other significant difficulties such as physical disabilities, sensory impairment or a severe medical condition.

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	2,931,751	174,706	**3,106,457**
Current assets	910,701	213,226	**1,123,927**
Creditors due within one year	(325,447)	-	**(325,447)**
Creditors due in more than one year	(1,057,288)	-	**(1,057,288)**
Total	2,459,717	387,932	**2,847,649**

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	*Total funds 2020 £*
Tangible fixed assets	*192,000*	*192,000*
Current assets	*10,163*	*10,163*
Creditors due within one year	*(203,700)*	*(203,700)*
Total	*(1,537)*	*(1,537)*

22. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net income/expenditure for the year (as per Statement of Financial Activities)	**2,849,186**	*(1,537)*
Adjustments for:		
Depreciation charges	**68,660**	-
Interest received	**(20)**	-
Increase in debtors	**(487,379)**	-
Increase in creditors	**1,274,334**	*1,500*
Transfer of tangible fixed assets	**(2,965,468)**	-
Net cash provided by/(used in) operating activities	**739,313**	*(37)*

23. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	**636,548**	*10,163*
Total cash and cash equivalents	**636,548**	*10,163*

24. Analysis of changes in net debt

	At 30 March 2020 £	Cash flows £	At 30 March 2021 £
Cash at bank and in hand	**10,163**	**626,385**	**636,548**
Debt due within 1 year	**-**	**(141,453)**	**(141,453)**
Debt due after 1 year	**-**	**(1,057,288)**	**(1,057,288)**
	10,163	**(572,356)**	**(562,193)**

25. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £33,453.

As at the year end, £8,264 was payable to the fund at the balance sheet date and are included in creditors.

26. Operating lease commitments

At 30 March 2021 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	*2020* *£*
Not later than 1 year	**270**	-
Later than 1 year and not later than 5 years	**1,080**	-
Later than 5 years	**3,240**	-
	4,590	-

27. Related party transactions

On 30 June 2020, the net assets and business of the Charitable Trust, East Kent Mencap, was transferred to the Charitable Company. It remains necessary to finalise the procedural aspect of a valuation of the lender-secured properties, additionally certain domiciliary care contracts are being managed by the Charitable Trust on behalf of the Charitable Company pending CQC approval of their novation. However, all assets were from the 30 June 2020 under control of the Charitable Company and therefore in substance the transfer is complete and reflected as such in these financial statements. The transfer of net assets of £3,170,154 is included in Donations. As at the year end, there were no amounts owed to or from the Charitable Trust.

During the year, relatives of some trustees utilised the housing facilities at East Kent Mencap as customers. These transactions were at commercial rate.