

**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**

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**East Kent Mencap**  
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**Contents**

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	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

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**EAST KENT MENCAP**  
**(A company limited by guarantee)**

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

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<b>Trustees</b>	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)
<b>Company registered number</b>	12263702
<b>Charity registered number</b>	1188118
<b>Head office</b>	Foresters Hall Meeting Street Ramsgate Kent. CT11 9RT
<b>Registered Address CQC</b>	Foresters Hall Meeting Street Ramsgate Kent. CT11 9RTp
<b>Key management personnel</b>	Jason Gerlack - Chief Executive Officer Karen Roberts - Strategic Operations Manager/Registered Manager Susan Beaumont – Strategic Operations Manager (resigned 16 November 2022)
<b>Independent auditors</b>	UHY Kent LLP t/a UHY Hacker Young Thames House Roman Square Sittingbourne Kent. ME10 4BJ
<b>Solicitors</b>	Girlings Solicitors Stourside Place Station Road Ashford Kent. TN23 1PP
<b>Bankers</b>	Lloyds Bank Plc The Centre Cecil Square Margate Kent. CT9 1JG
<b>Health &amp; Safety/ Employment consultants</b>	Peninsula Business Services Ltd Riverside New Bailey Street Manchester M3 5PB

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**EAST KENT MENCAP**  
**(A company limited by guarantee)**

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

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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.

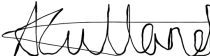
As an organisation we have continued to maintain our position in during challenging times and ensured our membership is empowered and listened to.

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:  
  
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**A Rutland – Chair of Trustees**

Date: 20 December 2023

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**EAST KENT MENCAP**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 MARCH 2023**

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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 attend 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.

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 MARCH 2023**

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*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.

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**EAST KENT MENCAP**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 MARCH 2023**

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**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 ensured service 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 75<sup>th</sup> 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'.

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**EAST KENT MENCAP**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 MARCH 2023**

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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 many 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 professional fundraisers were contracted, and no commercial partnership agreements were entered into. 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.



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**EAST KENT MENCAP**  
(A company limited by guarantee)

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 MARCH 2023**

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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.

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**EAST KENT MENCAP**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 MARCH 2023**

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**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 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 and 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.

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**EAST KENT MENCAP**  
(A company limited by guarantee)

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 MARCH 2023**

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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

EAST KENT MENCAP  
(A company limited by guarantee)

TRUSTEES' REPORT  
FOR THE YEAR ENDED 30 MARCH 2023

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 the Charitable 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.

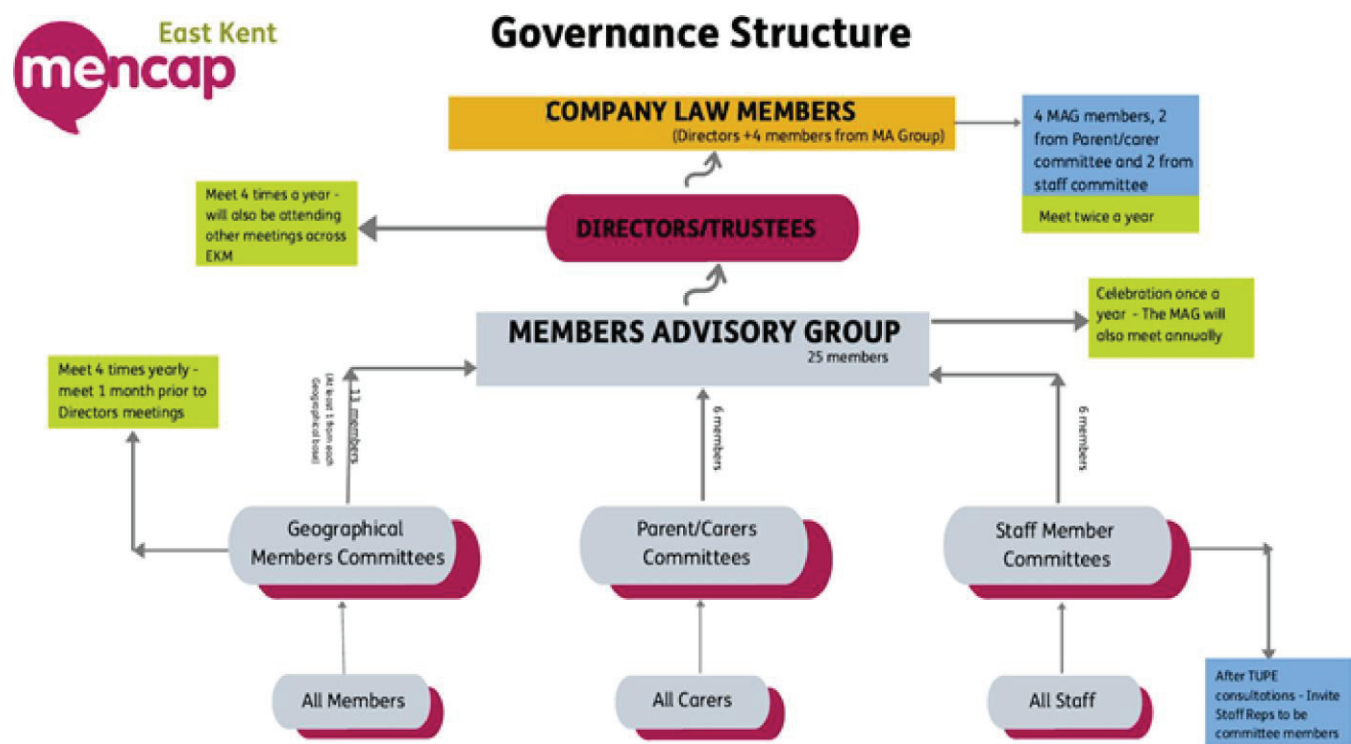
Organisational structure

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:



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**EAST KENT MENCAP**  
(A company limited by guarantee)

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 MARCH 2023**

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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. This process 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.

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**EAST KENT MENCAP**  
(A company limited by guarantee)

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 MARCH 2023**

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**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 of any 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:  
  
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**Amy Rutland**  
**Chair of Trustees**

Date: 20 December 2023

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**East Kent Mencap**  
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**Independent Auditors' Report to the Members of East Kent Mencap**

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**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.



**East Kent Mencap**  
**(A company limited by guarantee)**

**Independent Auditors' Report to the Members of East Kent Mencap (continued)**

**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:



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**East Kent Mencap**  
**(A company limited by guarantee)**

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**Independent Auditors' Report to the Members of East Kent Mencap (continued)**

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- 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](http://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

**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 £
<b>Income from:</b>					
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
<b>Total income</b>		<b>368,844</b>	<b>2,648,359</b>	<b>3,017,203</b>	<b>3,045,763</b>
<b>Expenditure on:</b>					
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
<b>Total expenditure</b>		<b>219,612</b>	<b>2,819,050</b>	<b>3,038,662</b>	<b>3,050,276</b>
<b>Net movement in funds</b>		<b>149,232</b>	<b>(170,691)</b>	<b>(21,459)</b>	<b>(4,513)</b>
<b>Reconciliation of funds:</b>					
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)
<b>Total funds carried forward</b>	19	<b>342,889</b>	<b>2,478,788</b>	<b>2,821,677</b>	<b>2,843,136</b>

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.

**East Kent Mencap**  
**(A company limited by guarantee)**  
**Registered number: 12263702**

**Balance Sheet**  
**As at 30 March 2023**

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

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:  
  
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**Amy Rutland, Chair**

Date: 20 December 2023

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

**East Kent Mencap**  
**(A company limited by guarantee)**

**Statement of Cash Flows**  
**For the Year Ended 30 March 2023**

	<b>Note</b>	<b>2023 £</b>	<b>2022 £</b>
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	22	(333,257)	(3,700)
<b>Cash flows from investing activities</b>			
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)	-
<b>Net cash provided by investing activities</b>		152,258	45
<b>Change in cash and cash equivalents in the year</b>		(180,999)	(3,655)
Cash and cash equivalents at the beginning of the year		632,893	636,548
<b>Cash and cash equivalents at the end of the year</b>	23	451,894	632,893

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

**East Kent Mencap**  
**(A company limited by guarantee)**

**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 number 12263702). The registered office 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 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 currently 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.

Taking 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.

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**East Kent Mencap**  
**(A company limited by guarantee)**

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

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**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.

**East Kent Mencap**  
**(A company limited by guarantee)**

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

**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.

**East Kent Mencap**  
**(A company limited by guarantee)**

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

**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**

	<b>Restricted funds 2023 £</b>	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Donations	725	20,497	21,222	8,055
Legacies	-	38,635	38,635	100,000
Government grants	-	-	-	3,505
	<u>725</u>	<u>59,132</u>	<u>59,857</u>	<u>111,560</u>
<i>Analysis of 2022 total by fund</i>	<u>2,221</u>	<u>109,339</u>	<u>111,560</u>	

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.



**East Kent Mencap**  
**(A company limited by guarantee)**

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

**5. Income from charitable activities**

	<b>Restricted funds 2023 £</b>	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Income from charitable activities	368,060	2,583,814	2,951,874	<i>2,933,111</i>
<i>Analysis of 2022 total by fund</i>	<i>210,762</i>	<i>2,722,349</i>	<i>2,933,111</i>	
KCC			1,542,818	<i>1,505,516</i>
Housing benefit			503,382	<i>523,207</i>
Direct payments from members			428,059	<i>403,714</i>
Grants (note 6)			373,431	<i>320,097</i>
Transport			10,449	<i>7,018</i>
Rent from residents			42,979	<i>48,913</i>
Rent from leased buildings			8,200	<i>7,050</i>
Local Authority Funding (non KCC)			30,811	<i>108,996</i>
Other			11,745	<i>8,600</i>
			2,951,874	<i>2,933,111</i>

**East Kent Mencap**  
**(A company limited by guarantee)**

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

**6. Analysis of grants received**

	<b>2023</b>	<i>2022</i>
	<b>£</b>	<b>£</b>
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 Tackling 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
	<u>555,053</u>	<u>320,097</u>

**7. Income from other trading activities**

**Income from fundraising events**

	<b>Restricted</b>	<b>Unrestricted</b>	<b>Total</b>	<i>Total</i>
	<b>funds</b>	<b>funds</b>	<b>funds</b>	<b>funds</b>
	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fundraising	59	4,675	4,734	1,047
	<u>59</u>	<u>4,675</u>	<u>4,734</u>	<u>1,047</u>
<i>Analysis of 2022 total by fund</i>	<u>282</u>	<u>765</u>	<u>1,047</u>	

**East Kent Mencap**  
**(A company limited by guarantee)**

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

**8. Investment income**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Deposit account interest	738	738	45
<i>Analysis of 2022 total by fund</i>	45	45	

**9. Expenditure on raising funds**

**Fundraising trading expenses**

	<b>Restricted funds 2023 £</b>	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Fundraising trading expense	3,692	635	4,327	191
<i>Analysis of 2022 total by fund</i>	-	191	191	

**10. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Restricted funds 2023 £</b>	<b>Unrestricted funds 2023 £</b>	<b>Total 2023 £</b>	<i>Total 2022 £</i>
Cost of charitable activities	215,920	2,818,415	3,034,335	3,050,085
<i>Analysis of 2022 total by fund</i>	157,941	2,892,144	3,050,085	

**East Kent Mencap**  
**(A company limited by guarantee)**

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

**11. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2023 £</b>	<b>Support costs 2023 £</b>	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Cost of charitable activities	3,019,035	15,300	3,034,335	3,050,085
<i>Analysis of 2022 total</i>	3,022,609	27,476	3,050,085	

**Analysis of direct costs**

	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
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)	-
	<b>3,019,035</b>	<b>3,022,609</b>

**East Kent Mencap**  
**(A company limited by guarantee)**

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

**11. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Governance costs 2023 £</b>	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Auditor's remuneration	15,300	15,300	27,476
<i>Total 2022</i>	<i>27,476</i>	<i>27,476</i>	

**12. Auditors' remuneration**

	<b>2023 £</b>	<i>2022 £</i>
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**

	<b>2023 £</b>	<i>2022 £</i>
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
	<b>2,633,017</b>	<i>2,454,168</i>

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

	<b>2023 No.</b>	<i>2022 No.</i>
Productive Staff	101	95
Administrative Staff	15	26
	<b>116</b>	<i>121</i>

**East Kent Mencap**  
**(A company limited by guarantee)**

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

**13. Staff costs (continued)**

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

	<b>2023</b>	<i>2022</i>
	<b>No.</b>	<i>No.</i>
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**

	<b>Freehold property £</b>	<b>Motor vehicles £</b>	<b>Fixtures and fittings £</b>	<b>Assets under construction £</b>	<b>Total £</b>
<b>Cost or valuation</b>					
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
<b>Depreciation</b>					
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
<b>Net book value</b>					
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.

**East Kent Mencap**  
**(A company limited by guarantee)**

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

**16. Debtors**

	<b>2023</b>	<i>2022</i>
	<b>£</b>	<i>£</i>
<b>Due within one year</b>		
Trade debtors	372,723	333,722
Other debtors	2,256	6,586
Prepayments and accrued income	89,553	66,774
	<u>464,532</u>	<u>407,082</u>
	<u><u>464,532</u></u>	<u><u>407,082</u></u>

**17. Creditors: Amounts falling due within one year**

	<b>2023</b>	<i>2022</i>
	<b>£</b>	<i>£</i>
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
	<u>271,530</u>	<u>291,828</u>
	<u><u>271,530</u></u>	<u><u>291,828</u></u>

**East Kent Mencap**  
**(A company limited by guarantee)**

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

**18. Creditors: Amounts falling due after more than one year**

	<b>2023</b> £	2022 £
Bank loans	819,967	922,191

Included within the above are amounts falling due as follows:

	<b>2023</b> £	2022 £
<b>Between one and two years</b>		
Bank loans	76,106	114,634
<b>Between two and five years</b>		
Bank loans	477,848	492,399
<b>Over five years</b>		
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:

	<b>2023</b> £	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.



**East Kent Mencap**  
**(A company limited by guarantee)**

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

**19. Statement of funds**

**Statement of funds - current year**

	<b>Balance at 31 March 2022 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Balance at 30 March 2023 £</b>
<b>Unrestricted funds</b>				
General Funds	2,649,479	2,648,359	(2,819,050)	2,478,788
<b>Restricted funds</b>				
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
<b>Total of funds</b>	<b>2,843,136</b>	<b>3,017,203</b>	<b>(3,038,662)</b>	<b>2,821,677</b>

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**East Kent Mencap**  
**(A company limited by guarantee)**

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

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**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.

**East Kent Mencap**  
**(A company limited by guarantee)**

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

**19. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at 1 March 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 30 March 2022 £</i>
<b>Unrestricted funds</b>				
General Funds - all funds	2,707,851	2,833,963	(2,892,335)	2,649,479
<b>Restricted funds</b>				
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
<b>Total of funds</b>	2,847,649	3,045,763	(3,050,276)	2,843,136

**20. Summary of funds**

**Summary of funds - current year**

	<b>Balance at 31 March 2022 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Balance at 30 March 2023 £</b>
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

**East Kent Mencap**  
**(A company limited by guarantee)**

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

**20. Summary of funds (continued)**

**Summary of funds - prior year**

	<i>Balance at 1 March 2021</i>	<i>Income</i>	<i>Expenditure</i>	<i>Balance at 30 March 2022</i>
	£	£	£	£
General funds	2,707,851	2,833,963	(2,892,335)	2,649,479
Restricted funds	139,798	211,800	(157,941)	193,657
	<u>2,847,649</u>	<u>3,045,763</u>	<u>(3,050,276)</u>	<u>2,843,136</u>

**21. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Restricted funds 2023</b>	<b>Unrestricted funds 2023</b>	<b>Total funds 2023</b>
	£	£	£
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)
<b>Total</b>	<u>342,889</u>	<u>2,478,788</u>	<u>2,821,677</u>

**Analysis of net assets between funds - prior year**

	<i>Restricted funds 2022</i>	<i>Unrestricted funds 2022</i>	<i>Total funds 2022</i>
	£	£	£
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)
<b>Total</b>	<u>193,657</u>	<u>2,649,479</u>	<u>2,843,136</u>

**East Kent Mencap**  
**(A company limited by guarantee)**

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

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

	<b>2023</b> <b>£</b>	<b>2022</b> <b>£</b>
Net expenditure for the year (as per Statement of Financial Activities)	(21,459)	(4,513)
<b>Adjustments for:</b>		
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)
<b>Net cash used in operating activities</b>	<b>(333,257)</b>	<b>(3,700)</b>

**23. Analysis of cash and cash equivalents**

	<b>2023</b> <b>£</b>	<b>2022</b> <b>£</b>
Cash in hand	451,894	632,893
<b>Total cash and cash equivalents</b>	<b>451,894</b>	<b>632,893</b>

**24. Analysis of changes in net debt**

	<b>At 31 March</b> <b>2022</b> <b>£</b>	<b>Cash flows</b> <b>£</b>	<b>At 30 March</b> <b>2023</b> <b>£</b>
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)
	<b>(426,787)</b>	<b>(53,333)</b>	<b>(480,120)</b>

**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.

**East Kent Mencap**  
**(A company limited by guarantee)**

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

**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
	<u>24,460</u>	<u>39,864</u>

**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.