

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



East Kent Mencap
(A company limited by guarantee)

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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

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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.

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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.

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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.

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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 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.

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

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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.

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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. 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).

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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.

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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 register an interest. Any person 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 / Director so that voting can take place at that meeting. A Trustee / Director shall become a Member upon becoming a Director.

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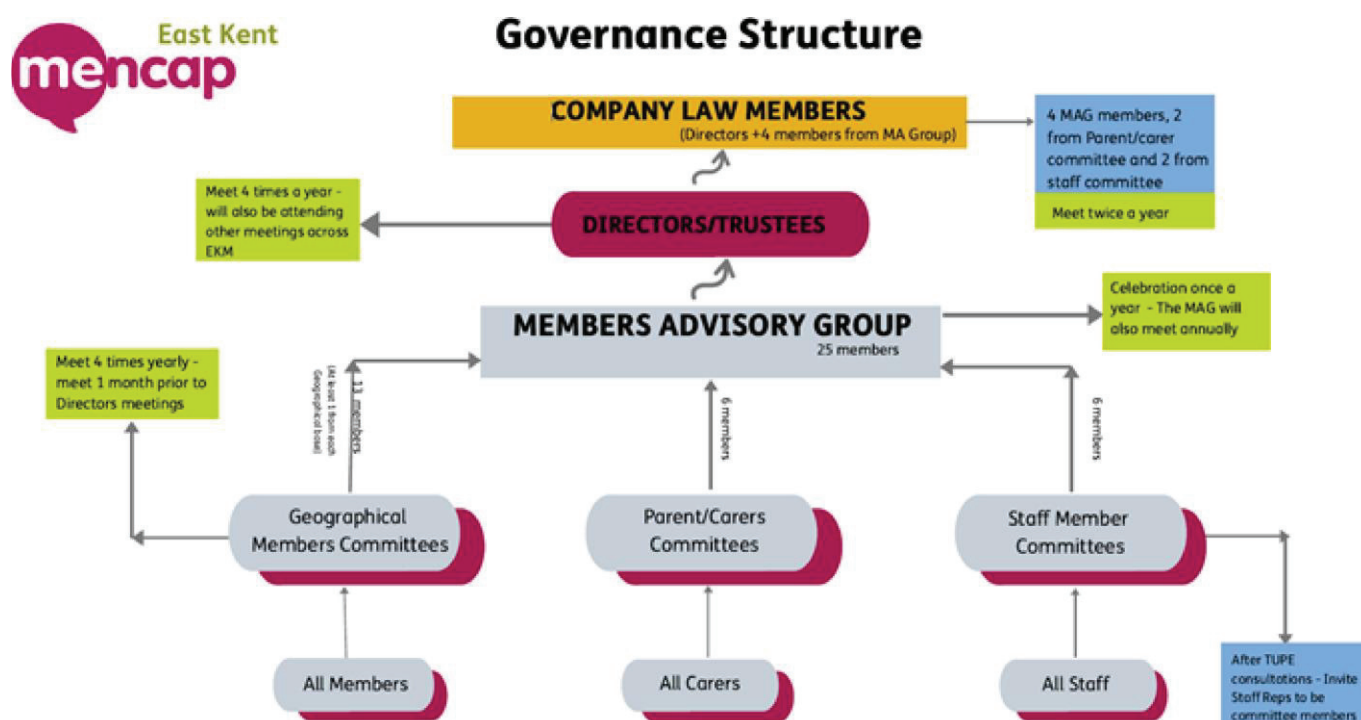
Trustees' Report For The Year Ended 30 March 2024

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.

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.

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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.

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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:

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.....
Amy Rutland-Gray
Chair

Date: 17 December 2024

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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.

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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:

East Kent Mencap
(A company limited by guarantee)

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

- 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

East Kent Mencap
(A company limited by guarantee)

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

		Restricted funds	Unrestricted	Total	<i>As restated</i>
	Note	2024	funds	funds	<i>Total</i>
		£	2024	2024	<i>funds</i>
			£	£	<i>2023</i>
					£
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.

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
		<u>1,160,390</u>	<u>916,426</u>
Creditors: amounts falling due within one year	18	(223,531)	(271,530)
Net current assets		<u>936,859</u>	<u>644,896</u>
Total assets less current liabilities		<u>3,766,036</u>	<u>3,641,644</u>
Creditors: amounts falling due after more than one year	19	(735,219)	(819,967)
Total net assets		<u><u>3,030,817</u></u>	<u><u>2,821,677</u></u>
Charity funds			
Restricted funds:			
Restricted funds	20	424,292	342,889
Unrestricted funds	20	2,606,525	2,478,788
Total funds		<u><u>3,030,817</u></u>	<u><u>2,821,677</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:

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.

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

East Kent Mencap

(A company limited by guarantee)

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.

East Kent Mencap
(A company limited by guarantee)

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

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.

East Kent Mencap
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Notes to the Financial Statements
For the Year Ended 30 March 2024

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.

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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 £	<i>Total funds 2023 £</i>
Donations	16,328	7,032	23,360	21,222
Legacies	-	-	-	38,635
	<u>16,328</u>	<u>7,032</u>	<u>23,360</u>	<u>59,857</u>
<i>Analysis of 2023 total by fund</i>	<u>725</u>	<u>59,132</u>	<u>59,857</u>	

5. Income from charitable activities

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

East Kent Mencap
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Notes to the Financial Statements
For the Year Ended 30 March 2024

6. Analysis of grants received

	2024	<i>2023</i>
	£	£
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
	<u>193,360</u>	<u>373,431</u>

7. Income from other trading activities

Income from fundraising events

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

East Kent Mencap
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Notes to the Financial Statements
For the Year Ended 30 March 2024

8. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Deposit account interest	3,791	3,791	738
<i>Analysis of 2023 total by fund</i>	738	738	

9. Other incoming resources

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Profit on disposal of fixed assets	180,485	180,485	218,567
<i>Total 2023</i>	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 £	<i>Total funds 2023 £</i>
Fundraising trading expense	187	4,447	4,634	4,327
<i>Analysis of 2023 total by fund</i>	3,692	635	4,327	

East Kent Mencap
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Notes to the Financial Statements
For the Year Ended 30 March 2024

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	

East Kent Mencap
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Notes to the Financial Statements
For the Year Ended 30 March 2024

12. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2024 £	<i>As restated Total funds 2023 £</i>
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
	<u>3,059,659</u>	<u>3,237,602</u>

Analysis of support costs

	Governance costs 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Auditor's remuneration	16,588	16,588	15,300
	<u>16,588</u>	<u>16,588</u>	<u>15,300</u>
<i>Total 2023</i>	<u>15,300</u>	<u>15,300</u>	

East Kent Mencap
(A company limited by guarantee)

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

13. Auditors' remuneration

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

14. Staff costs

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

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

	2024	<i>2023</i>
	No.	<i>No.</i>
Productive Staff	96	101
Administrative Staff	17	15
	<u>113</u>	<u>116</u>

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

	2024	<i>2023</i>
	No.	<i>No.</i>
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).

East Kent Mencap
(A company limited by guarantee)

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

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

East Kent Mencap
(A company limited by guarantee)

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

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
	<u>223,531</u>	<u>271,530</u>

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

	2024	2023
	£	£
Bank loans	735,219	819,967
	<u>735,219</u>	<u>819,967</u>

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
	<u>212,937</u>	<u>266,013</u>

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 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

East Kent Mencap
(A company limited by guarantee)

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

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.

East Kent Mencap
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Notes to the Financial Statements
For the Year Ended 30 March 2024

20. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 31 March 2022 £</i>	<i>As restated Income £</i>	<i>As restated Expenditure £</i>	<i>Balance at 30 March 2023 £</i>
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

East Kent Mencap
(A company limited by guarantee)

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

21. Summary of funds (continued)

Summary of funds - prior year

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

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	<u>424,292</u>	<u>2,606,525</u>	<u>3,030,817</u>

Analysis of net assets between funds - prior period

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

East Kent Mencap
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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 £	<i>2023</i> £
Not later than 1 year	9,411	<i>12,544</i>
Later than 1 year and not later than 5 years	2,506	<i>11,916</i>
	<u>11,917</u>	<u><i>24,460</i></u>

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



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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.

Providing opportunities for people with a learning disability, their families and carers
Registered Charity Number: 1188118 Company Number: 12263702
Registered Address: Foresters Hall, Meeting Street, Ramsgate, CT11 9RT





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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

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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

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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

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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

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