

Charity Registration No. 270700

Company Registration No. 01204400 (England and Wales)

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For Signature

MENPHYS LIMITED

**TRUSTEES' REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 MARCH 2021**

MENPHYS LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	M J D Traynor OBE FIH - Chairman N J Hammonds - Vice Chairman S E Abraham NNEB - Honorary Treasurer I D Knight LLB Solicitor (non practising) M McGrath BA RGN RHV Prof G W E Rees BA MSc PhD J R Wade BSc MSc A J Daly BSc PGCE L Franklin LL.B FCILEx E L Spradbury BA MCIPD L C Marsden	(Appointed 7 September 2020) (Appointed 7 September 2020) (Appointed 7 September 2020)
President	Jennifer, Lady Gretton	
Chief Executive Officer	I Caldwell	
Charity number	270700	
Company number	01204400	
Principal address	Bassett Centre Bassett Street Wigston Leicester LE18 4PE	
Registered office	West Walk Building 110 Regent Road Leicester LE1 7LT	
Auditor	Newby Castleman LLP West Walk Building 110 Regent Road Leicester LE1 7LT	

MENPHYS LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Bankers

National Westminster Bank Plc
1 Granby Street
Leicester
LE1 6EJ

Santander UK Plc
1st Floor Operations Block
Bridle Road
Bootle
Merseyside
L30 4GB

Barclays Bank Plc
Town Hall Square
Leicester
Leicestershire
LE87 2BB

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The Trustees who are Directors of the charitable company present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), Accounting and Reporting by Charities: Statement of Recommended Practice for charities applying FRS 102 (October 2019), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

OBJECTIVES & ACTIVITIES

The overall objective of the charity is to relieve and prevent suffering caused by mental or physical ill health, especially by supporting children and young people and their families. These are set out in our Vision Statement, Mission Statement and our Values.

- **Vision Statement**

Our ambition is for a future full of equal choices and opportunities for disabled children, young people and their families, empowering them to live as ordinary lives as possible and aspiring for the extraordinary.

- **Mission Statement**

Our mission is to deliver a quality service that values the views and enables the voice of disabled children, young people and their families in Leicester, Leicestershire and Rutland to be heard. We aim to provide a range of holistic, impartial, empowering specialist services both through our own resources and in partnership with the statutory authorities and other voluntary sector groups.

Within the framework of everything, we do, we aim to identify unmet needs and offer effective support, which is in line with current legislation and concepts of good practice.

We value diversity and believe that every child or young person, whatever their needs, has the equal right to take part fully in their community and to have the same choices, opportunities and experiences as other children. Our ambition is to help families live as ordinary lives as possible.

- **Values**

Menphys aims to work effectively and efficiently with regards to the law and the following values:

- We respect the individual, value diversity and are committed to equality, empowerment, independence and inclusion.
- We work to a model of participation, partnership and co-production and recognise the importance of consultation with, and the contribution from parents/carers, children and young people and our professional partners and staff.
- We aim to provide an exceptional and quality service, which is value for money.
- We aspire to excellence, monitor, and evaluate all aspects of our work.
- Safeguarding children and young people are at the heart of our service.

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- We recognise that there can be an increased vulnerability of the children and young people, and their families, who are referred to our services that can be related to a poverty in resources, relationships and identity.
- We work as a team with a culture of openness, honesty, transparency, accountability, integrity, care and compassion.
- We continually respond to the changes in individual circumstances, legislation and local priorities.
- Menphys is committed to providing a confidential service to its users, meeting all the requirements of GDPR.
- We abide by the 'Fundraising Promise' and adhere to the Fundraising Regulators "Code of Fundraising Practice" as a model of best practice in our fundraising activity.

- **Aims & Objectives**

Menphys continues to focus on the redevelopment of the Charity's management and operational structures, and resources, with the aim of building a sustainable funding model whilst continuing to provide high quality care and services. This has been centred on the development and opening of our new Menphys Hub at the Bassett Centre, in Wigston.

As a charity we have two clear aims:

- Menphys will continue to support the unmet needs of disabled children, young people and their families in Leicester, Leicestershire, and Rutland, and,
- Should not duplicate or substitute for services that are provided by Government but add value to these services.

These aims are underpinned by the significant investment that Menphys has made in the Menphys Hub at the former Bassett Street Centre in South Wigston. It provides both a Head Office for the Charity and a focus for the delivery and expansion of services built around an inclusive and flexible space for the:

- Menphys Activity Clubs and Groups
- Menphys Employability and Life Skills Programmes,
- The development of individual programmes and the aim of more holistic family support, and,
- The provision of a mixed-use community Hub and other facilities that enables Menphys to generate income to support the Charity activities.

In addition Menphys remain committed to the development of services across Leicester, Leicestershire, and Rutland demonstrated by the continued commitment to:

- Operating Activity Clubs at the Barley Croft Community Centre,
- Provision of volunteering opportunities at the refurbished Latimer Street Shop in Leicester,

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- To develop the volunteer programmes at the Hub and in other locations where appropriate
- To research the broader need of families with children and young people with a disability with a view to developing more holistic family support.
- **The Impact of COVID-19**

The Menphys Hub was officially opened on 12th March, 2020 by our President, Jenifer, Lady Gretton, heralding a new chapter for Menphys. New Clubs, to complement the existing clubs at the Barley Croft Community Centre, had opened along with a pilot programme of Parent Stay & Play and Parent & Toddler Groups and the launch of the Volunteer Development Programme.

In addition, several community engagement initiatives had commenced to facilitate and encourage the local Community to make use of the facilities, including the South Wigston Community Library and Menphys Coffee Shop and advanced discussions were being held to extend the Work Ready Crew (WRC) Programme with Caterpillar and the District Partnership Initiative (DPI) with 6 of Leicestershire's Borough Councils.

With the emergence of COVID-19 and the introduction of travel and social distancing restrictions normal daily life was effectively brought to a standstill for most people, particularly challenging for the vulnerable children, young people and families helped by Menphys. Restrictions necessitated the cessation of all of Menphys' existing services and fundraising activities creating great uncertainty for the new financial year that commenced on 1st April 2020.

With these challenges, reserves had to be utilised to provide financial cushioning during the year, whilst fundraising activities focused on donations and appeals to the goodwill of the local community, funding applications to grant giving organisations and applications to the Government's Emergency COVID-19 Funding and the Job Retention Scheme.

The overall approach outlined above proved to be effective in navigating our way thus far through the challenges of the Pandemic but these efforts need to continue throughout 2021 and beyond, if we are to maintain the progress made over the past 3 years to develop the services that families are crying out for and the necessary funding that will be required.

- **Activities**

- 1) Menphys Activity Clubs and Groups**

Menphys originally provided Saturday Clubs at the Barley Croft Community Centre during term time offering children and young people with a range of disabilities the opportunity to meet within a friendly, supportive and needs-led environment to socialise and have fun. These Clubs also supported Club Member's parents, carers and siblings, providing them with much needed respite.

In addition to the original Saturday Clubs at Barley Croft two new Saturday Clubs and a Parent Stay & Play Group and a Parent & Toddler Group were established during the year at the Hub.

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In addition:

- The Social Inclusion Programme (SIP) had been mapped out for the forthcoming year, to provide a range of ad-hoc events and activities, at the Hub and other locations, and
- Plans for the launch of the District Partnership Initiative (DPI), to provide activity groups for children with a disability under the age of 5, were in place with 6 of the County's Boroughs and their leisure services provider, Everyone Active.

With the emergence of COVID-19 all activity groups were suspended at the end of March 2020 and the new programmes to be launched were put on hold.

As restrictions have changed during the course of the year we have regularly reviewed options to restart Clubs and activity groups and the launch of the new programmes but the prevailing guidance was such that we couldn't or parents were reluctant, despite the need, to put their families at risk.

With roll out of the COVID-19 vaccine programme and further easing of restrictions, Saturday Clubs were restarted in June 2021 at the Hub and outline agreement has been reached with the management of the Barley Croft Community Centre to restart Clubs there in September 2021.

2) Employability and Life Skills Programmes

Menphys currently runs 2 employability and life skills programmes for young adults with a disability, the Work Ready Crew (WRC) and Volunteer Development Programmes (VDP). They offer high quality work experience supporting the transition into adulthood.

WRC Members receive structured short term supported work experience in a local employer whilst Members of the VDP receive similar opportunities within the Menphys Retail and Fundraising programmes.

Members of the VDP can extend to non-disabled members of the community who like to volunteer, but would like a more structured approach to their volunteering.

- **The WRC Programme** was successfully piloted at Caterpillar (Desford) Ltd, throughout 2019 with the second phase scheduled to commence from April 2020. The emergence of COVID-19 and associated restrictions imposed by the UK Government and additional operational restrictions imposed by Caterpillar Inc across all its UK operations has meant that the WRC is currently on hold.

Menphys are actively seeking funding for the continuation of the programme and hope to be able to relaunch the programme in the autumn of 2021 as COVID-19 restrictions are relaxed.

- Whilst the **Volunteer Development Programme** was also suspended at the end of March 2020 due to the COVID-19 enforced closure of the Menphys Retail and Fundraising operations, Menphys were still able to offer some specific volunteering opportunities via Home Support Service. The volunteering opportunities were aligned to the good practice processes of the VDP, allowing individuals to continue their volunteering (See Individual Support Programmes) whilst complying with COVID-19 restrictions.

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3) Individual Support

Menphys recognised early on during the COVID-19 pandemic that, despite our inability to deliver face to face services, children and young people with a disability, and their families, still needed support, particularly those that were vulnerable and were having to isolate. From this, the concept of the Home Support Service was developed to provide enriching and engaging support direct to the families at Home.

From initially providing hot meals to 6 families during Easter 2020, the service has been developed through feedback from families to provide regular At Home Activity Boxes and At Home Events. The highlight of the year was the Gift Appeal that provided an appropriate gift to +1,000 children at Christmas 2020 in addition to 1,300 individual activities that were sent out during the year.

These activities and events helped break the monotony of isolating at home during the pandemic, providing some much needed respite for parents and siblings whilst providing vital enrichment for their children.

To access the Home Support Service, families need to register with Menphys. By the end of March 2021, the number of families registered with Menphys for support reached 532 children within 491 households. The demand for support looks set to continue and grow as more families become aware of Menphys and the help and support that is available to them.

4) Family Support

The COVID-19 Pandemic has highlighted the needs of children and young people with a disability which has encouraged Menphys to undertake research into the needs of families and local provisions.

Whilst there are significant statutory provisions, initial findings of the research are that there are also gaps in those provisions. Further indications are that families have significant difficulties navigating the provisions and identifying opportunities to access services and activities for their children.

During 2021 Menphys will, therefore, be extending this research with a view to confirming what the gaps are and how best to evolve and develop services that will help close those gaps.

5) The Menphys Nurseries

Menphys Limited is associated with the two Leicestershire County Council run and maintained Nursery Schools at Launceston Road, Wigston, Leicester LE18 2FR and Sketchley Road, Burbage, Leicestershire LE10 2DY. Funding for the construction of both these Nurseries was provided by Menphys Limited, and the charity continues to provide adhoc additional financial support when required.

To maintain the link, two representatives from the Menphys Charity sit on the Governing Body of both Maintained Nursery Schools.

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• Public Benefit Statement

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aim and objectives.

The charity provides public benefit through the services provided to all disabled children, young people and their families in Leicester, Leicestershire, and Rutland.

ACHIEVEMENTS AND PERFORMANCE

The work of the charity has been underpinned by a comprehensive Development Plan that has shaped the focus of the Charity's day to day and longer term objectives including the response required to navigate the challenges and demands of the COVID-19 Pandemic.

<u>Objective</u>	<u>Action</u>
To manage our charity as effectively and efficiently as possible by investing in our people, our fundraising, our brand, our premises and our communications.	<p>We have:</p> <ul style="list-style-type: none">• A Board of Trustees who are supportive and actively involved in the strategic and operational aspects of the charity. They are able to challenge and ask the pertinent questions. They have a clear understanding of their roles and responsibilities. <p>The Board is made up from trustees who understand the charity, its vision and mission. The Board reflects on the needs of the charity and governs it effectively.</p> <ul style="list-style-type: none">• A Board that undertakes a regular review of its membership, including a review of its skills, experience and a development plan to address identified gaps.• A commitment to develop a workforce that is well supported, trained, and motivated. We provide our staff with a clear induction programme, and continuous professional development opportunities.• A robust, transparent and accurate yearly budget and accounts in place. <p>Note: <i>Budgets were reviewed at the start of the year and throughout 2020/21 to take account of the prevailing implications of the COVID-19 pandemic.</i></p> <ul style="list-style-type: none">• A well-developed plan for a comprehensive and sustainable fundraising programme to leverage our new and existing resources to reduce the reliance on funding via local authority contracts.• Undertaken and implement a review of our IT and technology resources, to ensure that we have the most up-to-date solutions to enable Menphys to provide services securely and to protect our IP and data assets.

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<p>To continue to secure funding to deliver our services from a diverse range of sources.</p>	<p>We have:</p> <ul style="list-style-type: none">• Developed and implemented a funding plan and grant application pipeline to provide a range of income opportunities taking account of COVID-19 restrictions.• Continued to obtain funding from a diverse range of sources. This has included specific COVID-19 funding, such as the Furlough Scheme and grants and from our retail and room hire activities when COVID-19 restrictions have permitted.• Developed links and partnerships with local businesses to secure their support for our activities and to encourage staff volunteering for the Home Support Service activities.• Maintained a positive relationship with users of The Hub with permitted users to maintain important room hire funding streams during the COVID-19 crisis whilst maintaining relationships with regular users who were prevented from access the Hub by the restrictions.• Refurbished the Latimer Street Shop to support its improved operation and to support increased volumes of donations and sales once COVID-19 restrictions end.• Developed online fundraising capabilities, such as Just Giving to encourage and secure donations and sponsorship in particular to encourage and secure this kind of support during the Pandemic.• Continue to raise Menphys' profile and to connect with more families and supporters through the development of the Menphys Newsletter and comprehensive social media programme. This is being further reinforced with the enhancement of the Menphys Website to incorporate a direct donation and e-commerce capability.
<p>To support children and young people and their families by the provision of non-residential short breaks at our Saturday Clubs.</p>	<p>This year:</p> <ul style="list-style-type: none">• COVID-19 restrictions meant we had to suspend our Clubs and activity groups due to the COVID-19 Pandemic. <p>However, we</p> <ul style="list-style-type: none">• Continued to provide enrichment and support to children, young people and their families who use our Clubs with the introduction of the Menphys Home Support Service.• Introduced a 'self-referral' scheme that enabled families to register with Menphys for services, in particular the Home Support Service.• 532 children are now registered with Menphys for support.

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	<ul style="list-style-type: none"> Reviewed and updated where required our safeguarding policies and procedures to reflect current good practice and to reflect COVID-19 restrictions.
To provide, improve and develop our high quality, holistic, person centred services in line with our mission statement, for disabled children and young people age 0-25, and their families living in Leicestershire and Leicester.	<p>This year:</p> <ul style="list-style-type: none"> COVID-19 restrictions meant we had to suspend the Work Ready Crew Programme and the Volunteer Development Programme along with the new Parent & Toddler and Parent Stay & Play Groups. <p>However, we:</p> <ul style="list-style-type: none"> Were able to adapt and provide a range of volunteering opportunities for members of the local community to support the Home Support Opportunities. Re-evaluated volunteering roles and have developed role profiles for future recruits to the VDP. Completed a review of our retail activities and committed to developing a Donation Centre in Wigston which, in conjunction with The Hub and Latimer Street, will enable Menphys to increase the opportunities for young people to participate in the VDP once restrictions ease and the Centre is opened.
To promote inclusion by providing social activities which provide engagement and interaction for children and young people with special educational needs, disabilities and complex health needs (SENDCHN).	<p>This year:</p> <ul style="list-style-type: none"> COVID-19 restrictions meant we had to close the Hub's Community Library, shop and coffee shop and our shop in Leicester for long periods of time. We were also unable to launch the District Partnership Initiative. <p>However, we:</p> <ul style="list-style-type: none"> Continued to make the Hub available to vulnerable groups permitted to come together during the pandemic. Opened the Community facilities at times when restrictions had been eased. Supported the County Council led Community activities including Adult Learning Services, Registrar Service and Library Service Cultural projects. Completed the installation of the Sensory Room. Offer sensory hairdressing services to families at various times during the year as restrictions permitted.

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- **Fundraising**

The emergence of the COVID-19 Pandemic just before the start of the new financial year meant that our traditional programme of fundraising events and corporate engagement had to be cancelled with activities focusing on more innovative online initiatives and grant applications.

This included the postponement of the London Marathon and the Menphys Christmas Carol Concert. Both Events have been deferred with the marathon rescheduled for late 2021 and the Carol Concert now to 2022.

Menphys were able to benefit from the Government's COVID-19 Relief programmes both in terms of grant funding and the Job Retention Scheme securing financial support for the delivery of the Home Support Service and general organisational and staff costs.

Note: Despite the closure of Clubs, the Job Retention Scheme has supported the retention of furloughed staff, enabling redundancies to be avoided and a subsequent return to normal working with the reopening of Clubs in June 2021

In addition, whilst grant giving organisations were slow to adapt their qualifying criteria and assessment processes, this eventually changed and Menphys were able to secure COVID-19 related support from a number of Grant Givers.

Most notably, a successful grant application was made to the National Lottery Community Fund with a grant award of £143,975 received.

Menphys also received a number of restricted grants* that are to provide direct funding for specific activities, however the impact of COVID-19 has meant that these grants have not yet been fully utilised. These include:

- Randal Foundation - £25,000 (Communications Devices) of which £15,210 has been utilised.
- Vichai Foundation - £4,100 (Mini Bikers Sessions) and £6,375 (Clubs Equipment)

Note*: These grants can only be utilised to fund the specified equipment and activity. They cannot be utilised to support the general costs of operating the charity.

- **Operational Activities**

The investment in the Menphys Hub has provided some of the anticipated financial resilience hoped for by the Board when they committed to the Hub's lease in June 2019. The Hub remained opened throughout the pandemic providing space for organisations who support vulnerable adults. This, in turn, provided Menphys with much needed room hire and refreshments income.

The Latimer Street and Hub Charity Shops had to remain closed for long periods of time or had to operate with very limited numbers of customers in the shops at any one time. This reduced the volume of donations that were, or could be, received and likewise the volume of income generated.

This was also the case for the Hub Coffee Shop.

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To counter the limited trading of the shops trading accounts were set up on Ebay and other online trading platforms enabling donated goods to be sold, mitigating some of the lost retail income.

Further, the Board committed to an extension of the Latimer Street Shop lease for a further 3 years, whilst taking advantage of the enforced and prolonged closure to refurbish its interior with the view that this will improve donations and sales once restrictions ease.

FINANCIAL REVIEW

The Trustees, who are also directors of the charity for purposes of the Companies Act, have adopted the provisions of the Charities SORP (FRS 102 October 2019) in preparing the annual report and financial statements.

The results for the year ended 31 March 2021 are shown in the Statement of Financial Activities on page 20 and the position of the charity as at 31 March 2021 is shown on the Balance Sheet on page 21-22.

Key highlights include:

- **Legacies (Peter Smith MBE)**

During nearly 50 years of service to Menphys, Peter Smith, as both Chair of the Trustee Board and as a Trustee, provided great leadership and guidance in directing the work of the Charity. Following his untimely death at the end of 2019, Menphys received notice that Peter had left the charity a legacy in his will.

Following the year end to March 2021 an interim distribution of £150,000 from the estate has been received which has been included in the summary of the Charities funds (see below).

Whilst this is welcome news, Peter's estate is very complex and Executors have not been able to provide clarity as to the total value of the estate nor when it will be fully distributed to the beneficiaries.

- **Reserves**

The Charity's reserves policy is to hold the equivalent of six months current expenditure as free and unrestricted reserves. Based upon the expenditure for 2020/21 the minimum free reserve requirement is £237,000.

This is to enable the charity's core activities to be maintained in the short to medium term, whilst providing resilience to cope with limited periods of adverse financial conditions.

This cover is required to provide for:

- Adequate working capital
- Unforeseen expenditure
- Streams of income or expenditure being different from that budgeted
- Replacement of tangible assets

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In reviewing reserves the Board also carefully considers the Charity's current versus future commitments and goals, taking account of inherent risks, to enable it to maintain the delivery and development of services.

This policy is usually reviewed not less than annually to ensure that it is appropriate, however, given the growing demand from families for support and against the backdrop of economic uncertainty following BREXIT and the prolonged challenges of COVID-19, Trustees are reviewing funding levels against the reserves policy more frequently.

- **Reserves Cover**

The total funds of the charity at the 31st March 2021 are £969,452. This includes:

- Tangible and Intangible Assets: £150,285
- Restricted Funds: £272,460
- Designated Funds: £200,000 – This relates to a donation of freehold land which is not realisable by the charity due to the covenants and agreements associated with it.
- Designated Funds: £125,312 – For restructuring and the development of services following the loss of the Special Outreach Service (SOS).

Free Reserves are therefore £221,395. This equates to 5.6 months of expenditure and is slightly below the minimum level established within the reserves policy.

PLANS FOR THE FUTURE

Whilst the fundamental elements of our plans did not change, the COVID-19 pandemic did hamper the delivery and development of services with priorities having to reflect:

- The evolving COVID-19 restrictions and in anticipation of how they would change,
- The immediate needs of the families, and
- How individuals and organisations wanted to or were able to support us during the pandemic.

With the easing of restrictions and the restart of our services, our key priorities for the future are:

- The development of services to reflect immediate, emerging, and growing needs,
- The reshaping of existing fundraising plans to reflect the changing behaviours, needs and limitations of individuals, businesses, and funding organisations.

This is with the specific aims of meeting the needs of a wide range of children and young people with disabilities, and their families, within the limits of our own resources through the following key areas of focus:

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These priorities are:

1. Activity Clubs and Groups:

- To maintain existing Clubs and Groups and our Social Inclusion Programme activities.
- To develop groups for younger children, such as the Parent & Toddler Group and the District Partnership Initiative (DPI).
- To explore clubs, groups and activities for older children and or siblings of the children we support,
- To explore opportunities to expand the programmes within existing and new locations, either by our own means or with the support of third parties.

2. Employability & Life-skills:

- To restart the Volunteer Development Programme with a view to growing the numbers of young people who can participate in the programme.
- To restart the Work Ready Crew Programme with Caterpillar with a view to expanding the programme to other local employers.
- To explore the development of a programme of employability and life-skills training to support young people with a disability as they transition into adulthood.

3. Individual Support:

- To maintain the Home Support Service in its current format into the Autumn of 2021 with a view to exploring how this service can be developed into a permanent offer.
- To research the needs for more tailored individual support that compliments, but does not replace existing statutory provisions, e.g. Buddy Schemes, Mentoring, etc..
- Develop a range of individual services and ad-hoc activities and events at the Hub that will further address unmet needs and or promote the work of the Charity.

4. Family Support:

- To Continue to research the needs of children and young people with disabilities and their families:
 - To ensure that our services continue to address unmet ongoing and evolving needs
 - With a view to developing a holistic support service for families to assist them in navigating the provisions and opportunities that exist for them and their children.

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5. Community Services:

- To maintain the support for the County Council Registrar, Adult Learning Service and Library Service as an integral part of the Menphys community offer at the Hub
- To promote all the services and facilities at the Hub to the wider community of South Wigston and the surrounding area both directly and through our own community events.

6. Retail Operations:

- To continue to invest in the development of the existing charity shops at Latimer Street and at the Hub to maximise the income and the other benefits it provides for the Charity.
- To invest in a new Central Donation Centre to enable the expansion of the Volunteer Development Programme whilst enabling an expansion and improved effectiveness of our retail activities.

The priority of the Board is to ensure that sufficient funds are available to maintain the current range of services to a high standard. The current financial position is such that the trustees are confident that the charity has adequate resources for the immediate future.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Menphys Limited is a company limited by guarantee and governed by its Memorandum and Articles of Association. It is a charity registered with the Charity Commission. It exists to provide support and services for children and young people with disabilities and to support their families and carers. The services are provided throughout Leicester, Leicestershire, and Rutland.

The following Board of Trustees have served since 1 April 2020:

- M J D Traynor OBE, FIH - Chairman
- N J Hammonds - Vice Chairman
- S Abraham NNEB - Honorary Treasurer
- I D Knight LL.B Solicitor (non-practising)
- M McGrath BA RGN RHV
- Prof. G W E Rees BA MSc PhD
- J R Wade BSc MSc
- A Daly BSc PGCE
- L Marsden (Appointed 7th September, 2020)
- E Spradbury BA, MCIPD (Appointed 7th September, 2020)
- L Franklin LL.B FCILEx (Appointed 7th September, 2020)

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The Trustees are appointed in accordance with the Company's Articles of Association and are chosen to bring in the various knowledge, skills, and experience required to meet the charity's objectives. New trustees are required to be put forward for re-election at the AGM following their appointment. Of the remaining trustees, one third, being the longest serving on the board, will also be put forward for re-election, if willing and proposed.

At the AGM, the Board elects a Chairman, Vice Chairman and Honorary Treasurer for an annual term. The duties and responsibilities of trustees are set out in papers issued to every board member. The guidance is reviewed regularly and re-issued, when necessary, after evaluating practice against documents such as "The Hallmarks of an Effective Charity" (Charity Commission) and The Code of Good Governance.

• Management

The Charity completed a significant restructure of its activities and organisation following the loss of the Special Outreach Service at the end of 2018. Ian Caldwell was appointed as CEO in November 2018 to oversee the restructure and in particular the development of new services and the focus on more sustainable sources of income and fundraising.

The management team has continued to be strengthened over the past 3 years reflecting the Charity's new strategic direction with resources in place to capitalise on this new structure, the new services and locations.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the Directors of Menphys Limited 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).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP 2015 (FRS 102 October 2019).
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for

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safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AUDITORS

A resolution to reappoint Newby Castleman as auditors will be put to the members at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.



Martin Traynor OBE
Chair of the Board of Trustees

Date: 16-12-2021

MENPHYS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MENPHYS LIMITED

Opinion

We have audited the financial statements of Menphys Limited (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 Trustee's Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustee's 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.

MENPHYS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF MENPHYS LIMITED

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 14-15, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. However, responsibility for the prevention and detection of fraud ultimately rests with both those charged with governance and management of the charitable company.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- obtaining an understanding of the legal and regulatory framework applicable to the charitable company by considering the nature of the industry in which the charitable company operates and enquiring of management; and
- identifying the key laws and regulations considered to have a direct impact on the financial statements including the UK Companies Act 2006, UK Charities Act 2011, UK Generally Accepted Accounting Practice and UK tax legislation; and

MENPHYS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF MENPHYS LIMITED

- assessing how the charitable company is complying with the applicable legal and regulatory framework by making further enquiries of management and observing the company's control environment regarding compliance with regulations and fraud prevention; and
- assessing the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur, by considering the effectiveness of the charitable company's accounting systems and controls and how these were monitored by management. Performance related targets and bonuses were also considered. Where the risk of material misstatement was considered to be higher in certain areas, further audit procedures were designed to address this increased risk; and
- discussing amongst the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud.

Audit response to risks identified

Our procedures to respond to risks identified included the following:

- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- enquiry of charitable company staff responsible for compliance to identify any instances of non-compliance with laws and regulations; and
- reviewing supporting documentation confirming compliance with specific laws and regulations considered central to the ability of the company to operate; and
- enquiry of management, those charged with governance and other relevant parties around actual and potential litigation claims; and
- reviewing supporting documentation regarding actual and potential litigation claims; and
- reviewing minutes of meetings of those charged with governance; and
- performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias; and
- communicating identified laws and regulations and potential fraud risks to all engagement team members and assessing whether there are any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an 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 charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

MENPHYS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF MENPHYS LIMITED

..... (Senior Statutory Auditor)

Newby Castleman LLP

Chartered Accountants

Statutory Auditor

West Walk Building

110 Regent Road

Leicester

LE1 7LT

Date:

Newby Castleman LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

MENPHYS LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
	Notes				
Income from:					
Donations and legacies	3	90,053	61,837	151,890	108,011
Charitable activities	4	33,096	218,558	251,654	112,689
Other trading activities	5	27,544	-	27,544	78,526
Investments	6	32,799	-	32,799	13,704
Legacy income	7	150,000	-	150,000	-
Total		333,492	280,395	613,887	312,930
Expenditure on:					
Raising funds	8	145,759	-	145,759	171,938
Charitable activities	9	114,695	170,372	285,067	263,762
Other	12	-	43,793	43,793	-
Total		260,454	214,165	474,619	435,700
Net gains/(losses) on investments		51	-	51	(161)
Net incoming/(outgoing) resources before transfers		73,089	66,230	139,319	(122,931)
Transfers between funds		63,545	(63,545)	-	-
Net movement in funds		136,634	2,685	139,319	(122,931)
Reconciliation of funds					
Total funds brought forward		560,358	269,775	830,133	953,064
Total funds carried forward		696,992	272,460	969,452	830,133

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

All income and expenditure derive from continuing activities.

MENPHYS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Intangible assets	14		3,712		-
Tangible assets	16		562,221		574,596
Investments	17		247		196
			<u>566,180</u>		<u>574,792</u>
Current assets					
Debtors	18	174,783		49,592	
Cash at bank and in hand		266,616		233,625	
		<u>441,399</u>		<u>283,217</u>	
Liabilities					
Creditors: amounts falling due within one year	19	(38,127)		(27,876)	
Net current assets			403,272		255,341
Net assets			<u>969,452</u>		<u>830,133</u>
Total funds of the charity					
Restricted funds	21		272,460		269,775
Unrestricted funds:					
Designated funds		325,312		347,768	
General funds		371,433		212,394	
		<u>696,745</u>		<u>560,162</u>	
Fair value reserve	22	247		196	
		<u>696,992</u>		<u>560,358</u>	
Total charity funds	23		<u>969,452</u>		<u>830,133</u>

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

For the year ending 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies but as this company is a charity, it is subject to audit under the Charities Act 2011.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

MENPHYS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2021

The financial statements were approved and authorised for issue by the board of trustees on
and are signed on its behalf by:



M J D Traynor OBE FIH - Chairman
Trustee



S E Abraham NNEB - Honorary Treasurer
Trustee

Company Registration No. 01204400

The notes on pages 23 - 39 form part of these financial statements.

MENPHYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Menphys Limited is a private company limited by guarantee incorporated in England and Wales. The address of the registered office and place of business is given in the legal and administrative information page of these financial statements.

1.1 Basis of preparation

The charitable company is a public benefit entity as defined by FRS 102. These financial statements have been prepared in accordance with: the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), Accounting and Reporting by Charities: the Statement of Recommended Practice for charities applying FRS 102 (2019), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

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

These financial statements are prepared under the historical cost convention modified to include the revaluation of investments. The principal accounting policies adopted are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds are unrestricted funds of the charity that the trustees have decided at their discretion to set aside for specific purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

1.4 Income recognition

Income is recognised when the charitable company has legal entitlement to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

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

Legacies are recognised at the earlier of the charity being notified of an impending distribution or the legacy being received.

MENPHYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Donated facilities and donated services are recognised as income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

Government grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured with reliability. If entitlement is not met, then the amounts are deferred.

Income from charitable activities primarily includes grant income and subscription fees for Saturday Clubs, Work Ready Crew and the Volunteer Development Programme. Such income is recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured with reliability. If entitlement is not met, then the amounts are deferred.

Income from trading activities includes income earned from the retail shop, fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred. Donated items of stock for resale are not recognised in the financial statements until they are sold because the trustees consider it is impractical to fair value the items due to the large volume of low value items.

Investment income is earned through holding assets for investment purposes. It comprises bank interest and dividends, which are recognised on an accruals basis.

1.5 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category. Expenditure is recognised when there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. It is recognised under the following headings:

- Costs of raising funds includes costs incurred in seeking donations, legacies, grants and fundraising.
- Expenditure on charitable activities notably includes charitable services and the Menphys Hub costs to further the delivery of the objectives of the charity.
- Other expenditure includes wages and salaries in respect of the Coronavirus Job Retention Scheme.

Irrecoverable VAT is charged against the category of resources expensed for which it was incurred.

1.6 Support costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and costs of raising funds and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Support costs are allocated to costs of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 11.

MENPHYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.7 Intangible fixed assets other than goodwill

Intangible assets are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

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

Website	33% per annum of cost
---------	-----------------------

1.8 Tangible fixed assets

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

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

Freehold land and buildings	2% per annum of cost
Short leasehold improvements	Straight line over the duration of the lease
Fixtures, fittings & equipment	15%, 20% and 33% per annum of cost

1.9 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount in order to determine the extent of the impairment loss (if any). Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the Statement of Financial Activities (SOFA) unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

1.11 Financial instruments

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

Debtors and creditors with no stated interest rate and receivable or payable within one year are measured at transaction price. Any losses arising from impairment are recognised in the SOFA.

Investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value which is normally the transaction price excluding transaction costs. Such assets are subsequently measured at fair value and the changes in fair value are recognised in the SOFA, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

1.12 Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

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

MENPHYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.13 Retirement benefits

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

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to the SOFA on a straight line basis over the term of the relevant lease.

1.15 Taxation

Menphys Limited is a registered charity and no taxation provision is required as its income from charitable activities falls within the various exemptions available to registered charities.

2 Critical accounting estimates and judgements

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

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

The trustees do not consider there to be any key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements.

3 Income from donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Donations	55,053	18,044	73,097	82,084	-	82,084
Coronavirus Job Retention Scheme	-	43,793	43,793	-	-	-
Donated goods and services	35,000	-	35,000	25,927	-	25,927
	<u>90,053</u>	<u>61,837</u>	<u>151,890</u>	<u>108,011</u>	<u>-</u>	<u>108,011</u>

MENPHYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

4 Income from charitable activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Charitable services	33,096	218,558	251,654	1,500	33,421	34,921
Menphys Hub	-	-	-	-	77,768	77,768
	<u>33,096</u>	<u>218,558</u>	<u>251,654</u>	<u>1,500</u>	<u>111,189</u>	<u>112,689</u>
Grant income	33,096	218,538	251,634	1,500	105,969	107,469
Subscriptions receivable	-	20	20	-	5,220	5,220
	<u>33,096</u>	<u>218,558</u>	<u>251,654</u>	<u>1,500</u>	<u>111,189</u>	<u>112,689</u>

5 Income from other trading activities

	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £
Fundraising events	6,821	-	6,821	37,634	273	37,907
Shop sales from donated goods	15,985	-	15,985	38,526	-	38,526
Menphys Hub café income	4,738	-	4,738	2,093	-	2,093
	<u>27,544</u>	<u>-</u>	<u>27,544</u>	<u>78,253</u>	<u>273</u>	<u>78,526</u>

6 Income from investments

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Menphys Hub room hire	32,705	-	32,705	11,684	-	11,684
Dividends receivable	1	-	1	11	-	11
Interest receivable	93	-	93	2,009	-	2,009
	<u>32,799</u>	<u>-</u>	<u>32,799</u>	<u>13,704</u>	<u>-</u>	<u>13,704</u>

MENPHYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

7 Legacy income

The charity received notification of a legacy in the year, for which an interim amount of £150,000 has been distributed. The remainder of the estate is still in probate with no reliable valuation available at the audit report date.

8 Expenditure on raising funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<u>Fundraising</u>						
Staging fundraising events	12,114	-	12,114	29,763	-	29,763
Staff costs	61,476	-	61,476	56,449	-	56,449
Support costs	15,429	-	15,429	17,654	-	17,654
	<u>89,019</u>	<u>-</u>	<u>89,019</u>	<u>103,866</u>	<u>-</u>	<u>103,866</u>
<u>Shop expenses</u>						
Operating charity shops	375	-	375	667	-	667
Menphys Hub café expenses	1,590	-	1,590	2,060	-	2,060
Staff costs	30,839	-	30,839	33,894	-	33,894
Support costs	23,936	-	23,936	31,451	-	31,451
	<u>56,740</u>	<u>-</u>	<u>56,740</u>	<u>68,072</u>	<u>-</u>	<u>68,072</u>
	<u>145,759</u>	<u>-</u>	<u>145,759</u>	<u>171,938</u>	<u>-</u>	<u>171,938</u>

MENPHYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

9 Expenditure on charitable activities

	Activities undertaken directly Note 10 £	Support Costs Note 11 £	Total 2021 £	Total 2020 £
Charitable services	114,561	45,543	160,104	121,287
Menphys Hub	74,712	19,874	94,586	87,331
Menphys Nurseries	7,920	-	7,920	8,061
SOS Closure & Restructuring	7,095	15,362	22,457	47,083
	<u>204,288</u>	<u>80,779</u>	<u>285,067</u>	<u>263,762</u>
Unrestricted funds			114,695	170,155
Restricted funds			170,372	93,607
			<u>285,067</u>	<u>263,762</u>

10 Expenditure on activities undertaken directly

	Charitable services £	Menphys Hub £	Menphys Nurseries £	SOS Closure & Restructuring £	Total 2021 £	Total 2020 £
Staff costs	74,529	35,617	-	7,095	117,241	129,801
Depreciation and impairment	829	6,345	7,920	-	15,094	12,280
Rent	-	32,750	-	-	32,750	25,927
Home Support and Activity Club costs	39,203	-	-	-	39,203	6,731
	<u>114,561</u>	<u>74,712</u>	<u>7,920</u>	<u>7,095</u>	<u>204,288</u>	<u>174,739</u>

MENPHYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

11 Expenditure on support costs

	2021 £	2020 £
Staff costs	20,077	18,182
Depreciation and amortisation	13,310	9,743
Rent and rates	7,785	14,382
Insurance	11,139	7,435
Light and heat	11,280	12,701
Repairs and maintenance	8,025	7,281
Office and computer	30,675	34,030
Telephone	3,708	4,092
Travel	497	4,983
Other expenses	13,648	25,299
	<u>120,144</u>	<u>138,128</u>
Analysed between:		
Fundraising	15,429	17,654
Shop	23,936	31,451
Charitable activities	80,779	89,023
	<u>120,144</u>	<u>138,128</u>

Support costs have been allocated to activities on a relevant basis to the nature of the underlying costs in proportion to resources used. Support costs include governance costs totalling £42,479 (2020: £39,355).

The amount charged to the SOFA in respect of auditor's remuneration was:

- statutory audit £4,750 (2020 - £4,350)
- other services £1,650 (2020 - £1,100)

12 Other expenditure

	Unrestricted funds 2021	Restricted funds 2021	Total 2021	Unrestricted funds 2020	Restricted funds 2020	Total 2020
Wages and salaries	-	43,793	43,793	-	-	-

13 Trustees

None of the trustees received nor waived any remuneration, benefits or reimbursements from the charity during the year, or in the previous year.

MENPHYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

14 Intangible fixed assets

	Website £
Cost	
At 1 April 2020	-
Additions	3,930
	<hr/>
At 31 March 2021	3,930
	<hr/>
Amortisation and impairment	
At 1 April 2020	-
Amortisation charged for the year	218
	<hr/>
At 31 March 2021	218
	<hr/>
Carrying amount	
At 31 March 2021	3,712
	<hr/> <hr/>
At 31 March 2020	-
	<hr/> <hr/>

15 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Governance and admin	3	2
Fundraising and trading	8	5
Charitable services	15	11
	<hr/>	<hr/>
	26	18
	<hr/> <hr/>	<hr/> <hr/>

Employment costs

	2021 £	2020 £
Wages and salaries	249,048	221,721
Social security costs	13,409	13,149
Other pension costs	3,144	3,456
	<hr/>	<hr/>
	265,601	238,326
	<hr/> <hr/>	<hr/> <hr/>

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

MENPHYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

16 Tangible fixed assets

	Freehold land and buildings £	Short leasehold improvements £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 April 2020	626,297	141,685	111,796	879,778
Additions	-	6,079	9,732	15,811
At 31 March 2021	626,297	147,764	121,528	895,589
Depreciation and impairment				
At 1 April 2020	219,492	9,446	76,244	305,182
Depreciation charged in the year	7,920	10,117	10,149	28,186
At 31 March 2021	227,412	19,563	86,393	333,368
Carrying amount				
At 31 March 2021	398,885	128,201	35,135	562,221
At 31 March 2020	406,805	132,239	35,552	574,596

MENPHYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

17 Fixed asset investments

	Listed investments £
Valuation	
At 31 March 2020	196
Revaluation	51
	<hr/>
At 31 March 2021	247
	<hr/>
Carrying amount	
At 31 March 2021	247
	<hr/>
At 31 March 2020	196
	<hr/>

The company acquired 250 Alliance and Leicester shares on conversion from a Building Society to a Bank in 1997. On takeover by Santander they received a 1 for 3 share, entitling them to 83 shares in Santander. Over the years the company has received a bonus issue of shares rather than the cash dividends. Total shares held at 31 March 2021 were 100 (2020 - 100). These shares have a nil cost. The carrying amount above the fair value is determined by reference to the quoted market price.

18 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	15,358	23,803
Prepayments and accrued income	159,425	25,789
	<hr/>	<hr/>
	174,783	49,592
	<hr/>	<hr/>

19 Creditors: amounts falling due within one year

	2021 £	2020 £
Other creditors	468	772
Accruals and deferred income	37,659	27,104
	<hr/>	<hr/>
	38,127	27,876
	<hr/>	<hr/>

20 Retirement benefit schemes

The charitable company operates a defined contribution pension scheme for all qualifying employees.

The charge to the SOFA in respect of the defined contribution schemes was £3,144 (2020 - £3,456), of which £416 was restricted and £2,728 was unrestricted, with £454 being allocated as direct costs and £2,274 allocated as support costs. Expenditure has been allocated between funds and activities on a relevant basis to the nature of the underlying costs in proportion to resources used.

MENPHYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

21 Restricted funds

The funds of the charity include restricted funds held for specific purposes:

	Balance at 1 April 2020	Movement in funds			Transfer of National Lottery Fund	Balance at 31 March 2021
	£	Income	Expenditure	Transfers	£	£
Wigston Nursery	154,157	-	(6,156)	-	-	148,001
Building	20,416	-	-	-	-	20,416
Menphys Activity Clubs	1,821	12,919	(33,275)	18,631	11,312	11,408
Volunteer Development Programme	10,192	-	(15,867)	10,865	-	5,190
Changing Places	37,747	-	(2,696)	-	-	35,051
Therapy and Sensory Rooms	23,705	-	(2,845)	52	-	20,912
Library Services	21,737	6,638	(9,233)	-	-	19,142
Work Ready Crew	-	5,000	(4,000)	-	-	1,000
Home Support Service	-	23,520	(63,090)	39,570	-	-
Randal Foundation	-	25,000	(15,210)	-	-	9,790
District Partner Initiative	-	1,550	-	-	-	1,550
Coronavirus Job Retention Scheme	-	43,793	(43,793)	-	-	-
National Lottery Community Fund	-	143,975	-	-	(143,975)	-
LCC Communities Fund	-	18,000	(18,000)	-	-	-
	<u>269,775</u>	<u>280,395</u>	<u>(214,165)</u>	<u>69,118</u>	<u>(132,663)</u>	<u>272,460</u>

	Balance at 1 April 2019	Income Expenditure			Transfer of National Lottery Fund	Balance at 31 March 2020
	£	Income	Expenditure	Transfers	£	£
Wigston Nursery	160,313	-	(6,156)	-	-	154,157
Building	20,416	-	-	-	-	20,416
Menphys Activity Clubs	2,530	11,304	(62,541)	50,528	-	1,821
Volunteer Development Programme	-	22,390	(12,198)	-	-	10,192
Changing Places	-	30,000	(2,696)	10,443	-	37,747
Therapy and Sensory Rooms	-	16,709	(694)	7,690	-	23,705
Library Services	-	31,059	(9,322)	-	-	21,737
	<u>183,259</u>	<u>111,462</u>	<u>(93,607)</u>	<u>68,661</u>	<u>-</u>	<u>269,775</u>

MENPHYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

21 Restricted funds

(Continued)

The Wigston Nursery fund represents the net book value of the Menphys Nursery Building, Wigston, which was purchased out of grants and donations specifically given for this purpose.

The Building fund represents grants and donations specifically given towards the costs of building projects.

The fund for Menphys Activity Clubs offers the opportunity for children and young people with a range of disabilities to meet within a friendly, supportive and needs-led environment to socialise and have fun. The Clubs operate at a loss each year and are therefore supported by general reserves (hence the transfer of £18,631 from general reserves). Grant income received includes:

- £6,735 from the Vichai Srivaddhanaprabha Foundation for Saturday clubs equipment; and
- £4,100 from the Vichai Srivaddhanaprabha Foundation for a Mini Bike programme.

Volunteer Development Programme represents amounts set aside to provide structured volunteering experiences for disabled young people. This was supported by a transfer from general reserves of £10,865.

Changing Places - Leicestershire County Council provided grant funding to contribute to the construction of a Changing Places Toilet facility in The Menphys Hub.

Therapy and Sensory Rooms - Grants were received to contribute to the construction and equipment of the new Sensory and Therapy Rooms in The Menphys Hub. A transfer in the sum of £52 was made from unrestricted funds to support additional spend on therapy equipment.

Library Services - Leicestershire County Council provided grant funding to contribute to the refurbishment and running of the Library in The Menphys Hub.

Work Ready Crew funding relates to monies received from the Thomas Wall Trust to provide a Toolkit to employers who offer work placement opportunities for young people with special educational needs and disabilities aged 16-25 years old.

The Home Support Service Fund provides enriching and engaging support direct to the families at home. Grant income received in the year includes:

- £14,931 donations through the Christmas gift appeal
- £1,989 Leicestershire County Council Communities Fund for care, educational and food packages;
- £2,000 Department of Culture Media and Sport Covid grant (through the Leicestershire & Rutland Community Foundation) for meal kits; and
- £2,000 Wooden Spoon for home support activity kits.

This fund has been supported by a transfer of £39,570 from general reserves.

We have received £25,000 from The Randal Charitable Foundation for the purchase of iPads for socially disadvantaged, low-income family children between the ages of 5-12 to use with the assistance of their SEND schools.

The District Partner Initiative Fund includes funds received from Hinckley & Bosworth Borough Council towards physical activity clubs for children aged 0-5 years in the Borough of Hinckley & Bosworth and working with Leicestershire & Rutland Sport.

MENPHYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

21 Restricted funds

(Continued)

Covid Job Retention Scheme funding of £43,793 was received during the year enabling the retention of staff furloughed as a result of the Pandemic.

We received funding from the Coronavirus Community Support Fund, distributed by The National Lottery Community Fund, using funds from The Office for Civil Society, part of the Department for Digital, Culture, Media and Sport. This grant funded loss of income as a result of the pandemic in 2020/21. The funding covered £11,312 of Activity Clubs with the balance transferred to unrestricted reserves to replace loss of income in respect of donations, events, retail income (charity shops and café) and room hire.

We received £18,000 funding from Leicestershire County Council Communities Fund towards costs associated with care, education and food packages to support vulnerable families and monthly overhead outgoings.

22 Unrestricted funds

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

	Movement in funds					
	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Investments gains/(losses)	Balance at 31 March 2021
	£	£	£	£	£	£
Work Ready Crew	-	-	(10,611)	10,611	-	-
Wigston Nursery	200,000	-	-	-	-	200,000
SOS Closure & Restructuring	147,768	-	(22,456)	-	-	125,312
	347,768	-	(33,067)	10,611	-	325,312
General funds	212,394	333,492	(227,387)	52,934	-	371,433
Fair value reserve	196	-	-	-	51	247
Total	560,358	333,492	(260,454)	63,545	51	696,992

MENPHYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

22 Unrestricted funds

(Continued)

	Balance at 1 April 2019	Incoming resources	Movement in funds			Balance at 31 March 2020
	£	£	Resources expended	Transfers	Investments gains/(losses)	£
Work Ready Crew	19,877	-	(36,548)	16,671	-	-
Volunteer Development Programme	10,000	-	(10,000)	-	-	-
Wigston Nursery	200,000	-	-	-	-	200,000
SOS Closure & Restructuring	212,984	-	(47,083)	(18,133)	-	147,768
	442,861	-	(93,631)	(1,462)	-	347,768
General funds	326,587	201,468	(248,462)	(67,199)	-	212,394
Fair value reserve	357	-	-	-	(161)	196
Total	769,805	201,468	(342,093)	(68,661)	(161)	560,358

Work Ready Crew represents amounts set aside to give young people the necessary skills to thrive in the workplace. This activity has been supported by a transfer of £10,611 from general reserves during the last year.

Volunteer Development Programme (in 2019/20) represents amounts set aside to provide structured volunteering experiences for disabled young people.

The Wigston Nursery fund represents the donation of freehold land at Wigston some years ago. This freehold land is not realisable by the charity due to the covenants and agreements associated with it.

The SOS Closure & Restructuring fund represents amounts set aside for the future development of the charity following the cessation of the SOS service.

23 Analysis of net assets between funds

	Unrestricted funds		Restricted funds	Total
	General funds	Designated funds	funds	
	£	£	£	£
Fund balances at 31 March 2021 are represented by:				
Intangible fixed assets	3,712	-	-	3,712
Tangible assets	146,573	200,000	215,648	562,221
Investments	247	-	-	247
Current assets/(liabilities)	221,148	125,312	56,812	403,272
	371,680	325,312	272,460	969,452

MENPHYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

23 Analysis of net assets between funds

(Continued)

	Unrestricted funds		Restricted funds	Total
	General funds	Designated funds	funds	
	£	£	£	£
Fund balances at 31 March 2020 are represented by:				
Tangible assets	152,615	200,000	221,981	574,596
Investments	196	-	-	196
Current assets/(liabilities)	59,779	147,768	47,794	255,341
	<u>212,590</u>	<u>347,768</u>	<u>269,775</u>	<u>830,133</u>

24 Capital commitments

2021
£

2020
£

At 31 March 2021 the charitable company had capital commitments as follows:

Contracted for but not provided in the financial statements:

Acquisition of property, plant and equipment	-	6,997
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25 Events after the reporting date

Whilst COVID-19 Restrictions have been lifted it continues to impact the fundraising efforts of the Charity and the restart of services.

Fundraising

Event Income – Whilst the charity has a record of organising and hosting a well-run programme of events it is proving difficult to secure good attendances and participation at every event with the consequence that individual events are yielding lower than expected income or, in some cases, leading to events having to be cancelled.

Retail Income – The restart of retail activities in summer 2021 had to be delayed due to the timing of the change in restrictions. Further, as with the Events Programme, footfall appears to be more uncertain on a day to day basis with the resulting impact on income

Services

Overall families have expressed a great desire to access face to face services again, however there are still those with concerns about COVID-19 and the risks to them and their children, many of whom have health vulnerabilities, when accessing services. In the immediate term this has had some impact on participation numbers whilst families get vaccinated and adjust to the prevailing health guidance.

MENPHYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

26 Operating lease commitments

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

	2021 £	2020 £
Within one year	9,676	10,063
Between two and five years	12,226	4,376
	<u>21,902</u>	<u>14,439</u>

Lease payments totalling £10,487 (2020: £11,881) have been recognised as an expense during the year.

27 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation	<u>146,862</u>	<u>137,696</u>

Transactions with related parties

Except for the transactions listed above and in note 12, there were no other related party transactions.

28 Controlling party

Menphys Limited is a company limited by guarantee and not having a share capital; it is incorporated under the Companies Act and governed by the Memorandum and Articles of Association of the charity. The trustees of the charity are elected members and act as directors of the charity who are deemed to be the controlling party of the charity.