

Charity Registration No. 270700

Company Registration No. 01204400 (England and Wales)

MENPHYS LIMITED

**TRUSTEES' REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 MARCH 2022**

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)
Prof G W E Rees BA MSc PhD
A J Daly BSc PGCE
L Franklin LLB FCILEx
E L Spradbury BA MCIPD
L C Marsden

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

MENPHYS LIMITED

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MENPHYS LIMITED

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The Trustees who are Directors of the charitable company present their report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's 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 (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.
- 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.

MENPHYS LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

- 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:

- To continue to support the unmet needs of disabled children, young people and their families in Leicester, Leicestershire, and Rutland, and,
- To 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 continues to make in its facilities and services, most notably the Menphys Hub and the Menphys Donation Centre, its continued commitment to the Club provision at the Barley Croft Community Centre and the development of partnerships with a number of organisations.

The Hub operates as a Head Office for the Charity and a focus for the delivery, development and expansion of services built around an inclusive and flexible space for the:

- Menphys Activity Clubs & Groups and Employability & Life Skills Programmes,
- The development of individual programmes and 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.

The Donation Centre provides valuable income to the charity, incorporating both a coffee shop and shop for selling donated goods. It is the Charity's key location for receiving and processing donated goods for sale and provides some additional space for the further development of services.

In collaboration with the Leicester Riders and Leicester City Football Club Community Foundations and with a number of Local Authorities and their Leisure Centre provider, Everyone Active, new services have been developed at the Hub and in other districts of the County.

Menphys remain committed to providing and developing a range of holistic services for families with children and young people with a disability from across Leicester, Leicestershire, and Rutland. This will continue to be founded on research and understanding of their broader needs.

The charity measures the impact of its aims and objectives by monitoring participation levels of service users in the various services and activities the charity provides. This is measured in numbers of participants and in the number of hours of participation.

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FOR THE YEAR ENDED 31 MARCH 2022

- **Activities**

1) Menphys Activity Clubs and Groups

The Menphys Saturday Clubs at the Hub and Barley Croft Community Centre operate 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 where they can enjoy social engagement with other children, develop social confidence and new skills and build friendships and have fun. These Clubs also support Club Member's parents, carers and siblings, providing them with much needed respite.

Menphys extended this offer to include:

- Term time After School Clubs and Holiday Camps in collaboration with the Leicester Riders and Leicester City Football Club Community Foundations.
- The restart and expansion of the Parent & Toddler Group at the Hub in collaboration with local district councils via their Leisure Centre provider, Everyone Active.
- The restart of the Social Inclusion Programme (SIP) providing a range of ad-hoc events and activities, at the Hub and other locations.

2) Employability and Life Skills Programmes

Prior to COVID Menphys operated 2 employability and life skills programmes for young adults with a disability, the Work Ready Crew (WRC) and Volunteer Development Programmes (VDP) offering high quality work experience to support the transition into adulthood.

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

3) Individual Support

With the lifting of COVID restrictions the need for At Home Support became less important so focus was shifted to meeting individual needs that reflected the end of social distancing and more specialist support.

Most notably, Menphys developed the Communications Device project following the receipt of financial support from the Randal Foundation and provided individual activities aligned with the SIPs programme.

4) Family Support

The research into the support needs of families started in 2020 was extended alongside activities to build greater understanding of the needs for existing Menphys services.

This included a pilot programme of support for a limited number of families to assist them in completion of applications for Disability Living Allowance (DLA) and Personal Independence Payments (PIP) allowances, school provisions and Education Health and Care Plans (EHCPs).

This pilot and further research has further reinforced the difficulties that families have in navigating and accessing statutory provisions and support and will be used to shape the development of Family Support in 2022-23.

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,

MENPHYS LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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.

• **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.

Whilst the number of volunteers supporting Menphys reduced during the pandemic, volunteers continued to play a key role in the delivery of services and events during the year. Volunteer numbers are once again growing following the easing of Government restrictions imposed to tackle the Covid-19 pandemic.

ACHIEVEMENTS AND PERFORMANCE

Looking back over the year we strongly believe that Menphys has adapted well to the changing circumstances of the COVID-19 Pandemic continuing to provide immediate and longer-term social benefits to the children, young people and families and wider communities we support.

The COVID-19 pandemic resulted in the introduction of travel and social distancing restrictions. Normal daily life was effectively brought to a standstill for most people, which was 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. 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 prevailing 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.

Following the easing of restrictions in the summer of 2021 the charity's activities were restarted, although there was inevitably a lag in day-to-day activities returning to normal. Footfall to the coffee shop and shops at the Hub, Latimer Street and the new Donation Centre grew steadily as public confidence grew, whilst the return of families to utilise services varied depending on the nature and location of the activity, with some families being more cautious than others about returning to face-to-face service activities.

Our main achievements for the year include:

1) Menphys Activity Clubs and Groups

- 1,782 hours of participation from members of the 4 x Menphys Saturday Clubs, whilst providing their parents and siblings with approximately 5,346 hours of respite.
- 676 hours of regular sports participation at the 3 x Menphys After-school Clubs, delivered in collaboration with the Leicester Riders Basketball Club and Leicester City Football Club Community Foundations, with parents and siblings benefiting from approximately 2,028 hours of respite.
- 1 x 3 day Basketball Holiday Camp delivered in collaboration with the Leicester Riders Basketball Club at the Morningside Arena, providing 108 hours of exclusive sports coaching and further respite during school holidays for families.

MENPHYS LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

- The restart and expansion of the Parent & Toddler Programme to provide weekly session at 8 locations for families across the City and County in collaboration with the local district councils via their Leisure Centre provider, Everyone Active.

2) **Employability and Life Skills Programmes**

Despite the challenges post COVID of restarting the Menphys work experience and volunteer development programmes, we were able to:

- Provide 2 young people with 122 days of work experience at the Menphys Hub in the Menphys Fundraising and Services Teams.
- Open the new Donation Centre in July 2021 with a view to creating more volunteering / work experience opportunities as part of the future development of the Programme.
- Completed a review of work experience provisions in Leicester and Leicestershire for young people with disabilities to help shape our future planning.

As a charity supporting disabled people, Menphys want to increase work and volunteering opportunities for disabled people. As part of our Equality and Diversity Policy, we commit to adjusting to meet the needs of disabled job applicants, employees, and volunteers. We aim to interview all disabled applicants that meet the minimum criteria for job vacancies, and we work with disabled staff to make appropriate adjustments to ensure that they can stay in employment.

3) **Individual Support**

- 50 non-verbal children provided with early access to an i-Pad preloaded with one of 2 specialist communications apps as part of the Menphys Communications Device Project. This is a life-enhancing programme designed to help the children to develop language and communications skills.

This ongoing project has been delivered in collaboration with 5 local SEN and one mainstream school utilising a grant of £25,000 from the Randal Foundation.

- Conducted research with families in to the types of events and activities which would be suitable for their children and they would like to participate in.
- 1,119 children and siblings provided with a Christmas gift from the Menphys Christmas Appeal, of which 555 children received their gift at Leicester's first disability friendly 'Santa's Grotto' set up in Leicester City Centre by Review.io and Menphys.
- 19 children took part in a programme of cycling lessons – The Menphys Mini-Bikers – equating to 122 hours of training. This training was provided to enable them and their families to enjoy the benefits of cycling together.
- 8 children took part in the Menphys Comedy 1 day Workshop & Comedy Showcase at the Menphys Hub (part of the Leicester Comedy Festival) equating to 48 hours of enrichment and approximately 144 hours of family respite.

4) **Family Support**

- The research into the support needs of families started in 2020 was extended to include a pilot programme of support for a limited number of families to assist them in navigating local statutory provisions.
- A further 14 cases were taken on during the year of which 9 have been successfully completed securing families with £34,000 of financial support and or resolved access to the provisions. The remaining cases are part progressed pending confirmation of a successful outcome.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

- The number of children registered with Menphys for support grew from approximately 90 to 741 by March 2022.
- 212 children and 187 Parent / Carers took part in a cinema visit and 10 pin bowling day, the first 2 family events chosen for the relaunch The Menphys Social Inclusion Programme.

5) Community Support

The Menphys Hub and The Donation Centre continue to provide support to the local community through the provision of volunteering opportunities for members of the local community in the Coffee Shop, Shops and Library.

The Menphys Hub, especially the Library, is a valuable community resource in South Wigston. In addition to providing meeting rooms and disability friendly facilities it is also a place for people to meet and to access library services.

In addition to the conventional services, the Library also has a 'community table' which is available to local community groups on a free of charge basis to come together and to support members.

Groups regularly using the Community Table during the year had a total of approximately 40 members:

- South Wigston Knit & Natter Group
- South Wigston Morse Bags – Textiles recycling group
- South Wigston All Minds Matter - Wellbeing & Mental Health Group
- Retro Games – Computer gaming wellbeing group

FINANCIAL REVIEW

The results for the year ended 31 March 2022 are shown in the Statement of Financial Activities on page 16. This, together with the balance sheet on pages 17-18, should be read in conjunction with the related notes which have been prepared in accordance with the Charities SORP 2019 (FRS 102).

Total income for the year amounted to £1,255,508 (2021 - £613,887). The principal funding source continued to be income from legacies and donations including the sale of donated goods. Total expenditure for the year amounted to £636,099 (2021 - £474,619). A breakdown of expenditure is set out in notes to the financial statements.

After transfers between funds, there was a net increase in unrestricted funds for the year totalling £651,773 and a net decrease in restricted funds totalling £32,350. This has resulted in a total increase in funds for the year of £619,423. The funds for the charity at the year-end totalled £1,588,875 which comprise restricted funds of £240,110 and unrestricted funds of £1,348,765, of which £650,048 has been designated (for the purposes stated in note 22) leaving £698,717 as general funds.

Reserves Policy

Reserve are needed to provide financial resilience to cope with periods of adverse financial conditions, most notably an unforeseeable reduction in income or inflationary pressures on the Charity's operating costs. The Charity's reserves policy is to maintain free reserves (unrestricted general funds less tangible and intangible fixed assets) to a level of 9 months of budgeted expenditure, being approximately £605,000. This will allow the Charity's core activities to be maintained in the short to medium term due. As at 31 March 2022 the Charity currently has free reserves of £635,180 (see note 23), made up of its Investments and Current Assets/(Liabilities), this is the equivalent of 9 - 10 months of expenditure.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Fundraising

Expenditure on raising funds totalled £308,595 (2021 - £145,759) which helped generate income from donations of £176,344 (2021 - £151,890) and income from other trading activities of £155,714 (2021 - £27,544). Current year expenditure includes staff time setting up the new shop.

Fundraising was bolstered with the receipt of further distributions from Peter Smith's Legacy totalling £664,833, together with another legacy of £150,000 (being Menphys estimated share of an estate, which the charity was notified of prior to the year-end and has therefore been accrued for in these accounts).

This was welcome news as general fundraising had continued to be very uncertain throughout the year due to changing COVID-19 position. Whilst restrictions eased during the year, the associated uncertainty made budgeting and planning difficult.

A number of events were either cancelled due to the restrictions and or cancelled amid supporters concerns regarding face to face events, most notably the Golf Day, Carol Concert and Black Tie Evening.

At the same time, grant funding was also more challenging as Grant Giving organisations saw their funds being oversubscribed. Nevertheless, a number of organisations did provide funding:

- Haremead Trust (£45,000)
- Oadby & Wigston Borough Council (£11,917)
- Cash for Kids. (£7,000)

More positively, Corporate & Community givers continued to support a number fundraising initiatives, with the Christmas List along with individual fundraisers, such as the London Marathon, making a notable contribution to funds.

Sales at the new Donation Centre shop and coffee shop and at the Latimer Street shop improved steadily throughout the year despite the more challenging high street environment. Whilst they are not yet trading at the level required there has been very good progress made in the operation of the shops and this is reflected in consistently improving sales income.

The benefits of the investment in the Menphys Hub continued to be demonstrated throughout the year with it providing much needed income, despite the difficulties caused by COVID-19. The Hub remained open throughout the restrictions, providing space for room bookings from vulnerable groups and the associated room hire and refreshments income. This steadily improved as restrictions were lifted. The Hub also generated income from community events: craft fairs; music and comedy events; third party bookings, such as parties; business networking events and meetings.

All fundraising undertaken during the year was carried out directly by the charity and in line with the charity's objectives. In order to protect vulnerable people from unreasonably, intrusive or persistent fundraising approaches and pressure to donate the charity does not make direct approaches to individual members of the public. No complaints about its fundraising activities were received by the charity during the year.

Risk Management

The trustees have identified and reviewed the major risks to which the charity is exposed and procedures have been established to mitigate these risks and are regularly addressed at the Board meetings. Principal risks identified for the year ahead include; the rising cost of living, recruitment and grant funding. The number of available candidates and volunteers has reduced – compounded by the inflationary pressure on wage costs and expenditure, whilst grant funding organisations have less reserves to meet growing demand for funding.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

PLANS FOR THE FUTURE

Our key priorities 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:

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 evaluate the current and changing provisions for work experience and life-skills against the needs of young people with a view to developing suitable programmes within our own facilities and with employers.

3. Individual Support:

- To build on the insights gained from the Home Support Programme, the Communications Device Project and the Social Inclusion Programme with more research and understanding of local statutory and non-statutory provisions.
- To develop more individual support opportunities that compliment, that will further address unmet needs and or promote the work of the Charity but do not replace existing statutory provisions.

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.

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.

MENPHYS LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

6. Retail Operations

- To continue to invest in the development of the existing charity shops at the Donation Centre, Latimer Street and at the Hub to maximise the income and the other benefits it provides for the Charity.
- To invest in the development of retail operations as places for young people with disabilities to gain work experience and life-skills as identified by our research in to their needs.

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 2021:

- 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 (Resigned 14th February, 2022)
- Prof. G W E Rees BA MSc PhD
- J R Wade BSc MSc (Resigned 11th November, 2021)
- A Daly BSc PGCE
- L Marsden
- E Spradbury BA, MCIPD
- L Franklin LL.B FCILEx

During the year Margaret McGrath and Robert Wade retired from their roles as Menphys Trustees. The Board would like to express their thanks for their contribution to the Board and the leadership and guidance over many years.

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.

New and existing Trustees are provided with relevant copies of the charities business and service plans during their induction and with copies of various good practice guides available from the Charity Commission. They are also encouraged to participate in trustee training provided by Voluntary Action Leicester to complement their own professional development activities.

MENPHYS LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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 has continued to develop its management structure, reflecting the growth of its services and activities and its focus on more sustainable sources of income and fundraising. It is envisaged that this will continue for the foreseeable future as more need and demand is identified and the range of services increased.

The Trustees delegate the day to day running of the charity to its Chief Executive Officer, Ian Caldwell who is supported by a number of managers with responsibilities for Services, Operations, Finance & Admin and Fundraising. Pay for the Key Management Personnel is delegated by the Trustee Board to a Remuneration Sub-committee who will consider prevailing rates of employment and inflation in their decision making.

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. Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 2019 (FRS 102).
- 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 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.

MENPHYS LIMITED

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

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.

M J D Traynor OBE
Chair of the Board of Trustees
Date: 19 December 2022

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 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 10, 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 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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

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. 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/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%e2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

Use of our report

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

Newby Castleman LLP

Chartered Accountants

Statutory Auditor

West Walk Building

110 Regent Road

Leicester

LE1 7LT

Date: 22 December 2022

Newby Castleman LLP is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

MENPHYS LIMITED

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

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Income from:					
Donations	3	164,643	11,701	176,344	151,890
Charitable activities	4	19,109	22,015	41,124	251,654
Other trading activities	5	155,714	-	155,714	27,544
Investments	6	66,493	-	66,493	32,799
Income from legacies	7	815,833	-	815,833	150,000
Total		1,221,792	33,716	1,255,508	613,887
Expenditure on:					
Raising funds	8	308,595	-	308,595	145,759
Charitable activities	9	118,192	206,831	325,023	285,067
Other	12	-	2,481	2,481	43,793
Total		426,787	209,312	636,099	474,619
Net gains/(losses) on investments		14	-	14	51
Net incoming/(outgoing) resources before transfers		795,019	(175,596)	619,423	139,319
Transfers between funds		(143,246)	143,246	-	-
Net movement in funds		651,773	(32,350)	619,423	139,319
Reconciliation of funds					
Total funds brought forward		696,992	272,460	969,452	830,133
Total funds carried forward		1,348,765	240,110	1,588,875	969,452

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 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Intangible assets	15		2,402		3,712
Tangible assets	16		564,387		562,221
Investments	17		261		247
			<u>567,050</u>		<u>566,180</u>
Current assets					
Stocks		1,247		-	
Debtors	18	356,199		174,783	
Cash at bank and in hand		724,966		266,616	
		<u>1,082,412</u>		<u>441,399</u>	
Liabilities					
Creditors: amounts falling due within one year	19	(60,587)		(38,127)	
Net current assets			<u>1,021,825</u>		<u>403,272</u>
Net assets			<u>1,588,875</u>		<u>969,452</u>
Total funds of the charity					
Restricted funds	21		240,110		272,460
Unrestricted funds:					
Designated funds		650,048		325,312	
General funds		698,456		371,433	
		<u>1,348,504</u>		<u>696,745</u>	
Fair value reserve	22	261		247	
			<u>1,348,765</u>		<u>696,992</u>
Total charity funds	23		<u>1,588,875</u>		<u>969,452</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 2022 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 2022

The financial statements were approved and authorised for issue by the board of trustees on 21 November 2022 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 20 - 37 form part of these financial statements.

MENPHYS LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	26		427,332		19,933
Investing activities					
Purchase of intangible assets		-		(3,930)	
Purchase of tangible fixed assets		(35,475)		(15,811)	
Investment income		66,493		32,799	
Net cash generated from investing activities			31,018		13,058
Net increase in cash and cash equivalents			458,350		32,991
Cash and cash equivalents at beginning of year			266,616		233,625
Cash and cash equivalents at end of year			724,966		266,616

MENPHYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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. Where legacies have been notified to the charity but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

MENPHYS LIMITED

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

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 and café, 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, dividends and room hire income, which are recognised on an accruals basis.

1.5 Expenditure recognition

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

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

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 2022

1 Accounting policies

(Continued)

1.7 Intangible fixed assets

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 of assets less their residual values over their useful lives on the following bases:

Website	33% per annum of cost
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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.

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.

1.13 Retirement benefits

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

MENPHYS LIMITED

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

1 Accounting policies

(Continued)

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.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Allocation of support costs

The allocation of support costs is sensitive to changes in the level of work undertaken on each activity by the charity. The allocation is reassessed annually and amended when necessary to reflect current estimates.

3 Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Donations	129,643	9,220	138,863	55,053	18,044	73,097
Coronavirus Job Retention Scheme	-	2,481	2,481	-	43,793	43,793
Donated goods and services	35,000	-	35,000	35,000	-	35,000
	<u>164,643</u>	<u>11,701</u>	<u>176,344</u>	<u>90,053</u>	<u>61,837</u>	<u>151,890</u>

MENPHYS LIMITED

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

4 Income from charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Charitable services	19,109	22,015	41,124	33,096	218,558	251,654
	<u>19,109</u>	<u>22,015</u>	<u>41,124</u>	<u>33,096</u>	<u>218,558</u>	<u>251,654</u>
Grant income	19,109	15,594	34,703	33,096	218,538	251,634
Family events	-	610	610	-	-	-
Subscriptions receivable	-	5,811	5,811	-	20	20
	<u>19,109</u>	<u>22,015</u>	<u>41,124</u>	<u>33,096</u>	<u>218,558</u>	<u>251,654</u>

5 Income from other trading activities

	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £
Fundraising events	18,285	-	18,285	6,821	-	6,821
Shop sales from donated goods	87,219	-	87,219	15,985	-	15,985
Café income	50,210	-	50,210	4,738	-	4,738
	<u>155,714</u>	<u>-</u>	<u>155,714</u>	<u>27,544</u>	<u>-</u>	<u>27,544</u>

6 Income from investments

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Menphys Hub room hire	66,479	-	66,479	32,705	-	32,705
Dividends receivable	6	-	6	1	-	1
Interest receivable	8	-	8	93	-	93
	<u>66,493</u>	<u>-</u>	<u>66,493</u>	<u>32,799</u>	<u>-</u>	<u>32,799</u>

MENPHYS LIMITED

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

7 Income from legacies

All income from legacies recognised in the current and prior year is unrestricted.

Legacy income amounting to £169,000 was notified and received after 31 March 2022 but has not been recognised in these accounts.

8 Expenditure on raising funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fundraising						
Staging fundraising events	17,205	-	17,205	12,114	-	12,114
Other fundraising costs	13,617	-	13,617	-	-	-
Staff costs	65,277	-	65,277	61,476	-	61,476
Support costs (note 11)	21,405	-	21,405	15,429	-	15,429
	<u>117,504</u>	<u>-</u>	<u>117,504</u>	<u>89,019</u>	<u>-</u>	<u>89,019</u>
Shop / Café expenses						
Operating charity shops	2,047	-	2,047	375	-	375
Café expenses	11,252	-	11,252	1,590	-	1,590
Staff costs	118,265	-	118,265	30,839	-	30,839
Support costs (note 11)	59,527	-	59,527	23,936	-	23,936
	<u>191,091</u>	<u>-</u>	<u>191,091</u>	<u>56,740</u>	<u>-</u>	<u>56,740</u>
	<u>308,595</u>	<u>-</u>	<u>308,595</u>	<u>145,759</u>	<u>-</u>	<u>145,759</u>

MENPHYS LIMITED

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

9 Expenditure on charitable activities

	Activities undertaken directly Note 10 £	Support Costs Note 11 £	Total 2022 £	Total 2021 £
Charitable services	163,230	47,777	211,007	160,104
Menphys Hub	65,760	20,071	85,831	94,586
Menphys Nurseries	7,920	-	7,920	7,920
SOS Closure & Restructuring	15,107	5,158	20,265	22,457
	<u>252,017</u>	<u>73,006</u>	<u>325,023</u>	<u>285,067</u>
Unrestricted funds			118,192	114,695
Restricted funds			206,831	170,372
			<u>325,023</u>	<u>285,067</u>

10 Expenditure on activities undertaken directly

	Charitable services £	Menphys Hub £	Menphys Nurseries £	SOS Closure & Restructuring £	Total 2022 £	Total 2021 £
Staff costs	120,228	25,965	-	3,306	149,499	117,241
Depreciation and impairment	597	7,045	7,920	11,801	27,363	15,094
Rent	-	32,750	-	-	32,750	32,750
Menphys Services costs	39,752	-	-	-	39,752	39,203
Other expenses	2,653	-	-	-	2,653	-
	<u>163,230</u>	<u>65,760</u>	<u>7,920</u>	<u>15,107</u>	<u>252,017</u>	<u>204,288</u>

MENPHYS LIMITED

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

11 Expenditure on support costs

	2022 £	2021 £
Staff costs	13,085	20,077
Depreciation and amortisation	7,255	13,310
Rent and rates	22,658	7,785
Insurance	12,599	11,139
Light and heat	19,027	11,280
Repairs and maintenance	13,826	8,025
Office and computer	34,498	30,675
Telephone	3,440	3,708
Travel	2,344	497
Other expenses	25,206	13,648
	<u>153,938</u>	<u>120,144</u>
Analysed between:		
Fundraising	21,405	15,429
Shop	59,527	23,936
Charitable activities	73,006	80,779
	<u>153,938</u>	<u>120,144</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 £41,257 (2021: £42,479).

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

- statutory audit £5,435 (2021 - £4,750)

- other services £1,650 (2021 - £1,650)

12 Other expenditure

	Unrestricted funds 2022	Restricted funds 2022	Total 2022	Unrestricted funds 2021	Restricted funds 2021
Wages and salaries	-	2,481	2,481	-	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 2022

14 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Governance and admin	4	3
Fundraising and trading	12	8
Charitable services	14	15
	<u>30</u>	<u>26</u>

Employment costs

	2022 £	2021 £
Wages and salaries	320,413	249,048
Social security costs	16,424	13,409
Other pension costs	3,381	3,144
	<u>340,218</u>	<u>265,601</u>

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

15 Intangible fixed assets

	Website £
Cost	
At 1 April 2021 and 31 March 2022	<u>3,930</u>
Amortisation and impairment	
At 1 April 2021	218
Amortisation charged for the year	<u>1,310</u>
At 31 March 2022	<u>1,528</u>
Carrying amount	
At 31 March 2022	<u>2,402</u>
At 31 March 2021	<u>3,712</u>

MENPHYS LIMITED

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

16 Tangible fixed assets

	Freehold land and buildings £	Short leasehold improvements £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 April 2021	626,297	147,764	121,528	895,589
Additions	-	10,262	25,213	35,475
Disposals	-	-	(183)	(183)
At 31 March 2022	626,297	158,026	146,558	930,881
Depreciation and impairment				
At 1 April 2021	227,412	19,563	86,393	333,368
Depreciation charged in the year	7,920	12,169	13,220	33,309
Eliminated in respect of disposals	-	-	(183)	(183)
At 31 March 2022	235,332	31,732	99,430	366,494
Carrying amount				
At 31 March 2022	390,965	126,294	47,128	564,387
At 31 March 2021	398,885	128,201	35,135	562,221

17 Fixed asset investments

	Listed investments £
Valuation	
At 31 March 2021	247
Revaluation	14
At 31 March 2022	261
Carrying amount	
At 31 March 2022	261
At 31 March 2021	247

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 2022 were 100 (2021 - 100). These shares have a £nil cost. The carrying amount above the fair value is determined by reference to the quoted market price.

MENPHYS LIMITED

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

18 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	28,294	15,358
Prepayments and accrued income	327,905	159,425
	<u>356,199</u>	<u>174,783</u>

19 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	6,469	-
Trade creditors	9,683	9,889
Other creditors	2,038	468
Accruals and deferred income	42,397	27,770
	<u>60,587</u>	<u>38,127</u>

Deferred income comprises income received in advance of fundraising events taking place.

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 £3,381 (2021 - £3,144), of which £1,400 was restricted and £1,981 was unrestricted, with £936 being allocated as direct costs and £1,045 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 2022

21 Restricted funds

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

	Balance at 1 April 2021	Movement in funds				Balance at 31 March 2022
		Income	Expenditure	Transfers	Transfer of National Lottery Fund	
	£	£	£	£	£	£
Wigston Nursery	148,001	-	(6,156)	-	-	141,845
Building Fund	20,416	-	-	-	-	20,416
Menphys Activity Clubs	11,408	6,201	(67,746)	56,662	-	6,525
Volunteer Development Programme	5,190	-	(26,465)	21,275	-	-
Changing Places	35,051	-	(2,696)	-	-	32,355
Therapy and Sensory Rooms	20,912	-	(3,493)	-	-	17,419
Library Services	19,142	6,019	(10,034)	-	-	15,127
Work Ready Crew	1,000	-	-	-	-	1,000
Individual Support Service	-	16,830	(64,700)	51,218	-	3,348
Randal Foundation	9,790	-	(10,284)	494	-	-
District Partner Initiative	1,550	110	(15,257)	13,597	-	-
Coronavirus Job Retention Scheme	-	2,481	(2,481)	-	-	-
Hub Development	-	2,075	-	-	-	2,075
	<u>272,460</u>	<u>33,716</u>	<u>(209,312)</u>	<u>143,246</u>	<u>-</u>	<u>240,110</u>

MENPHYS LIMITED

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

21 Restricted funds

(Continued)

	Balance at 1 April 2020	Income	Expenditure	Transfers	Transfer of National Lottery Fund	Balance at 31 March 2021
	£	£	£	£	£	£
Wigston Nursery	154,157	-	(6,156)	-	-	148,001
Building Fund	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
Individual 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>

MENPHYS LIMITED

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

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 Menphys Activity Clubs fund 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 £56,662 from general reserves).

The Volunteer Development Programme fund represents amounts set aside to provide structured volunteering experiences for disabled young people. This was supported by a transfer from general reserves of £21,275.

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

The Therapy and Sensory Rooms fund - Grants were received to contribute to the construction and equipment of the new Sensory and Therapy Rooms in The Menphys Hub.

The Library Services fund - grants funding received from Leicestershire County Council to contribute to the refurbishment and running of the Library in The Menphys Hub, and for the Cultural Communities Network to host activities through the Library to use culture as a catalyst to change lives.

The Work Ready Crew fund - 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 Individual Support Service fund represents grants and donations received for enriching and engaging support direct to the families at home. The current year includes donations through the Christmas gift appeal, and a grant from Cash for Kids to provide essential items for the return to school year. This fund has been supported by a transfer of £51,218 from general reserves.

The Randal Foundation fund - We received £25,000 in the 2020/21 financial year 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 amounts 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.

The Coronavirus Job Retention Scheme fund - represents funding received from the Government to cover furloughed staff costs during the Covid-19 Pandemic.

The Hub Development fund - We received £2,075 from Blaby District Council's Community Grants Scheme towards a PA system which will be purchased in 2022/23.

MENPHYS LIMITED

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

22 Unrestricted funds

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

	Balance at 1 April 2021	Incoming resources	Movement in funds			Balance at 31 March 2022
	£	£	Resources expended	Transfers	Investments gains/(losses)	£
Designated funds						
Work Ready Crew	-	-	(22,907)	22,907	-	-
Wigston Nursery	200,000	-	-	-	-	200,000
Menphys Hub and Donation Centre Development	125,312	-	(20,264)	-	-	105,048
Clubs and Activity Groups	-	-	-	60,000	-	60,000
Employability Programme	-	-	-	35,000	-	35,000
Family Support	-	-	-	250,000	-	250,000
	325,312	-	(43,171)	367,907	-	650,048
General funds	371,433	1,221,792	(383,616)	(511,153)		698,456
Fair value reserve	247	-	-	-	14	261
Total	696,992	1,221,792	(426,787)	(143,246)	14	1,348,765

	Balance at 1 April 2020	Incoming resources	Movement in funds			Balance at 31 March 2021
	£	£	Resources expended	Transfers	Investments gains/(losses)	£
Designated funds						
Work Ready Crew	-	-	(10,611)	10,611	-	-
Wigston Nursery	200,000	-	-	-	-	200,000
Menphys Hub and Donation Centre Development	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 2022

22 Unrestricted funds

(Continued)

The Work Ready Crew fund represents amounts set aside to give young people the necessary skills to thrive in the workplace. This activity has been supported by a transfer from general reserves.

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 Menphys Hub and Donation Centre Development fund represents amounts set aside for the future development of the charity following the cessation of the SOS service.

The Clubs & Activity Groups fund represents amounts set aside to fund the expansion of the existing programmes at existing and additional locations across the City and County.

The Employability Programme fund represents amounts set aside to fund further research in to the needs of young people and gaps in existing provisions.

The Family Support fund represents amounts set aside to fund the set-up of a new service that will help families to navigate existing statutory and non-statutory provisions including sign-posting, advice and advocacy.

23 Analysis of net assets between funds

	Unrestricted funds		Restricted funds	Total
	General funds	Designated funds		
	£	£	£	£
Fund balances at 31 March 2022 are represented by:				
Intangible fixed assets	2,402	-	-	2,402
Tangible assets	61,135	300,962	202,290	564,387
Investments	261	-	-	261
Current assets/(liabilities)	634,919	349,086	37,820	1,021,825
	<u>698,717</u>	<u>650,048</u>	<u>240,110</u>	<u>1,588,875</u>

	Unrestricted funds		Restricted funds	Total
	General funds	Designated 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
	<u>371,680</u>	<u>325,312</u>	<u>272,460</u>	<u>969,452</u>

MENPHYS LIMITED

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

24 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:

	2022 £	2021 £
Within one year	33,183	9,676
Between two and five years	86,533	12,226
	<u>119,716</u>	<u>21,902</u>

Lease payments totalling £21,883 (2021: £11,881) have been recognised as an expense during the year.

25 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	<u>139,642</u>	<u>146,862</u>

Transactions with related parties

Except for the transactions listed above and in note 13, there were no other related party transactions.

26 Cash generated from operations

	2022 £	2021 £
Surplus for the year	619,423	139,319
Adjustments for:		
Investment income	(66,493)	(32,799)
Fair value gains and losses on investments	(14)	(51)
Amortisation and impairment of intangible assets	1,310	218
Depreciation and impairment of tangible fixed assets	33,309	28,186
Movements in working capital:		
(Increase) in stocks	(1,247)	-
(Increase) in debtors	(181,416)	(125,191)
Increase in creditors	22,460	10,251
Cash generated from operations	<u>427,332</u>	<u>19,933</u>

MENPHYS LIMITED

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

27 Analysis of changes in net funds

During the year the charity had no borrowings or obligations under finance leases. The changes in net funds of the charity therefore solely comprise of cash and cash equivalents.

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.