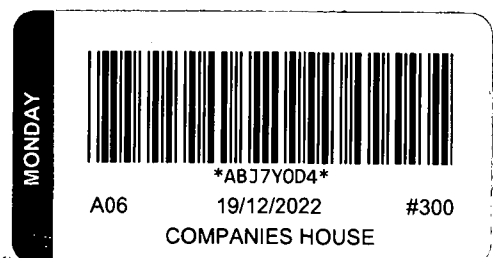




Mencap in Kirklees
Financial Statements
Year Ended 31 March 2022

Charity registration number: 702494
Company registration number: 2428994



Mencap in Kirklees

Financial Statements

Year Ended 31 March 2022

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Mencap in Kirklees

Charity Reference and Administrative Details

Year Ended 31 March 2022

Charity registration number	702494
Company registration number	2428994
Trustees	Linda Wrigley – Elected Chair Jill Robson – Vice Chair Angela Bradshaw - Secretary Anthony S Horsfall David Birch (appointed 28 April 2022)
Chief Executive	Catherine Wood
Director of Business & Finance	Joe Spencer
Registered office	Independence House Holly Bank Road Lindley Huddersfield HD3 3LX
Auditor	Wheawill & Sudworth Limited 35 Westgate Huddersfield HD1 1PA
Solicitor	Ramsdens Oakley House 1 Hungerford Road Huddersfield HD3 3AL
Bankers	National Westminster Bank plc 8 Market Place Huddersfield HD1 2AL

Mencap in Kirklees

Trustees' Annual Report (Including Directors Report)

Year Ended 31 March 2022

The Trustees present their report and the audited financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) published in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from October 2019.

Trustees of the charity

The directors of the charitable company are its trustees for the purposes of charity law. The trustees who have served during the year and since the year end were as follows:

Linda Wrigley
Jill Robson
Angela Bradshaw
Anthony S Horsfall
Alan Booth (resigned 4 August 2021)
David Birch (appointed 28 April 2022)

The charity holds an indemnity insurance policy on behalf of its trustees, details of the cost is included in note 9 to the financial statements.

Senior Management Team

Chief Executive	C Wood
Director of Business & Finance	J Spencer

Objectives and activities

In 2022 the Board of Trustees reviewed our Mission Statement and Values

Our vision is: For people with a learning disability to live their best life possible

Our mission:

- We will support people with a learning disability to fulfil their potential and lead healthy, happy, and meaningful lives.
- We will involve people we support, their families, staff, and other stakeholders in the support we provide.

Mencap in Kirklees

Trustees' Annual Report (Including Directors Report)

Year Ended 31 March 2022

Objectives and activities (continued)

- We will campaign for change and improvement in the lives of people with a learning disability
- We will continually develop the support we provide.
- We will continue to be innovative, responsive, and effective to meet changing needs.
- We will run a well-managed organisation which provides excellent value for money.

All practices will be based on these principles, and we will continually seek to improve.

Our values:

- We are passionate about empowering and respecting people
- We are inclusive
- We adapt and respond with new ideas
- We are positive in our work and are the best we can be
- We are kind in everything we do
- We promote positive ways of thinking about learning disability

Our People

We will only recruit staff who share our values and who can demonstrate their commitment to providing outstanding care and support.

We will provide opportunities for staff members to develop their knowledge through supervision, training, and support.

We are developing our branding to increase our engagement, and this includes our core values:

Mencap In Kirklees

We are: **Motivated, Inspired, Kind**

Our core values:

- **Motivated**
 - We are motivated when developing new ideas.
- **Inspired**
 - We are inspired to enable everyone we support to make life creative choices
 - We promote positive ways of thinking about learning disability
- **Kind**
 - We empower, include and respect people
 - We are person-centered

Mencap in Kirklees

Trustees' Annual Report (Including Directors Report)

Year Ended 31 March 2022

Activities

Mencap in Kirklees provides support for people with a learning disability, whether or not they are assessed by the local authority as eligible for social care services. The support provided ranges from advice and information, befriending and social and leisure activities, as well as residential care, supported living, and day services.

Ensuring our work delivers our aims

We plan our work over a three-year period with our business plan updated annually to review what has been achieved and plan work over the next three years. Achievements are measured against the benefits they have brought to the people who use our services and these are established through annual quality and satisfaction surveys. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when carrying out our review and in planning future activities.

Public benefit statement

When preparing the charity's vision and mission statement for the year and planning our activities, the trustees have considered the Charity Commission's general guidance on public benefit.

Achievements and performance



This financial year we celebrated our 75th Anniversary. It is a milestone for Mencap in Kirklees, and we are proud to have been supporting people throughout Kirklees for over 7 decades. We have always been led by people we support and their families and still are to this day. A fact we are proud of. We celebrated at our AGM attended by a local MP and at our 1940's event as we were founded in 1946! On display at our offices are some of the photographs that were taken during a great collaboration with a University of Huddersfield graduate who worked with us to create a gallery of beautiful images of people we support in our 75th year

Services:

1 Victoria Road Residential Home

Six people are supported at our CQC registered residential home in Lockwood, Huddersfield. Five people have their own bedrooms and a shared bathroom, lounge, and kitchen area, and the sixth is a self-contained flat where one person lives semi-independently. All the placements are funded through the local authority, and we have no vacancies at present. One person has a paid job within Mencap in Kirklees and the other five enjoy various activities such as keep fit, social clubs and our More2Do service. The 6 people who live here are aging and we will need to explore options for increasing access to the upper floor. We are asking OT and physio to assess the building to explore if a lift may be possible or if building on downstairs bedrooms might be feasible. All options would then need funding to be sourced and agreement from the landlord. The service is working on a pilot scheme with the local NHS to trial the use of assistive technology to monitor health outcomes remotely which is positive.

Mencap in Kirklees

Trustees' Annual Report (Including Directors Report)

Year Ended 31 March 2022

Achievements and performance (continued)

100 Pennine Crescent Residential Home

Eight people are supported at our CQC registered residential home in Salendine Nook, Huddersfield. The property comprises a 2-storey house, with six bedrooms (Four upstairs and two downstairs) in the main house with a two bedroomed level access bungalow attached. All eight places are occupied and are funded by Kirklees Council with some additional NHS CHC funding for one person. There is no agreement yet from Kirklees Council (formerly Kirklees Neighbourhood Housing) to modernise the building, but it would benefit from improvements and additional space. There is a lovely atmosphere at the property but there is a lack of communal space that could be improved with the necessary funding and support from the landlord.

Castle Hall Residential Care Home

Castle Hall residential care home supported up to sixteen people in Ravensthorpe near Dewsbury. As reported last year Castle Hall residential home formally closed on 31st March 2022 with the last 6 people who lived there moving to their new supported living houses on 28th February 2022. 4 other people were assessed as needing to live in residential or nursing care and were supported to move to new care homes well before the closure. We were sorry to see the service close but as the building needed high levels of investment and the owner wasn't prepared to make that investment, we worked hard to ensure the most positive outcomes for the people we supported there and their staff team.

Arena Day Service

This service operates three days a week (Wed,Thu,Fri) from Jo Cox House in Batley and everyone who attends pays through a direct payment. It is aimed at younger people with a learning disability who can travel to and from the service independently. The service has capacity for 36 places a week (12 per day). The team have been working in partnership with local community groups to be part of a range of consultations and earned over £750 whilst having their voices heard! In addition, Super Tuesday is homed at Jo Cox House on a Tuesday and provides leisure and education opportunity to be people who do not reach eligibility criteria for local authority funding.

Branches Day Service

Branches is based in Batley, North Kirklees. The team provide support five days a week for people aged over forty years who have a learning disability. The service is provided through a block contract with Kirklees Council that requires us to offer up to 18 places per day and we have a small number of people who pay by direct payments and self-fund. Branches members enjoy lots of activities from bowling, cycling, exercises, arts and crafts, sports centre activities, gardening, visits to the cinema and walking and the service is always open to other ideas and suggestions. The team work in partnership with other organisations including Umbrella Yoga and HTFC. We were happy to retain the contract for the service when it was tendered earlier this year.

Waverley Hall Day Service

Waverley Hall is based in Huddersfield and supports adults with a learning disability. The service is provided through a block contract with Kirklees Council that offers 40 places per day, and we have a small number of people who pay by direct payments and self-fund. We were fortunate to retain the contract for the service when it was tendered earlier this year. The team at Waverley Hall support people aged 18 and above offers a level access environment with enough space for all the members to enjoy fulfilling and meaningful activities both in centre or out and about in our local community. This year they have a new manager and are building on their community partnerships. They have recently been working with Huddersfield University, Hoot Creative Arts and Umbrella Yoga.

Mencap in Kirklees

Trustees' Annual Report (Including Directors Report)

Year Ended 31 March 2022

Achievements and performance (continued)

Supported Living Service

At the close of this financial year the service was supporting 21 people with a learning disability to live in their own homes. We now support people at 7 addresses in a mixture of single tenancies and shared houses. Their support is commissioned by Kirklees Council through a framework contract whereby individual packages of support are offered to specialist learning disability providers. Our supported living has continued to grow due to now supporting 6 people who used to reside at Castle Hall (in addition we now support a further 6 people in Mirfield from 27th June 2022). Supported Living is now the majority service type for us. In the coming financial year, we have scheduled in a review of the services and its finances to maximise the opportunities the new larger service brings.

More2Do

The service is led by its members who pay a small charge to attend planning meetings and who decide where to go, what they would like to go both locally and, on their weekends, away. They help to book the venue/accommodation and arrange transport. This service offers weekend breaks to members at a subsidised rate of £30.00. We were thrilled to receive funding from the Big Lottery and are working with them to try to maximise the potential of the funding given the challenges of Covid. Activities earlier this year have again been curtailed by the Covid pandemic, but the team have run lots of online activities to maintain their links and are now meeting face to face again and enjoying time together.

Social & Leisure groups

The Huddersfield social groups aim to meet on Monday, Wednesday & Thursday and would have continued to flourish and to deliver a range of activities for all levels of ability were it not for the pandemic. Our Wednesday Club has reopened with risk assessments in place. Currently there is not the demand to open on the other evenings. Anecdotally we are told people we support are struggling financially to attend more social events. We will continue to check out the demand for these services and respond accordingly. The Tuesday keep fit session is popular with people we support and has recently begun to take place again with a robust risk assessment in place. We hope to reopen the clubs as soon as we can manage this safely and demand is present.

Super Tuesday and Friendcap are social and educational groups held on a Tuesday and Friday evening at our Jo Cox House venue. The services are subsidised by Mencap in Kirklees, but the members contribute towards costs. The services were suspended during the height of the pandemic but have reopened now in a Covid secure way. We were fortunate to receive grant funding for Kirklees Council to support the costs of running Super Tuesday as we recognise how important they are to those who attend. Many of the people who attend live alone, and we are often the only professionals they see. We are often the first people who can support with community-based safeguarding issues e.g., cuckooing etc so are determined to retain these clubs, if possible, financially.

Volunteers

At Mencap in Kirklees we have several people who volunteer to work in services such as Arena, Friendcap, Super Tuesday and More2Do. We need to recruit more volunteers for the benefits they bring to people we support and have had some success this year. We have a new Coordinator who manages the volunteering process, and this is having a positive impact. Continuing to grow our highly valued volunteers will remain one of our objectives in the next financial year.

Mencap in Kirklees

Trustees' Annual Report (Including Directors Report)

Year Ended 31 March 2022

Achievements and performance (continued)

General review

As we moved into a third year of the COVID pandemic many of the challenges that faced us initially remained. Whilst Covid restrictions have gradually eased in social care we have had to work hard to keep up and adapt to changing rules and regulations in different areas of our work many of which remain in force still. Our CQC registered supported living and residential services have remained fully operational during the period and our day services have offered flexible support including at times limited places and outreach. All our day services are now fully reopened apart from if we have an outbreak of Covid which occurs occasionally. Some of the day service staff were deployed to work in the care homes that remained open throughout the pandemic.

The management and staff have done their utmost to keep our services operational and safe over such a long and difficult period. We thank them all for their continued effort and support which has been second to none. We secured a Household Support Grant that enabled us to provide some additional support to staff who are struggling financially.

Kirklees Council have financially supported their contracted providers throughout the pandemic and ensured that none suffered financially due to closures. Most of the services we deliver are under contract to Kirklees Council and they have paid the full value of the contracted services even where these services have been operating at reduced capacity. We also had assurances from the Big Lottery that our only grant funded project More2Do would not be affected, and we are now working with them to extend our funding over a longer period to accommodate the underspend accrued due to the pandemic. Our care staff and support services were classed as key workers during the pandemic.

During the year Microsoft Office 365 was adopted by more and more colleagues and we are gradually reducing our reliance on paper-based systems. IT equipment has been continually updated across our services to enable more of the workforce to work and learn online. The combination of updated IT equipment and Office 365 has enabled home working for those who are able during the pandemic. Meetings have been conducted remotely using platforms such as Microsoft TEAMS and Zoom. For office-based staff we have introduced a Hybrid working arrangements with a policy to underpin the process and ensure equity across roles. Payslips have also moved to being supplied online only. This has encouraged more staff to engage with us online, reduced costs and increased information security.

We introduced a fully online training system this year to enable staff to undertake their mandatory training more flexibly. While there have been some glitches with the roll out the pace of training is starting to pick up. It is hoped that achieving higher levels of training compliance will be possible. Online training requires staff to be away from providing support for significantly less time than with face-to-face training.

Our relatively new office is on the ground floor with level access throughout. The space is modern, flexible, cost effective and will be more suitable for our future needs. With the increase in hybrid working, we are keeping office space under review as we may, in time, be able to manage with less space and make some much needed savings on our central costs.

In September 2021 we spent a day with our Board undertaking a full SWOT analysis of all our services, branding and reviewing our Mission and Values. We reviewed the business plan and updated it. In October we invested in Total Communication Training for staff in every service. This has increased staff knowledge in this area and enabled us to be able to demonstrate innovative practice in our recent tenders. We were also successful in bids for Royal Mencap Society's Let's Get Digital Project. We eventually secured more than £10,000 which enables us to purchase a wide range of accessible digital equipment which is now us use across MiK.

Mencap in Kirklees

Trustees' Annual Report (Including Directors Report)

Year Ended 31 March 2022

Achievements and performance (continued)

CQC are developing a new strategy for inspections based on risk profiles of services. As a result, their visits have decreased to us since this new system was introduced, partly as a response to Covid. Neither of our 2 remaining care homes were inspected on site during this financial year but we do receive monthly desktop inspection acknowledgments that informs us whether they feel the need to visit. They are also still requiring the Provider Information Return to be completed which we do. Our supported living is overdue inspection, and we await that any time soon.

In January 2022 we were reassessed by ISOQAR and retained the ISO 9001 quality award for 'the management and co-ordination of services, advice & support to people with a learning disability and their carers'. We also successfully retained our CHAS accredited status during the year.

Future Plans

Our priority as we enter the next financial year will be to continue to respond to the challenges of coronavirus/Covid 19 as we aim to sustain to more normal levels of functioning. We will be cautious and prioritise the ongoing safety of the people we support, our staff and other stakeholders.

Following the decision to close Castle Hall by Kirklees Council in August 2021 we were pleased to work in partnership with Kirklees Community Association to secure 2 properties that met the needs of the people moving from Castle Hall. We worked well together with common aims and hope to develop our options for working together to potentially create more supported living in the coming year.

We will aim to further consolidate our work with I.T. systems by introducing Digital Social Care Records (DSCR) and analysis of incidents, accidents, and complaints. We have reviewed the offer of several suppliers of this software and will proceed on this new way of working once we have recouped some of the losses following the closure of Castle Hall. Our central costs have escalated proportionately due to the loss of income, so we are keen to increase income before making a significant new investment. The experience of rolling out the online training system, has also highlighted the need for more intense IT training and support for teams. We need to ensure they have the necessary skills before we move online for recording of daily information about people we support as this is a business-critical area of our work. We will also continue to further explore the functionality of our existing People Planner (PP) system to automate the payroll process and make best use of the PP functionality.

Following our strategic work where we created SWOT's for each service we have allocated some funding to enable minor improvements in services with the greatest need. We have also begun the work on liaising with landlords to discuss the potential for substantial improvements to some buildings. We hope to make progress on securing agreement and funding over the coming year.

We will continue to raise our profile with continued investment in social media usage to drive new business from younger people who may wish to use our services. Our CEO will also continue to focus on networking in Kirklees to build our profile. This has reaped dividends this year as we have been offered several opportunities to take part in paid consultation activity and have input in region wide developments which may not otherwise have occurred.

We will also focus on our support for people growing older with a learning disability. We support an aging population in many of our residential and supported living settings. We need to ensure we develop flexible accommodation and support that can change with a person as their needs increase over time. We are investing in training to support the staff knowledge in this area. We will aim to work with KCA to explore the possibility of working with them to develop a possible residential service in addition to supported living. We know due to the demographics of people in Kirklees and recent experience of closing Castle Hall that there is a continued need for this type of service in Kirklees.

Mencap in Kirklees

Trustees' Annual Report (Including Directors Report)

Year Ended 31 March 2022

Financial Review

Total incoming resources for the year amounted to £3,155,167 (2021: £3,453,213) a significant reduction of £298,046. The most notable reduction in income came from residential income which fell by £252k from the previous financial year due to the closure of Castle Hall Residential Home.

The total resources expended for the year decreased from £3,186,939 (2021) to £3,003,967 a decrease of £182,972. A number of operating costs have reduced but the most significant reduction is in non-support salary and NI costs which have fallen by £99k.

The charity made an operating surplus of £161,700 to the year ending March 2022 (2021: £266,274). The surplus has been impacted by the closure of Castle Hall Residential Home.

Our focus continues to be delivering support to the highest quality standard we can, using the resources available as efficiently as possible.

Fixed Assets

The fixed assets of the company represent the property at Waverley Hall, fixtures, office equipment, specialist equipment for use in our residential homes and motor vehicles.

Designated Fund

The designated fund has been shown separately in the accounts for clarity, and is made up of two separate funds.

The balance on the designated fund for future expenditure at 31st March 2022 is £164,554 (2021: £164,554).

The balance on the designated revaluation reserve at 31 March 2022 is £227,378 (2021: £217,378).

Reserves Policy

The trustees have reviewed the reserves policy and in doing so taken guidance from 'Beyond Reserves' (ACEVO, 2012). The review identified all funding sources at risk and other events which would have a negative impact on the financial viability of the organisation over the next 3 years. Based on this risk analysis the trustees concluded that to ensure continuity of services a sum equivalent to three months operating costs (£787,711) would be appropriate.

The actual reserves at 31 March 2022 were £1,356,219 (2021: £1,194,519) of which £255,705 (2021: £268,077) are represented by Fixed Assets leaving £1,100,514 in a readily realisable form. However, £103,254 is for use on specific projects and £164,554 designated as explained above leaving unrestricted free reserves of £832,706.

Mencap in Kirklees

Trustees' Annual Report (Including Directors Report)

Year Ended 31 March 2022

Ethical Fundraising Policy

Policy statement

Mencap in Kirklees (MIK) is proud to support people with learning difficulties and their families. To help ensure we have the availability of ongoing funds to use for enriching lives and to pay for the work we do, MIK aims to maintain a broad base of different funding sources. The purpose of this policy is to ensure clarity and openness to all stakeholders. All staff involved in fundraising have a responsibility to be aware and have a thorough understanding of the ethical issues referred to in this policy.

Policy aims

The following policy will outline how Mencap in Kirklees (MIK) will operate and abide by the Charity Commission (CC) guidelines, best practice and legal frameworks and follow best practice from the Institute of Fundraising (I of F).

Detail

MIK actively seeks opportunities to work with external organisations and individuals to achieve shared objectives.

MIK will maintain their independence and will not allow external partnerships to bring the name of MIK into disrepute.

Guidance on accepting donations

MIK accepts financial support from, and partnership working with, companies and individuals on the following conditions:

- Donations and support are believed to result in positive outcomes for those MIK support.
- There will be no adverse publicity from receiving a donation, support or gift-in-kind.
- The individual or company supporting MIK will not attempt to influence policy or decisions
- No endorsements of products or services will be given to supporters by MIK.

We concur with the Fundraising Regulator's Promise to be open, honest, fair and legal. MIK complies with all relevant legislation including money laundering rules, the Bribery Act and Charity Commission guidance, including terrorism and political activity. MIK therefore would not accept any of the following where the donation:

- Was known to be associated with criminal sources
- Would help further a donor's personal objectives
- Would lead to a possible decline in support for MIK
- Would otherwise significantly damage MIK's reputation

Communicating with donors and keeping records

MIK will ensure that clear, honest information is given to supporters on the work MIK undertake, to openly report on how funds are spent and manage donors' information responsibly.

Mencap in Kirklees

Trustees' Annual Report (Including Directors Report)

Year Ended 31 March 2022

Ethical Fundraising Policy (continued)

We will comply with the Charity Commission and UK law in every respect, including those regarding openness and honesty with our supporters and members of the public.

Only MIK will have direct access to the fundraising database and list of donors (individuals and companies) and this data will be held in accordance to GDPR legislation (May 2018). The database will not be shared with third party organisations and information governance will be in place for staff with restricted access to the database.

All communication with donors (both offline and online) will receive opt-in choice to receive further information and updates from the charity. We will respect the privacy and contact preferences of all donors. We will respond promptly to requests to cease contacts or complaints and act as best we can to address them.

Refusals

We abide by the law which requires us, in deciding whether to accept or refuse a donation, to consider which action is in the charity's best overall interest.

We will not, however, accept donations made by donors whose activities appear to be in direct conflict with the best interests of those we support. The responsibility of the judgement on whether MIK should refuse a donation lays with the Senior Management team and ultimately the Board of Trustees.

Use of donations

If supporters wish to donate to a specific area of MIK's work (such as More2Do or Arena) they may make a restricted donation by providing written instructions to this effect with their donation. MIK will where possible respect a donor's wishes.

Handling of cash donations and gifts in kind

A receipt will be used to capture the data and donation detail. Receipts are held in the accounts department. Each external site also has a receipt book. The guidelines are listed on the receipt books.

Gift-aid declaration

Gift-aid declaration forms will be sent to all individual donors upon receipt of a donation or gift-in-kind. The Fundraising Manager will manage this information in accordance with GDPR and Charity Commission rules, with the Director of Business and Finance having overall responsibility for the administration of funds and the gift-aid returns.

Mencap in Kirklees

Trustees' Annual Report (Including Directors Report)

Year Ended 31 March 2022

Structure, governance and management

Governing Document

The company was incorporated on 4 October 1989 under the Companies Act 1985. Being a company limited by guarantee it is governed by its Memorandum and Articles of Association. The company is also a registered charity and is therefore subject to the regulations of the Charity Commission. In the event of the company being wound up members are required to contribute an amount not exceeding £1. On 25 September 2008, a Special Resolution was passed by the Trustees agreeing to change the company name from Huddersfield Mencap to Mencap in Kirklees. This was effective as at 30 September 2008.

Appointment of trustees

All trustees including the chair, vice chair, treasurer and secretary are elected annually by the members of the charitable company attending the Annual General Meeting in accordance with the Articles of Association.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 10 to the accounts.

Trustee induction and training

Trustees will undergo an orientation meeting to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity. During the induction meeting they will meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

The board of trustees, which can have up to 12 members, administers the charity. The board meets approximately 10 times a year. A Chief Executive and Director of Business and Finance are appointed by the trustees to manage day to day operations of the charity. To facilitate effective operations, the Chief Executive and the Director of Business and Finance have delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and service related activity.

Related Parties

The charity is affiliated to Royal Mencap and we share common values however we do not receive any funding from the national body.

Mencap in Kirklees

Trustees' Annual Report (Including Directors Report)

Year Ended 31 March 2022

Trustees' responsibilities

The trustees (who are also directors of Mencap in Kirklees for the purposes of company law) are responsible for preparing the Trustees' Annual 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 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 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.

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.

Disclosure of information to the auditors

We, the directors of the company who held office at the date of approval of these financial statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

In approving the Trustees' Annual Report, we also approve the Directors Report included therein, in our capacity as company directors.

On behalf of the board



Jill Robson, Trustee

13th October 2022

Mencap in Kirklees

Independent Auditor's Report to the members of Mencap in Kirklees

Year Ended 31 March 2022

Opinion

We have audited the financial statements of Mencap in Kirklees (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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 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 trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

[continued ...]

Mencap in Kirklees
Independent Auditor's Report
Year Ended 31 March 2022

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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.

[continued ...]

Mencap in Kirklees

Independent Auditor's Report

Year Ended 31 March 2022

Auditor's responsibilities for the audit of the financial statements (continued)

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:

We gained an understanding of the legal and regulatory framework applicable to the charitable company, considered the risk of acts by Management and the Trustees which were contrary to applicable laws and regulations, including fraud. We made enquiries of the Trustees to obtain further understanding of risks of non-compliance.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management regarding known or suspected instances of non-compliance with laws and regulations;
- review of minutes of the Trustees' Board meetings throughout the year; and
- obtaining an understanding of the control environment in place to prevent and detect irregularities.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

Mencap in Kirklees

Independent Auditor's Report

Year Ended 31 March 2022

Auditor's responsibilities for the audit of the financial statements (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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

35 Westgate
Huddersfield
HD1 1PA

Wheawill & Sudworth Limited

13th October 2022

Aman Hayer (Senior Statutory Auditor)

For and on behalf of Wheawill & Sudworth Limited, Statutory Auditor

Mencap in Kirklees

Statement of Financial Activities (including income and expenditure account)

Year Ended 31 March 2022

		2022	2022	2022		2021
	Note	Unrestricted funds £	Designated funds £	Restricted funds £	Total £	Total £
Income and endowments from:						
Donations and legacies	2	41,964	-	-	41,964	64,914
Charitable activities	3	3,053,602	-	56,685	3,110,287	3,386,963
Other trading activities	4	3,314	-	-	3,314	1,090
Investments	5	102	-	-	102	246
Total income and endowments		3,098,982	-	56,685	3,155,667	3,453,213
Expenditure on:						
Charitable activities		2,908,291	-	44,274	2,952,565	3,127,453
Raising funds		51,402	-	-	51,402	59,486
Total expenditure	6	2,959,693	-	44,274	3,003,967	3,186,939
Net income		139,289	-	12,411	151,700	266,274
Transfers between funds		-	-	-	-	-
Other recognised losses						
Gain on revaluation of fixed assets		-	10,000	-	10,000	-
Net movement in funds		139,289	10,000	12,411	161,700	266,274
Reconciliation of funds:						
Total funds brought forward	16	721,744	381,932	90,843	1,194,519	928,245
Total funds carried forward	16	861,033	391,932	103,254	1,356,219	1,194,519

All income and expenditure derive from continuing activities.

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

The notes on pages 22 to 39 form part of these financial statements.

Mencap in Kirklees

Statement of Financial Activities (including income and expenditure account)

Year Ended 31 March 2021

		Unrestricted funds £	2022 Designated funds £	Restricted funds £	Total £	2021 Total £
	Note					
Income and endowments from:						
Donations and legacies	2	64,524	-	390	64,914	25,307
Charitable activities	3	3,347,139	-	39,824	3,386,963	3,336,837
Other trading activities	4	1,090	-	-	1,090	35,837
Investments	5	246	-	-	246	1,464
Total income and endowments		3,412,999	-	40,214	3,453,213	3,399,445
Expenditure on:						
Charitable activities		3,090,999	-	36,454	3,127,453	3,499,998
Raising funds		59,486	-	-	59,486	4,884
Total expenditure	6	3,150,485	-	36,454	3,186,939	3,504,882
Net income/(expenditure)		262,514	-	3,760	266,274	(105,437)
Transfers between funds		(150,000)	150,000	-	-	-
Other recognised losses						
(Losses) on revaluation of fixed assets		-	-	-	-	(20,000)
Net movement in funds		112,514	150,000	3,760	266,274	(125,437)
Reconciliation of funds:						
Total funds brought forward	16	609,230	231,932	87,083	928,245	1,053,682
Total funds carried forward	16	721,744	381,932	90,843	1,194,519	928,245

All income and expenditure derive from continuing activities.

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

The notes on pages 22 to 39 form part of these financial statements.

Mencap in Kirklees

Balance Sheet

Year Ended 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	255,705	268,077
Current assets			
Debtors	13	228,636	268,227
Cash at bank and in hand		1,201,886	1,018,399
		<u>1,430,522</u>	<u>1,286,626</u>
Creditors: amounts falling due within one year	14	(330,008)	(360,184)
Net current assets		<u>1,100,514</u>	<u>926,442</u>
Net assets		<u>1,356,219</u>	<u>1,194,519</u>
Charity Funds			
Restricted funds	16	103,254	90,843
Unrestricted funds	16	861,033	721,744
Designated funds	16	391,932	381,932
Total charity funds		<u>1,356,219</u>	<u>1,194,519</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The financial statements were approved and authorised for issue by the Board on 13th October 2022.

Signed on behalf of the board of trustees



Jill Robson, Trustee

The notes on pages 22 to 39 form part of these financial statements.

Company registration number: 2428994

Mencap in Kirklees
Statement of Cash Flows
Year Ended 31 March 2022

	Note	2022 £	2021 £
Cash flow from operating activities	18	195,897	482,394
Net cash flow from operating activities		195,897	482,394
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(12,512)	(13,990)
Interest received		102	246
Net cash flow from investing activities		(12,410)	(13,744)
Net increase / (decrease) in cash and cash equivalents		183,487	468,650
Cash and cash equivalents at 1 April 2021		1,018,399	549,749
Cash and cash equivalents at 31 March 2022		1,201,886	1,018,399
Cash and cash equivalents consists of:			
Cash at bank and in hand		1,201,886	1,018,399
Cash and cash equivalents at 31 March 2022		1,201,886	1,018,399

The notes on pages 22 to 39 form part of these financial statements.

Mencap in Kirklees

Notes to the Financial Statements

Year Ended 31 March 2022

1 Summary of significant accounting policies

(a) General information and basis of preparation

Mencap in Kirklees is a registered private charitable company, limited by guarantee registered in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are the support of individuals with disabilities and their support network, this is detailed further in the trustees report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity, and rounded to the nearest £.

The charitable company has availed itself of Paragraph 4(1) of Schedule 1 of The Small Companies and Groups (Accounts and Directors' Report) Regulations 2008 and adapted the Companies Act formats to reflect the special nature of the company's activities.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular 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.

(c) Income recognition

All incoming resources, including resident fees, are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Mencap in Kirklees

Notes to the Financial Statements

Year Ended 31 March 2022

1 Summary of significant accounting policies (continued)

(c) Income recognition (continued)

Donated facilities and donated professional services are recognised in 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.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed and an equivalent amount recognised as charitable expenditure.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

Legacy income is recognised when the charity is entitled to the income. Under SORP (FRS 102) it is the earlier of the charity being notified of an impending distribution or the legacy being received or if, before receipt, there is sufficient evidence that it is probable that the legacy will be received and the value of the incoming resources can be measured with sufficient reliability. When the charity has received notification of a legacy but it is not possible to measure the amount expected the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from 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.

The charity receives government grants in respect of its charitable activities. Income from government and other 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 reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes. Interest income is recognised using the effective interest method.

Other income includes income such as gains on disposals of tangible fixed assets.

(d) Expenditure recognition

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

- Costs of raising funds includes costs associated with fundraising;
- Expenditure on charitable activities includes costs incurred by the charity in the delivery of its activity and services to the beneficiaries; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Mencap in Kirklees

Notes to the Financial Statements

Year Ended 31 March 2022

1 Summary of significant accounting policies (continued)

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with use of the resources. Premises overheads and other overheads have been allocated on an actual use basis.

The analysis of these costs is included in note 7.

(f) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses other than the leasehold land and building which is stated at valuation. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Leasehold land and buildings	Nil
Leasehold improvements	Over the term of the lease
Fixtures and fittings	25% straight line
Computer equipment	25% straight line
Motor vehicles	25% straight line

(g) Debtors and creditors receivable / payable within one year

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

(h) Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

(i) Leases

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

(j) 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 charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

Mencap in Kirklees

Notes to the Financial Statements

Year Ended 31 March 2022

1 Summary of significant accounting policies (continued)

(k) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(l) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. They believe that the budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2 Income from donations and legacies

	2022 £	2021 £
Donations	41,964	64,914
Other	-	-
	<u>41,964</u>	<u>64,914</u>

Income from donations and legacies was £41,964 (2021: £64,914). £nil (2021: £390) was attributable to restricted funds and £41,964 (2021: £64,524) was attributable to unrestricted funds.

3 Income from charitable activities

	2022 £	2021 £
Residential	1,389,141	1,641,153
Day care	813,839	772,351
Community support	812,745	907,244
Projects	56,556	34,783
Other charitable activity	38,006	31,432
	<u>3,110,287</u>	<u>3,386,963</u>

Income from charitable activities was £3,110,287 (2021: £3,386,963). £56,685 (2021: £39,824) was attributable to restricted funds and £3,053,602 (2021: £3,347,139) was attributable to unrestricted funds.

Mencap in Kirklees

Notes to the Financial Statements

Year Ended 31 March 2022

4 Income from other trading activities

	2022 £	2021 £
Fundraising events	975	496
Club subscriptions	2,339	594
	<u>3,314</u>	<u>1,090</u>

Income from other trading activities was £3,314 (2021: £1,090). £nil (2021: £nil) was attributable to restricted funds and £3,314 (2021: £1,090) was attributable to unrestricted funds.

5 Income from investments

	2022 £	2021 £
Bank interest receivable	102	246
	<u>102</u>	<u>246</u>

Income from investments was £102 (2021: £246). All was attributable to unrestricted funds.

Mencap in Kirklees
Notes to the Financial Statements
Year Ended 31 March 2022

6 Analysis of expenditure

	Residential 2022	Day Care 2022	Community Support 2022	Projects 2022	Other charitable activity (including Governance) 2022	2022 Total	2021 Total
	£	£	£	£	£	£	£
Salaries & NI	889,828	373,663	683,638	-	32,160	1,979,289	2,078,701
Agency labour	5,321	-	-	-	-	5,321	2,636
Pension contributions	16,370	9,488	11,203	-	1,752	38,813	41,794
Hospital fund	2,309	1,278	1,348	-	82	5,017	6,367
Recruitment/advertising	-	-	-	-	-	-	1,604
Staff travel	119	366	1,969	-	218	2,672	7,818
Volunteer expenses	9	-	-	89	695	793	354
Rent and rates	25,446	47,130	438	-	90	73,104	96,379
Light and heat	31,328	3,930	2,321	-	650	38,229	48,113
Catering costs	57,052	8,452	778	-	2,148	68,430	54,486
Telephone & mobile	5,296	3,808	6,015	-	640	15,759	16,349
Office expenses (PPS)	3,623	4,636	1,027	-	4	9,290	14,505
Cleaning and welfare	25,887	10,043	1,142	-	-	37,072	36,346
Repairs and renewals	38,165	22,534	2,166	-	1,307	64,172	84,613
Gardening	2,284	223	-	-	1,440	3,947	2,599
Keep fit class expenses	3,635	1,290	42	-	240	5,207	543
Holiday costs	1,961	-	180	-	-	2,141	183
Registration fees	3,921	445	2,089	-	40	6,495	6,713
Bad debts	10,688	828	1,236	-	-	12,752	18,747
Subscriptions	1,679	-	154	-	32	1,865	2,766
Professional fees	23,398	5,077	4,554	-	10,800	43,829	44,580
Insurance	13,620	9,626	11,749	-	197	35,192	30,463

Mencap in Kirklees
Notes to the Financial Statements
Year Ended 31 March 2022

6 Analysis of expenditure on charitable activities (continued)

	Residential 2022	Day Care 2022	Community Support 2022	Projects 2022	Other charitable activity (including Governance) 2022	2022 Total	2021 Total
	£	£	£	£	£	£	£
Balance brought forward	1,161,939	502,817	732,049	89	52,495	2,449,389	2,596,659
Training costs	505	1,631	874	-	5	3,015	2,770
General sundries (inc newspapers & TV)	1,116	1,085	666	-	-	2,867	3,445
Motor expenses	24,883	40,396	-	-	-	65,279	50,992
Computer sundries	1,079	1,384	1,142	-	11,198	14,803	4,661
Donations/fundraising expenditure	118	332	125	-	-	575	690
Trips, outings and event costs	89	1,443	-	-	-	1,532	214
Client Day Care Services	218	323	-	-	-	541	483
Depreciation charge	22,241	5,740	-	-	-	27,981	31,456
Gain on disposal of fixed assets	(1,105)	-	-	-	-	(1,105)	-
Reallocation of support costs	192,413	85,769	102,469	-	58,439	439,090	495,569
Total resources expended	1,403,496	640,920	837,325	89	122,137	3,003,967	3,186,939

Expenditure on raising funds was £51,402 (2021: £59,486). £51,402 (2021: £59,486) of which was attributable to unrestricted funds and £nil (2021: £nil) to restricted funds. Expenditure on charitable activities was £2,952,565 (2021: £3,127,453) of which £44,274 (2021: £36,454) was attributable to restricted and £2,908,291 (2021: £3,090,999) was attributable to unrestricted funds.

Governance costs of £51,402 (2021: £59,486) are included above.

Mencap in Kirklees

Notes to the Financial Statements

Year Ended 31 March 2022

6 Analysis of expenditure (continued)

	Residential 2021	Day Care 2021	Community Support 2021	Projects 2021	Other charitable activity (including Governance) 2021	2021 Total	2020 Total
	£	£	£	£	£	£	£
Salaries & NI	881,380	403,762	751,424	-	42,135	2,078,701	2,189,756
Agency labour	2,636	-	-	-	-	2,636	171,272
Pension contributions	16,887	10,068	13,211	-	1,628	41,794	47,621
Hospital fund	2,579	1,834	1,772	19	163	6,367	5,554
Recruitment/advertising	1,604	-	-	-	-	1,604	187
Staff travel	68	382	7,174	-	194	7,818	29,515
Volunteer expenses	-	-	-	-	354	354	2,040
Rent and rates	46,733	46,530	2,786	-	330	96,379	94,653
Light and heat	40,131	6,156	1,826	-	-	48,113	50,766
Catering costs	53,086	1,579	(439)	-	260	54,486	91,143
Telephone & mobile	5,204	3,429	6,518	104	1,094	16,349	21,329
Office expenses (PPS)	4,203	8,876	390	-	1,036	14,505	10,812
Cleaning and welfare	26,995	7,595	837	-	919	36,346	42,330
Repairs and renewals	46,174	31,788	6,339	-	312	84,613	96,395
Gardening	2,453	146	-	-	-	2,599	3,297
Keep fit class expenses	644	(101)	-	-	-	543	4,274
Holiday costs	-	-	200	-	(17)	183	19,899
Registration fees	4,080	245	2,348	-	40	6,713	7,879
Bad debts	2,455	8,008	8,284	-	-	18,747	-
Subscriptions	2,478	4	284	-	-	2,766	3,482
Professional fees	23,760	5,041	3,999	12	11,768	44,580	36,620
Insurance	11,516	8,743	9,934	103	167	30,463	27,492

Mencap in Kirklees
Notes to the Financial Statements
Year Ended 31 March 2022

6 Analysis of expenditure on charitable activities (continued)

	Residential 2021	Day Care 2021	Community Support 2021	Projects 2021	Other charitable activity (including Governance) 2021	2021 Total	2020 Total
	£	£	£	£	£	£	£
Balance brought forward	1,175,066	544,085	816,887	238	60,383	2,596,659	2,956,316
Training costs	1,256	627	882	-	5	2,770	7,473
General sundries (inc newspapers & TV)	2,213	916	316	-	-	3,445	4,732
Motor expenses	16,229	34,763	-	-	-	50,992	57,754
Computer sundries	884	1,620	2,157	-	-	4,661	3,877
Donations/fundraising expenditure	550	-	140	-	-	690	3,996
Trips, outings and event costs	271	(57)	-	-	-	214	4,703
Client Day Care Services	379	104	-	-	-	483	1,896
Depreciation charge	26,777	4,679	-	-	-	31,456	33,944
Reallocation of support costs	213,183	110,966	111,761	-	59,659	495,569	430,191
Total resources expended	1,436,808	697,703	932,143	238	120,047	3,186,939	3,504,882

Mencap in Kirklees

Notes to the Financial Statements

Year Ended 31 March 2022

7 Allocation of support costs

	Residential 2022 £	Day Care 2022 £	Community Support 2022 £	Projects 2022 £	Other charitable activity 2022 £	Governance 2022 £	2022 Total £	2021 Total £
Premises	23,427	10,443	12,476	-	2,172	5,129	53,647	90,632
General office and finance staff	139,188	62,044	74,124	-	11,380	30,473	317,209	308,663
Communications	3,760	1,676	2,003	-	349	823	8,611	10,261
Office expenses	3,251	1,449	1,731	-	301	712	7,444	14,064
Payroll processing costs/Accy	2,025	903	1,079	-	188	443	4,638	6,342
Registration fees and subscriptions	1,890	842	1,006	-	175	414	4,327	4,685
Bank charges	624	278	333	-	58	137	1,430	1,402
Professional fees	4,184	1,865	2,228	-	388	916	9,581	23,009
Advertising	564	251	300	-	52	123	1,290	1,022
Computer expenses	9,128	4,069	4,861	-	846	1,998	20,902	21,072
Depreciation charge	3,014	1,344	1,605	-	279	660	6,902	9,202
Bad debt	-	-	-	-	-	-	-	2,836
Donation expenditure	1,358	605	723	-	126	297	3,109	2,379
	192,413	85,769	102,469	-	16,314	42,125	439,090	495,569

Mencap in Kirklees
Notes to the Financial Statements
Year Ended 31 March 2022

7 Allocation of support costs

	Residential 2021 £	Day Care 2021 £	Community Support 2021 £	Projects 2021 £	Other charitable activity 2021 £	Governance 2021 £	2021 Total £	2020 Total £
Premises	38,988	20,294	20,439	-	2,182	8,729	90,632	53,208
General office and finance staff	132,780	69,115	69,610	-	7,432	29,726	308,663	292,744
Communications	4,414	2,298	2,314	-	247	988	10,261	9,295
Office expenses	6,050	3,149	3,172	-	339	1,354	14,064	25,161
Payroll processing costs/Accy	2,728	1,420	1,430	-	153	611	6,342	5,927
Registration fees and subscriptions	2,015	1,049	1,057	-	113	451	4,685	5,485
Bank charges	603	314	316	-	34	135	1,402	1,590
Professional fees	9,898	5,152	5,189	-	554	2,216	23,009	7,946
Advertising	440	229	230	-	25	98	1,022	5,036
Computer expenses	9,065	4,718	4,752	-	507	2,030	21,072	16,349
Depreciation charge	3,958	2,060	2,075	-	222	887	9,202	9,069
Bad debt	1,220	635	640	-	68	273	2,836	-
Donation expenditure	1,024	533	537	-	57	228	2,379	4,846
	213,183	110,966	111,761	-	11,933	47,726	495,569	436,656

Mencap in Kirklees
Notes to the Financial Statements
Year Ended 31 March 2022

8 Auditor's remuneration

	2022	2021
	£	£
Auditor's remuneration	11,100	11,760
	<u>11,100</u>	<u>11,760</u>

All of the above costs were attributable to unrestricted funds in both years.

9 Net income for the year

Net income is stated after charging:

	2022	2021
	£	£
Depreciation of tangible fixed assets	34,884	40,659
Auditor's remuneration – Audit services	11,100	11,760
Other non-audit services	4,638	6,246
Operating lease rentals – Land and buildings	97,716	110,899
Plant and equipment	37,081	36,754
Trustees indemnity insurance	<u>420</u>	<u>420</u>

10 Trustees' and key management personnel remuneration and expenses

The trustees neither received nor waived any remuneration during the year (2021: £Nil).

The total amount of employee benefits received by key management personnel is £98,309 (2021: £102,191). The Trust considers its key management personnel comprise the senior management team.

No expenses were received by any trustees in 2021 or 2022.

11 Staff costs and employee benefits

The average monthly number of employees during the year was as follows:

	2022	2021
	Number	Number
Charitable activities		
Residential	51	54
Day services	23	28
Supported Living	27	28
Projects	4	3
Governance and admin	11	12
	<u>116</u>	<u>125</u>

Mencap in Kirklees

Notes to the Financial Statements

Year Ended 31 March 2022

11 Staff costs and employee benefits (continued)

The total staff costs and employees benefits were as follows:

	2022 £	2021 £
Wages and salaries	2,131,599	2,227,648
Social security	141,070	141,091
Defined contribution pension costs	52,121	56,148
	<u>2,324,790</u>	<u>2,424,887</u>

No employees received total employee benefits (excluding employer pension costs) of more than £60,000.

12 Tangible fixed assets

	Leasehold land and buildings £	Leasehold improvements £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation:					
At 1 April 2021	230,000	24,506	349,507	101,310	705,323
Additions	-	-	12,512	-	12,512
Disposals			(98,739)	-	(98,739)
Revaluation	10,000	-	-	-	10,000
At 31 March 2022	<u>240,000</u>	<u>24,506</u>	<u>263,280</u>	<u>101,310</u>	<u>629,096</u>
Depreciation:					
At 1 April 2021	-	24,506	311,430	101,310	437,246
Charge for the year	-	-	34,884	-	34,884
Disposals	-	-	(98,739)	-	(98,739)
At 31 March 2022	<u>-</u>	<u>24,506</u>	<u>247,575</u>	<u>101,310</u>	<u>347,391</u>
Net book value:					
At 31 March 2022	<u>240,000</u>	<u>-</u>	<u>15,705</u>	<u>-</u>	<u>255,705</u>
At 31 March 2021	<u>230,000</u>	<u>-</u>	<u>38,077</u>	<u>-</u>	<u>268,077</u>

The historic cost equivalent of land and buildings included at valuation are as follows:

	2022 £	2021 £
Cost	12,622	12,622
Accumulated depreciation	-	-
Net book value	<u>12,622</u>	<u>12,622</u>

Mencap in Kirklees

Notes to the Financial Statements

Year Ended 31 March 2022

12 Tangible fixed assets (continued)

Leasehold land and buildings were subject to an independent professional valuation at 31 March 2022. The valuation provided of £240,000, shows an increase of £10,000 from 31 March 2021 and this has been incorporated into these financial statements.

13 Debtors

	2022 £	2021 £
Trade debtors	127,423	139,244
Other debtors	2,537	2,158
Prepayments and accrued income	98,676	126,825
	<u>228,636</u>	<u>268,227</u>

14 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	128,919	143,484
Other tax and social security	34,469	31,576
Other creditors	11,489	35,188
Accruals and deferred income	155,131	149,936
	<u>330,008</u>	<u>360,184</u>

15 Leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2022 £	2021 £
Not later than one year	45,095	51,488
Later than one and not later than five years	20,792	69,173
	<u>65,887</u>	<u>120,661</u>

Mencap in Kirklees

Notes to the Financial Statement

Year Ended 31 March 2022

16 Fund reconciliation

Unrestricted funds - 2022

	Balance at 1 April 2021 £	Income £	Expenditure £	Gain on revaluation of fixed assets	Transfers £	Balance at 31 March 2022 £
Unrestricted	721,744	3,098,982	(2,959,693)	-	-	861,033
Designated – Expenditure fund	164,554	-	-	-	-	164,554
Designated – Revaluation fund	217,378	-	-	10,000	-	227,378
	1,103,676	3,098,982	(2,959,693)	10,000	-	1,252,965

Restricted funds - 2022

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2022 £
Donations & fundraising (i)	59,470	1,518	(767)	-	60,221
Changing Places	524	-	-	-	524
Children in Need – Saturday Fun Club (ii)	2,063	-	-	-	2,063
Gold Standard Framework (iii)	3,426	-	-	-	3,426
More to Do (iv)	25,265	37,836	(26,939)	-	36,162
The Waverley Café Project (v)	95	-	-	-	95
Lets Get Digital (vi)	-	12,931	(12,931)	-	-
Household Support Grant (vii)	-	2,000	(2,000)	-	-
Health Your Way (viii)	-	2,400	(1,637)	-	763
	90,843	56,685	(44,274)	-	103,254

Unrestricted funds - 2021

	Balance at 1 April 2020 £	Income £	Expenditure £	Gain on revaluation of fixed assets	Transfers £	Balance at 31 March 2021 £
Unrestricted	609,230	3,412,999	(3,150,485)	-	(150,000)	721,744
Designated – Expenditure fund	14,554	-	-	-	150,000	164,554
Designated – Revaluation fund	217,378	-	-	-	-	217,378
	841,162	3,412,999	(3,150,485)	-	-	1,103,676

Mencap in Kirklees
Notes to the Financial Statements
Year Ended 31 March 2022

16 Fund reconciliation (continued)

Restricted funds – 2021

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2021 £
Donations & fundraising (i)	59,425	735	(690)	-	59,470
Changing Places	524	-	-	-	524
Children in Need – Saturday Fun Club (ii)	2,063	-	-	-	2,063
Gold Standard Framework (iii)	3,426	-	-	-	3,426
More to Do (iv)	21,550	39,479	(35,764)	-	25,265
The Waverley Café Project (v)	95	-	-	-	95
	87,083	40,214	(36,454)	-	90,843

Fund descriptions

a) Unrestricted funds

The general funds are available for the use at the discretion of the charity in furtherance of the general objectives as detailed in the trustees report.

b) Designated funds

Expenditure Fund

The trustees had in previous years designated a proportion of unrestricted funds having identified future expenditure requirements on new vehicles, various fundraising and other capital items and to cover excess operating costs. The trustees also intend to use designated funds to fund pilot projects until external funding can be sourced.

Revaluation Fund

The trustees have designated funds equivalent to the revaluation of the leasehold land and buildings.

c) Restricted funds

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 and include the following projects.

- (i) Monies received from the West Riding Masonic Charities to fund the purchase of a minivan.
- (ii) Monies received to fund a leisure facility for children aged 6 to 16 years with a moderate learning disability.
- (iii) This grant enables care home staff to deliver personalised care for the ageing learning disabled population.

Mencap in Kirklees

Notes to the Financial Statements

Year Ended 31 March 2022

16 Fund descriptions (continued)

- (iv) Monies received to deliver a weekend break service for people who are not eligible for social care support.
- (v) The café project goal is training people with learning disabilities, enabling the trainees to gain employment qualifications, life skills and gain confidence.
- (vi) Grant funding to enable the purchase a wide range of accessible digital equipment to be used by the people we support.
- (vii) Monies to support staff who are struggling financially.
- (viii) Monies to pay for well-being & Yoga sessions for the people we support.

17 Analysis of net assets between funds

	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fixed assets	28,327	227,378	-	255,705
Cash and current investments	934,078	164,554	103,254	1,201,886
Other current assets	228,636	-	-	228,636
Creditors less than one year	(330,008)	-	-	(330,008)
Total	861,033	391,932	103,254	1,356,219

	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fixed assets	50,699	217,378	-	268,077
Cash and current investments	763,002	164,554	90,843	1,018,399
Other current assets	268,227	-	-	268,227
Creditors less than one year	(360,184)	-	-	(360,184)
Total	721,744	381,932	90,843	1,194,519

Mencap in Kirklees

Notes to the Financial Statements

Year Ended 31 March 2022

18 Reconciliation of net income to net cash flow from operating activities

	Charity	
	2022	2021
	£	£
Net income for the year	151,700	266,274
Interest receivable	(102)	(246)
Depreciation of tangible fixed assets	34,884	40,659
Decrease in debtors	39,591	85,307
(Decrease) / increase in creditors	(30,176)	90,400
Net cash flow from operating activities	195,897	482,394

19 Pensions and other post-retirement benefits

Defined contribution pension plans

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £52,121 (2021: £56,148).

The contributions are allocated to unrestricted funds.

20 Related party transactions

During the year a family member of a senior manager left a legacy of £5,000 to the charity, there were no conditions attached to the legacy.

During the prior year a trustee donated £1,400 to the charity, there were no conditions attached to the donation.

The charity is controlled by the Trustees. No one Trustee has ultimate control.

21 Capital commitments

At the year end the charity had committed to the acquisition of fixed assets totalling £Nil (2021: Nil).