



Sutton Mencap Charity Company

**Annual Report and Financial Statements
For the year ended 31 March 2024**

**Charity number: 1080514
Company number: 03915936**

Sutton Mencap Charity Company

Annual Report and Financial Statements Year ended 31 March 2024

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Sutton Mencap Charity Company

Company information

Trustee Board

Chairman:	Mavis Peart OBE
Vice-Chairman:	Clare Fionda
Treasurer:	Paul Solomon
Trustee:	Titilayo Dairo
Trustee:	Dennis Henstock
Trustee:	Michele Humphreys
Trustee:	Edwina Morris
Trustee:	Michelle Perrett
Trustee:	Amit Srivastava (to March 2024)
Trustee:	Simon Vines
Company Secretary:	David Hobday, Chief Executive Officer

The members of the Trustee Board are the directors of the company.

Company Status

The company is a company limited by guarantee, not having a share capital and is registered in England and Wales.

Registered company number: 03915936

Registered charity number: 1080514

Registered Office

8 Stanley Park Road
Wallington
SM6 0EU

Bankers

CAF Bank
25 Kings Hill Avenue
Kings Hill
West Malling, Kent
ME19 4JQ

Unity Trust Bank
PO Box 7193
Planetary Road
Willenhall
WV1 9DG

Independent Examiner

Kevin Fisher
Kingston Burrows
450a London Road
Cheam
SM3 8JB

Solicitor

WH Matthews and Co
11-13 Grove Road
Sutton
SM1 1DS

Sutton Mencap Charity Company

Report of the Trustees

Year ended 31 March 2024

Structure, Governance and Management

Governing document

Sutton Mencap Charity Company is a charity registered with the Charity Commission and a Company Limited by Guarantee. The Charity Company was registered on 28 January 2000 and uses Sutton Mencap as its working name. The company was set up under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Appointment of trustees

The Trustee Board for the Company is made up of a maximum of 12 members: 3 honorary officers plus up to 9 members. Honorary officers and members are elected at an Annual General Meeting. The Trustee Board may also co-opt members to fill skills gaps, provided that the number of co-opted members does not make up more than one-third of the Trustee Board's membership.

Trustee recruitment

Trustee recruitment is carried out according to policies which are reviewed on a regular basis. Potential trustees are invited to observe a trustee meeting and interviewed by the Chair and/ or another trustee.

Trustee induction and training

New trustees participate in an induction programme led by the Chief Executive Officer. They are invited to meet with key staff in the organisation and visit a range of services and are provided with an induction pack containing the Memorandum and Articles of Association, latest annual report and financial statements, strategic plan and key policies and procedures. Trustees participate in internal and external training, including an annual away day.

Organisational structure

The Trustee Board governs the charity and usually meets 8 times a year. The Trustee Board appoints a Chief Executive Officer to manage the day-to-day operations of the charity. The Chief Executive Officer attends Trustee Board meetings and advises and reports to the Trustees. Trustees papers are prepared and circulated in advance of each meeting. Papers include an easy read summary to improve accessibility for people with a learning disability. Trustees have also agreed to introduce a quarterly 'Meet the Trustees' event for people with a learning disabilities to seek their views on the key issues for the charity.

Risk management and control

The Trustee Board has a formal risk management strategy which enables it to identify and mitigate the major risks to which the charity is exposed. The strategy consists of:

- an annual review of the risks which the charity may face;

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- the establishment of systems and procedures to mitigate those risks;
- the implementation of procedures designed to report on and minimise any potential impact on the charity should any of those risks materialise.

The principal risks and actions taken to mitigate them are grouped under the following headings:

Governance

Procedures are in place to monitor the success of recruitment and the mix of skills and life experiences trustees bring to the organisation. Effective decision making is monitored through the adoption and delivery of strategic plans.

Finance

Trustees consider management accounts, cash flow, and debtors on at least a quarterly basis and confirm that in their view the organisation is a going concern. Trustees ensure the charity operates effective financial controls to mitigate the potential for fraud or error. Financial regulations are reviewed on an annual basis.

Staffing and volunteering

Trustees receive regular reports on staffing levels and staff recruitment. Trustees ensure the charity operates clear policies on staff recruitment, management and training, disciplinary and grievance procedures, as well as operational policies and procedures. Trustees have access to professional external HR advice.

Legal compliance

Trustees ensure the charity has a range of up to date policies in place and seeks external advice and expertise where required to ensure legal compliance.

Service delivery

Trustees receive regular reports from staff on service delivery issues. They also monitor service user feedback and compliance with contract and grant requirements from funders. Trustees allocate resources for quality assurance systems and staff training, including resources devoted to meeting safeguarding responsibilities.

Buildings, plant and equipment

Trustees consider premises requirements and compliance with the building lease. Trustees allocate resources for building and equipment maintenance and monitor expenditure.

External relationships and environment

Trustees ensure the charity maintains appropriate relationships with key local and national bodies and keeps abreast of changes in local and national policy which could have an impact on the charity.

Strategic plan

Trustees agreed a strategic plan which began in 2019. The plan is centred around an agreed vision, which is that all people with a learning disability should be able to lead fulfilling lives and achieve their aspirations and potential.

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Sutton Mencap's overall aim is to improve the lives of children and adults with a learning disability and their carers by:

- Reducing isolation and developing networks;
- Improving life skills, promoting independence and enabling choice and control;
- Supporting parents and carers; and
- Raising awareness of needs and promoting inclusion.

The specific strategic objectives in the current plan are set out under 3 broad headings:

1. Service development

- To increase local provision of specialist service for children and adults and support for people during transition to adulthood.
- To strengthen our role in supporting service users to identify and meet individual goals.
- To help individuals and families have access to specialist advice and support.
- To ensure safeguarding remains embedded in every aspect of service delivery.

2. Community development

- To support people with a learning disability to develop a stronger collective voice and work with other communities to achieve social change.
- To increase the participation of children and adults with a learning disability in mainstream activities through providing organisations with training and support alongside direct support to individuals.

3. Service support

- To ensure Sutton Mencap's current and future premises and infrastructure needs are met.
- To maximise efficiencies and service improvement through use of digital technology.
- To maintain income levels through fundraising and appropriate pricing of services.
- To ensure staffing arrangements are in place to support delivery of the plan.
- To ensure the voices of service users, carers and supporters shape the work of Sutton Mencap.

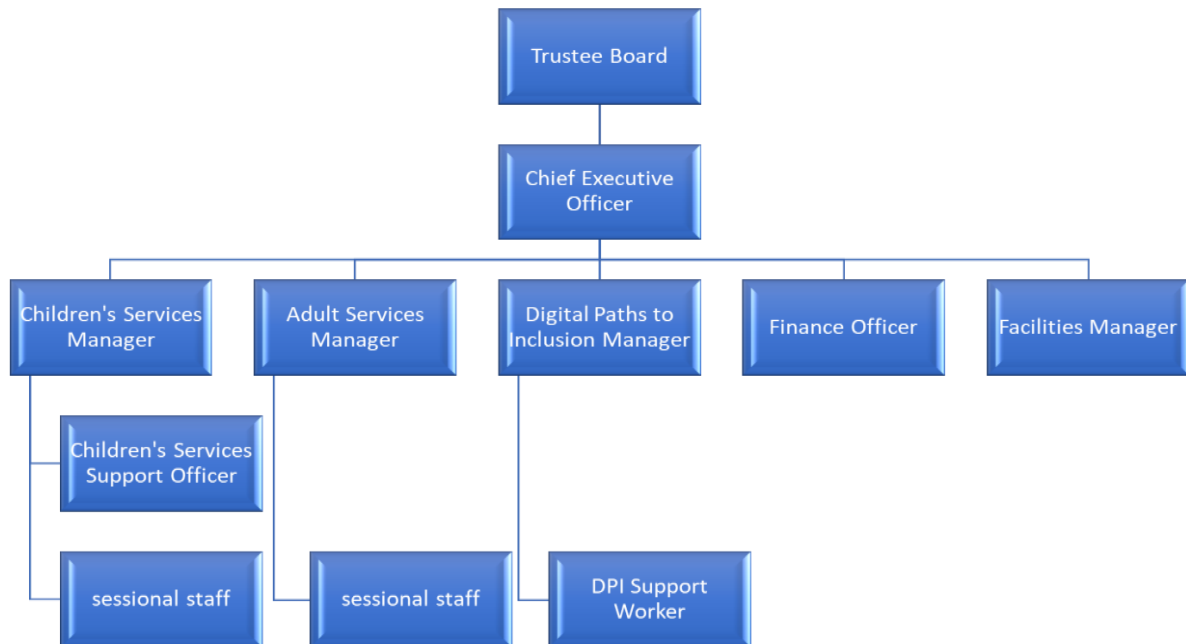
These objectives are used to set an annual delivery plan for the organisation. Trustees monitor progress towards delivering the plan on a quarterly basis.

Trustees reviewed the strategic plan's objectives at their away day in 2024 and confirmed that for the coming year they remain relevant and should continue to shape the development of the organisation.

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Organisation structure

As at 31st March 2024, Sutton Mencap's organisation structure was as follows:



Procedures for setting staff salaries

The trustees have an established system for setting pay and remuneration for key management personnel which takes account of salary levels for similar local charities as well as existing posts within the organisation. The trustees have established a remuneration sub-committee to review salary levels on an annual basis and take account of comparative local and national trends as well as the financial performance of the organisation. The recommendations of the sub-committee are reviewed and agreed by the Trustee Board.

Sutton Mencap is a London Living Wage Employer.

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Developments, activities and achievements during the year

Introduction

Two central developments in the year to March 2024 were the increase in service provision, and the implementation of a new quality assurance programme. In addition, we continued to make significant progress in delivering our strategic goals.

Increase in service provision

Over the year to March 2024 we saw a steady and significant increase in the number of people attending both children's and adults' services. This is a welcome outcome from a lot of very hard work which has been taking place since the end of the pandemic. Not only does it mean we are reaching as many people as possible, it also helps to ensure the organisation remains financially viable.

This growth in services was underpinned by a significant increase in sessional staff. Sutton Mencap has been very successful in recruiting and retaining staff, with the adoption of London Living Wage seen as a significant factor.

New Quality Assurance programme

Trustees also developed and introduced a new quality assurance programme, with a strong focus on exploring how well we meet the needs of the people we support. Our work on this began with a survey of service users, parents and carers. The surveys allowed people to score on a scale of 1 to 5 the extent to which they agreed with a series of statements about our services. The tables below show how the statements were scored:

Services for children and young people	Mean score (1 to 5)
My child enjoys coming to the service	4.94
Sutton Mencap provides activities that meet my child's needs	4.68
I think my child is safe at Sutton Mencap	4.87
Sutton Mencap is supporting my child's development	4.61
I am happy with the information Sutton Mencap gives me	4.55

Services for adults	Mean score (1 to 5)
I get to do the activities I want to	4.63
I feel that the staff listen to me	4.82
I have fun at the service	4.84
I enjoy spending time with other people who come to the service	4.86
I learn useful things when I come to the service	4.43

We also asked people to give their views regarding the services. We received a huge number of very positive comments, such as:

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Children's services

- "Sutton Mencap is the ONLY service that provides my son appropriate social interactions and leisure activities (whilst also managing his support/care/health needs). Outside of school and home it is the only place he can truly be himself and have the opportunity to socialise with his peers."
- "The staff are amazing"
- "A great service, friendly staff, child loves it."
- "Everybody who is connected to Mencap and everyone connected to my son goes above and beyond and he loves his days with them. They are kind and thoughtful towards my sons needs."
- "Mencap is 100% the best special needs group/service for my son. He comes away smiling and I just know he is in the best place with staff that understand and respect him."
- "A huge thank you for enhancing our son's life and contributing to his social time"
- "Thank you Mencap - you have been a real help to us as a family and we feel confident that [name] is looked after well and enjoys herself at your sessions."
- "Brilliant - all much appreciated."

Adults' services

- "staff are brilliant", "great staff" "the staff listen to me".
- "[I like] being with my friends and doing fun activities together", "friendly atmosphere, laughter".
- "I like going out in the community", "doing different activities", "going out to places", "safe, fun and great activities"

We combined the feedback from service users and carers with an in-depth review of service delivery to check how well we meet the needs of the people we support and identify any areas we want to strengthen. Overall, this self-assessment process identified that services were very strong. We also identified improvements that we wished to introduce, which have been built into our workplan for 2024-25. These are as follows:

- Develop further volunteering opportunities.
- Strengthen contact between service users and the board.
- Develop a programme of parent/carers engagement events.
- Involve service users in monitoring delivery of policies.
- Strengthen communication with parents and service users.
- Develop a programme to celebrate cultural events on services.
- Develop a healthy living policy.

Delivery of strategic goals

Strategic priority 1: Service development

Services for children

Sutton Mencap's after school, Saturday and holiday services saw a significant growth during 2023-24, with 17 new children starting on services. Attendance on each service also increased. During the year, we were able to provide over 5,700 hours of service, an increase of around 10% on the previous year.

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Services continue to focus on children and young people requiring high levels of support, centred typically around challenging behaviour and complex health needs. Maintaining sufficient numbers of skilled and dedicated staff is an essential part of service delivery and we were delighted to welcome 10 new staff members to the team during the year. This contributed greatly to the growth in service provision.

Children's services continued to be bought by the council on a spot-purchasing basis, the previous contract having ended some years ago. During the year, the council indicated its intention to retender for these services. Our bid to join the council's Short Breaks framework was successful and we were invited to submit a tender for delivery of services in March 2024. Indications from the local authority suggested that there would be significant cuts in the short breaks budget, both in terms of the total amount the council intends to spend and the size of individual packages. Sutton Mencap has submitted its tender reflecting these likely cuts. At the time of writing we are still waiting to hear whether we have been successful.

Services for adults

Services for adults also saw significant growth during the year. We continued to provide 10 sessions per week of our Community Day Service, welcoming 6 new clients onto the service and increasing the number of service user hours to 21,500, up by 12% on the previous year.

We continued to provide our Breakaways programme of respite services for adults who live with their families. These provide a mix of weekends away, Friday evening and Saturday day-time services. We also continued to provide our weekly art café and evening leisure groups.

Our monthly tea and cake session continued to be very popular. The session provides an informal opportunity for consultation and engagement with people with a learning disability. This might be about services at Sutton Mencap, or wider issues covered by the council or NHS.

Safeguarding

Safeguarding continues to be a priority for Sutton Mencap. All staff are required to undertake appropriate safeguarding training which is updated every 3 years. During the year, we also introduced a requirement to undertake training in the Prevent programme. We continue to participate in local partnership work aimed at keeping children and adults safe.

Strategic priority 2: Community development

Digital Paths to Inclusion

Our Digital Paths to Inclusion (DPI) project is funded by the City Bridge Trust and is the centrepiece of our community engagement work.

DPI combines a community development approach with the use of digital technology to strengthen the voice of people with a learning disability. The project was initially funded for three years to March 2023, but we were delighted to be awarded a further two years of funding by the City Bridge Trust to extend the project.

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During the year we worked with a team of volunteers to engage with a number of local venues, publicising those that are most welcoming and friendly. We have also devised a checklist which GP surgeries can use to explore how well they support people with a learning disability. We are beginning to work with individual surgeries on this.

We have also continued to produce films and podcasts, allowing people to tell their stories, raise issues of concern and share information on local community facilities.

Partnership work

We aim to work closely with other agencies to ensure that the voice of people with a learning disability is heard and that local services and facilities are available and welcoming for people with a learning disability.

Much of this work is with the council and NHS, helping them to deliver their Learning Disability Strategy which focusses on healthcare, housing and community participation. Our work on healthcare included the promotion of a number of awareness raising videos, produced by Sutton Mencap, aimed at increasing take up of cancer screening. We also supported the Public Health team to engage with people with a learning disability to find out more about access to sports facilities. We also worked with colleagues to better understand the availability of housing for people with a learning disability and to look at barriers to employment.

In June 2023 we celebrated Learning Disability Week with an awards ceremony to highlight the achievements of people with a learning disability. We also worked with a group of people to present their experiences of living in Sutton to the council's learning disability conference in March 2024. During 2024-25, we will be developing a regular programme of events for service users, parents and carers, to provide opportunities to discuss and highlight issues that affect local people with a learning disability and their families.

Strategic Priority 3: Service support

There were a number of developments in terms of our 'back office', aimed at improving the way we work to deliver services.

Building improvements

We have plans in place to site a new garden room in our rear car park. This will allow us to expand provision for children's services in particular, although our aim is that the building will be multi-use. Plans moved forward during the year. We contracted with a project management company who have drawn up architects plans for the project and supported us with our planning application. We expect to hear the outcome of this in Summer 2024.

We have also worked with the council to renew the lease on our premises. Our aim is to take on a 25-year lease which will allow us to maximise the use of the premises for the benefit of our service users.

We were delighted that the London Borough of Sutton agreed a capital grant towards the building costs. This means that we have a significant pot of funding for the new building, although we still require additional funds to carry out the work. As at the end

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of March 2024, we believe the total building costs will be around £500,000 and we have a remaining fundraising target of around £100,000. We are hopeful of completing this target by the end of 2024 and we can then start on the work.

New minibuses

Community participation is a key element of both our adults and children's services and transport plays a very important role in facilitating this. We have therefore continued our fundraising programme which, combined with the allocation of reserves, will provide us with two new accessible minibuses, one for each service. Our plans for an adult minibus are well advanced and we hope to take delivery in the autumn. We were also delighted to be successful in our bid to the Variety Club for a dedicated children's minibus, which we hope to receive in early 2025.

Information systems

We continue to invest in our ICT systems, with the aim of improving communication and access to information across the organisation.

During 2023/24 we continued plans to provide all sessional staff with a Sutton Mencap e-mail address and enable access to shared information. We also moved to the use of online records, replacing our paper folders, which will greatly improve access to key information for staff on services.

Measuring our environmental impact

Trustees agreed a new environmental policy and strategy in November 2023, which sets the organisation on a path to achieving net zero by 2033.

Central to the policy was a baseline measurement of our carbon footprint, using the *Heart of the City Climate Action Toolkit*. This has given us a rough annual estimate of 124 tonnes of carbon emissions, broken down as follows:

- The purchase of goods and services (48% of current carbon use):
- Waste disposal (31%)
- Energy and water use (12%)
- Staff travel (6%)
- Service user travel (4%)

We have set up an Environmental Working Group which is tasked with developing plans to reduce our carbon footprint. The group has already identified ways we can switch the purchase of goods and services to those with a lower environmental impact, as well as methods to reduce energy use. We are also working to refine our monitoring systems so that we can measure the improvements we are making.

Financial review

The year ending 31 March 2024 showed our income again at around the one million pounds mark. On a like for like basis (excluding the legacy of £531,692 received in the previous year) the revenue increase was £242,631. After accounting for a building grant of £100,000 from the London Borough of Sutton, bank interest of £20,000 and the ULEZ scrappage scheme for our minibus of £8,575, income from our core services of children and young people and adults were up by £26,000 and £88,000 respectively. This is the result of the significant increases in both these services described earlier in the Annual Report.

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People costs rose in line with the increased activity of both sets of services, and on average year on year, we employed the equivalent of 2 people more than in 2023. Other costs were in line with the previous year. Adult services, children and young persons, and community projects all showed surpluses and contributed £293,000 to core costs. Including the LBS building grant, the surplus for the year was £108,013.

It should be noted that the charity provided a substantial one-off discount in prices for the London Borough of Sutton, recognising the financial challenges faced by the local authority. This meant that both adults' and children's services required subsidising from reserves. That said, both sets of services performed broadly in line with expectations, and, due to increased income from other sources, the charity was still able to generate a surplus for the year.

Architect, design fees and surveys relating to the proposed new building were included as Capital Expenditure and totalled £22,749. After depreciation charges, the net book value of all assets increased to £27,654.

Debtors increased in line with the higher activity described above but all are considered secure. Cash at bank was also higher, mainly due to the one-off capital grant. Overall net current assets were £97,000 more than last year

Cash is invested in short and medium-term bank deposits and the closing balances on 31 March 2024 totalled £721,157. The Accounting Standard requires the production of a Cash Flow Statement, and this has been included in the annual report.

The Balance Sheet remains strong, and our total assets increased to £741,797 as at 31 March 2024. This continues to provide confidence to our clients, staff and trustees that we will be able to continue to provide services, we trust, for many years to come. Suffice to say under this heading, Sutton Mencap's finances are currently in reasonable shape.

2024/2025 brings a degree of uncertainty as a result of the requirement that we retender for our children's services for the first time in many years. That said, our first quarter's results are positive and we are confident in our ability to adapt to whatever challenges present themselves.

Reserves policy

Sutton Mencap requires an appropriate level of reserves to enable it to achieve the following objectives:

- Primarily, to ensure that Sutton Mencap is able to survive unexpected set-backs, including short term funding issues, and problems arising from internal or external causes.
- To provide the option of developing new services or expand current ones in line with the changing needs of the community.

Trustees consider it prudent for Sutton Mencap to hold a level of reserves to meet its primary objective equivalent to 3 months' average expenditure, excluding fixed-term,

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grant-funded activities. Trustees have also set a target of 6 months' expenditure to enable them to meet the second objective of developing or expanding services.

In addition to our unrestricted reserves, Sutton Mencap has currently designated a significant level of funds to two specific projects, the building of a new garden room and the purchase of replacement minibuses.

Public benefit

Charity law requires that the Board of Trustees pay due regard to the public benefit guidance published by the Charity Commission and have a duty to achieve the purposes of the charitable company. In setting the charity's objectives, planning its activities and reviewing all proposed activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The Trustees review and approve the annual budget and periodically review the financial performance and reports of the company to ensure that it is operating in a manner consistent with achieving its purposes. In addition, the Trustees are of the opinion that the policies and procedures in place are sufficiently robust to ensure that the charity achieves its purpose.

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Responsibilities of the Trustee Board

The trustees (who are also directors of Sutton Mencap 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 those 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.

Exemptions from Disclosures

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

Approved by the Trustees and signed on their behalf by:

_____ Date

_____ Date

Sutton Mencap Charity Company

Independent Examiner's Report to the Trustees of Sutton Mencap Charity Company

I report to the charity trustees on my examination of the accounts of the company for the year ended 31st March 2024 which are set out on pages 17-29.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....
Kevin Fisher BA FCA CTA
c/o Kingston Borrowes
450a London Road
Cheam
SM3 8JB

Date:

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Statement of Financial Activities and Income & Expenditure Report for the year to 31 March 2024

	Note	Restricted Funds £	Unrestricted Funds £	2024 Total £	2023 Total £
<u>Income and endowments</u>					
Donations and legacies	3	-	5,389	5,389	543,808
Other trading activities	4	-	5,629	5,629	6,584
Investment income	5	-	19,988	19,988	3,336
Income from charitable activities					
Grants	6	159,143	20,000	179,143	81,200
Fees from services for children and young people		-	296,709	296,709	270,422
Fees from services for adults		-	491,628	491,628	402,888
Total income and endowments		159,143	839,343	998,486	1,308,238
<u>Expenditure</u>					
Expenditure on raising funds			6,796	6,796	6,642
Expenditure on charitable activities	7	56,703	818,567	875,270	794,637
Total expenditure		56,703	825,363	882,066	801,279
Net income/ (expenditure)	9	102,440	13,980	116,420	506,959
Transfers between funds		-	-	-	-
Net movement in funds	17	102,440	13,980	116,420	506,959
<u>Reconciliation of funds</u>					
Total funds brought forward		18,224	607,153	625,377	118,418
Total funds carried forward		120,664	621,133	741,797	625,377

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

All incoming resources and resources expended derive from continuing activities.

The notes on pages 20 to 29 form part of the financial statements

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Balance Sheet as at 31 March 2024

Company Registration Number 03915936

	Note	2024 £	2023 £
Fixed Assets			
Tangible Fixed Assets	12	<u>27,654</u>	<u>8,502</u>
Current Assets			
Debtors	13	92,808	72,781
Investments	14	172,635	170,000
Cash at Bank and in hand		<u>548,522</u>	<u>483,868</u>
		813,965	726,649
Liabilities:			
Creditors	15	99,822	109,774
Net Current Assets			
		714,143	616,875
Total Assets less Current Liabilities		<u>741,797</u>	<u>625,377</u>
Funds			
Unrestricted Fund	17	288,349	367,153
Designated Funds	17	332,784	240,000
Restricted Funds	17	<u>120,664</u>	<u>18,224</u>
		<u>741,797</u>	<u>625,377</u>

The financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the Trustees on

Signed on behalf of the Trustees

Name:

Name:

Date:

Date:

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Statement of cash flows for the year to 31 March 2024

	Note	Total funds March 2024 £	Total funds March 2023 £
Net Cash provided by operating activities	20	<u>70,050</u>	<u>531,233</u>
Cash flows from investing activities			
Interest income		19,988	3,336
Purchase of tangible fixed assets		(22,749)	(7,954)
Purchase of investments		(2,635)	(170,000)
Net cash (used in)/ provided by investing activities		<u>(5,396)</u>	<u>(174,618)</u>
Change in cash and cash equivalents		64,654	356,615
Cash and cash equivalents brought forward		483,868	127,253
Cash and cash equivalents carried forward		<u>548,522</u>	<u>483,868</u>
Analysis of cash and cash equivalents			
Cash at bank and in hand		<u>548,522</u>	<u>483,868</u>

The notes on pages 20 to 29 form part of the financial statements

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Notes to the financial statements for the year ended 31 March 2024

1) Accounting Policies

Basis of preparation and assessment of going concern

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 UK 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 Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the charity.

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.

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

Income recognition

Items of income are recognised in the financial statements when all of the following criteria are met:

- the charity has entitlement to the funds;
- any performance conditions have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount can be measured reliably. Expenditure is classified under the following headings:

- Costs of raising funds which comprises those costs associated with attracting general donations.
- Expenditure on charitable activities which comprises the costs of running various activities and services for the charity's beneficiaries.

Expenditure includes those costs of a direct nature which can be allocated to specific activity. It also includes indirect costs, including governance costs that do not relate to a specific activity but are necessary to support them. Support costs are apportioned to each activity on the basis of the number of hours of service provided and staff time.

Fund accounting

Unrestricted general funds are those which are freely available for the use in furtherance of the objects of the charity and which have not been designated for specific purposes.

Designated funds are unrestricted funds set aside by the trustees for specific purposes.

Sutton Mencap Charity Company

Notes to the financial statements for the year ended 31 March 2024 (continued)

1) Accounting Policies (continued)

Restricted funds are funds which can only be used in accordance with specific restrictions imposed by the donor or which have been raised for a particular purpose.

Debtors and creditors

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 the Statement of Financial Activities.

Investments

Investments held for resale or pending their sale and cash and cash equivalents with a maturity date of less than one year are treated as current asset investments.

Leases

Operating lease rentals are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

Depreciation

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives as per note 12.

Pension scheme

The charity operates a defined contribution pension scheme. Contributions payable to the scheme are charged to the Statement of Financial Activities in the period to which they relate.

2) Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £1.

3) Donations and Legacies

	Restricted	Unrestricted	2024 Total	2023 Total
	£	£	£	£
Donations	-	5,389	5,389	12,116
Legacies	-	-	-	531,692
	-	5,389	5,389	543,808

Of the £543,808 recognised in 2023, £3,003 related to restricted funds.

Sutton Mencap Charity Company

Notes to the financial statements for the year ended 31 March 2024 (continued)

4) Other trading activities

	Restricted	Unrestricted	2024 Total	2023 Total
	£	£	£	£
Rent received	-	3,900	3,900	3,900
Fundraising activities	-	1,729	1,729	1,284
Fees and earned income	-	-	-	1,400
	-	5,629	5,629	6,584

All of the £6,584 recognised in 2023 related to unrestricted funds.

5) Investment income

	Restricted	Unrestricted	2024 Total	2023 Total
	£	£	£	£
Interest received	-	19,988	19,988	3,336
	-	19,988	19,988	3,336

All of the £3,336 recognised in 2023 related to unrestricted funds.

6) Grants received

	Restricted	Unrestricted	2024 Total	2023 Total
	£	£	£	£
LBS – capital grant for building	100,000	-	100,000	-
City Bridge Trust – DPI	57,143	-	57,143	54,200
Grant in kind – LBS rent		20,000	20,000	-
Gary Kesner Trust	2,000	-	2,000	2,000
NHS SWL – Film club	-	-	-	25,000
	159,143	20,000	179,143	81,200

All of the £81,200 recognised in 2023 related to restricted funds.

Sutton Mencap Charity Company

Notes to the financial statements for the year ended 31 March 2024 (continued)

7) Charitable activities

	Restricted	Unrestricted	2024 Total	2023 Total
	£	£	£	£
Staff costs (excluding fundraising and governance)	45,962	622,005	667,967	582,425
HR and training costs	-	17,759	17,759	16,208
Minibus costs (net of disposal)	-	2,385	2,385	10,434
Accommodation costs	8,150	69,502	77,652	58,247
Direct project costs (excluding staff costs)	361	73,271	73,632	83,869
Depreciation	-	3,044	3,044	8,034
Governance costs	-	8,232	8,232	8,786
Administration and office costs	2,230	22,369	24,599	26,634
	56,703	818,567	875,270	794,637

Of the £794,637 recognised in 2023, £81,113 related to restricted funds.

8) Staff costs

	2024	2023
	£	£
Wages and salaries	631,640	555,765
Employer's National Insurance	41,938	40,603
Staff Pensions	18,063	17,280
Holiday pay accrual	(8,895)	(17,014)
Employment allowance	(5,000)	(5,000)
	677,746	591,634

Total employee benefits for key management personnel amounted to £153,932 (2023: £150,150)

No employee earned £60,000 per annum or more.

No trustee received remuneration during the year.

The average number of full-time equivalent employees were:	2024	2023
Chief Executive Officer	1	1
Administration and finance	1.2	1.7
Children and young people's services	8.2	7.5
Adult services	12.6	11.5
Digital Paths to Inclusion	1	1

Sutton Mencap Charity Company

Notes to the financial statements for the year ended 31 March 2024 (continued)

9) Net income/ expenditure for the year

This is stated after charging

	2024	2023
	£	£
Depreciation	3,044	8,034
Independent examination fee	2,840	-
Audit fee	-	4,432
	<u>5,884</u>	<u>12,466</u>

10) Trustees Emoluments & Expenses

No Trustees received emoluments or expenses during the year. Training course and trustee event expenses amounting to £255 (2023: £276) were paid on behalf of 10 trustees.

11) Taxation

The charitable company is exempt from corporation tax on its charitable activities

Sutton Mencap Charity Company

Notes to the financial statements for the year ended 31 March 2024 (continued)

12) Tangible fixed assets

	Leasehold Property	Furniture Fittings Fixtures	Office Equipment	Motor Vehicle	Garden	Total
	£	£	£	£	£	£
Cost						
As at 1 April 2023	476,568	49,628	15,228	22,500	14,484	578,408
Additions	22,749	-	-	-	-	22,749
Disposals	(17,226)	-	-	(22,500)	-	(39,726)
As at 31 March 2024	482,091	49,628	15,228	-	14,484	561,431
Depreciation						
At 1 April 2023	469,838	48,554	15,228	21,803	14,481	569,904
Charge for the year	2,682	217	-	145	-	3,044
Disposals	(17,226)	-	-	(21,948)	-	(39,174)
At 31 March 2024	455,294	48,771	15,228	-	14,481	533,774
Net Book Value						
At 31 March 2024	26,797	857	-	-	-	27,654
At 31 March 2023	6,730	1,074	-	697	-	8,502
Depreciation rates	25 years straight line Lease period	25 years straight line Lease period	25% reducing balance	25% reducing balance	10 years straight line	

13) Debtors

	2024	2023
	£	£
Prepayments	16,039	12,489
Debtors	79,769	63,292
Less: provision for bad debts	(3,000)	(3,000)
	92,808	72,781

Sutton Mencap Charity Company

Notes to the financial statements for the year ended 31 March 2024 (continued)

14) Investments

	2024	2023
	£	£
Cash on deposit	172,635	170,000
	<u>172,635</u>	<u>170,000</u>

15) Creditors - Amounts falling due within one year

	2024	2023
	£	£
Accruals	5,244	9,559
Holiday pay accrual	14,665	9,911
Deferred income	12,000	12,524
Creditors	18,150	26,582
Payroll creditors	49,763	51,198
	<u>99,822</u>	<u>109,774</u>

16) Obligations under lease

At the 31 March 2024 the charity was committed to making the following lease payments under non-cancellable leases

	Photocopier	Franking Machine	Land and Buildings	Photocopier	Franking Machine	Land and Buildings
	2024	2024	2024	2023	2023	2023
	£	£	£	£	£	£
Within one year	1,629	-	-	1,629	399	-
Between one and five years	1,766	-	-	3,395	-	-
Total	<u>3,395</u>	<u>-</u>	<u>-</u>	<u>5,024</u>	<u>399</u>	<u>-</u>

The trustees of Sutton Mencap entered into a lease of 8 Stanley Park Road for 25 years from 25 December 1997 at the current rental of £20,000 per annum. Rental is funded via a payment from the London Borough of Sutton. As at 31st March 2024 the trustees and London Borough of Sutton were finalising a new 25 year lease for 8 Stanley Park Road.

Sutton Mencap Charity Company

Notes to the financial statements for the year ended 31 March 2024 (continued)

17) Movement in funds

	Balance 1.4.23	Income	Expenditure	Transfers	Balance 31.3.24
	£	£	£	£	£
Unrestricted funds					
General fund	367,153	839,343	(825,363)	(92,784)	288,349
Building designated fund	225,000	-	-	42,764	267,764
Minibus designated fund	15,000	-	-	47,020	62,020
Bad debt designated fund	-	-	-	3,000	3,000
Total unrestricted funds	607,153	839,343	(825,363)	-	621,133

	Balance 1.4.23	Income	Expenditure	Transfers	Balance 31.3.24
	£	£	£	£	£
Restricted funds					
LBS building grant	-	100,000	-	-	100,000
City Bridge Trust	7,963	57,143	(54,703)	-	10,403
Gary Kesner Trust	-	2,000	(2,000)	-	-
Minibus fund	7,258	-	-	-	7,258
Children's play equipment	3,003	-	-	-	3,003
Total restricted funds	18,224	159,143	(56,703)	-	120,664
Total funds	625,377	998,486	(882,066)	-	741,797

2023 Comparative information for the net movement in funds is as follows:

	Balance 1.4.22	Income	Expenditure	Transfers	Balance 31.3.23
	£	£	£	£	£
Unrestricted funds					
General fund	90,284	984,035	(720,166)	13,000	367,153
Redundancy fund	13,000	-	-	(13,000)	-
Building designated fund	-	225,000	-	-	225,000
Minibus designated fund	-	15,000	-	-	15,000
Total unrestricted funds	103,284	1,224,035	(720,166)	-	607,153

Sutton Mencap Charity Company

Notes to the financial statements for the year ended 31 March 2024 (continued)

17) Movement in funds (continued)

	Balance 1.4.22	Income	Expenditure	Transfers	Balance 31.3.23
	£	£	£	£	£
Restricted funds					
City Bridge Trust	2,251	54,200	(48,488)	-	7,963
SWL NHS – film club	-	25,000	(25,000)	-	-
Children’s play equipment	-	3,003	-	-	3,003
Gary Kesner Trust	-	2,000	(2,000)	-	-
Royal Mencap let’s get digital	1,157	-	(1,157)	-	-
Minibus Fund	7,258	-	-	-	7,258
Wakelen Conservatory Fund	3,839	-	(3,839)	-	-
DM Thomas Foundation	629	-	(629)	-	-
Total restricted funds	15,134	84,203	(81,113)	-	18,224
Total funds	118,418	1,308,238	(801,279)		625,377

18) Analysis of net assets between funds

	Restricted funds	Unrestricted funds	Total funds
	£	£	£
Tangible fixed assets	-	27,654	27,654
Net current assets	120,664	593,479	714,143
	120,664	621,133	741,797

Funds are used for the provision of services and for works to the property that is used in the provision of these services.

2023 Comparative information for the net movement in funds is as follows:

	Restricted funds	Unrestricted funds	Total funds
	£	£	£
Tangible fixed assets	-	8,502	8,502
Net current assets	18,224	598,651	616,875
	18,224	607,153	625,377

Sutton Mencap Charity Company

Notes to the financial statements for the year ended 31 March 2024 (continued)

19) Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £18,024 (2023: £16,967)

At 31 March 2024 £2,874 of contributions were payable and included in creditors. (2023: £2,480)

20) Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net movement in funds	116,420	506,959
Add back depreciation charge	3,044	8,034
Add back depreciation on disposal	553	-
Deduct interest income shown in investing activities	(19,988)	(3,336)
Decrease/ (increase) in debtors	(20,027)	17,184
(Decrease)/ increase in creditors	(9,952)	2,392
	<hr/> 70,050	<hr/> 531,233