



Sutton Mencap Charity Company

**Annual Report and Financial Statements
For the year ended 31 March 2025**

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

Sutton Mencap Charity Company

Annual Report and Financial Statements **Year ended 31 March 2025**

Contents	Page
Company information	3
Report of the trustees	4
Responsibilities of the Trustee Board	13
Auditor's report	14
Statement of financial activities	17
Balance sheet	18
Statement of cash flows	19
Notes to the financial statements	20

Sutton Mencap Charity Company

Company information

Trustee Board

Chairman:	Mavis Peart OBE
Vice-Chairman:	Clare Fionda
Treasurer:	Paul Solomon
Trustee:	Titilayo Dairo
Trustee:	Sandra Gillett (co-opted August 2025)
Trustee:	Dennis Henstock
Trustee:	Michele Humphreys
Trustee:	Edwina Morris
Trustee:	Michelle Perrett
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

Auditor

Kevin Fisher
Kingston Burrows
308 Ewell Road
Surbiton
KT6 7AL

Solicitor

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

Sutton Mencap Charity Company

Report of the Trustees

Year ended 31 March 2025

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 any trustees with a learning disability.

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;
- the establishment of systems and procedures to mitigate those risks;

Sutton Mencap Charity Company

- 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.

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

Sutton Mencap Charity Company

- 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.

At their away day in March 2025, the Trustees began the process of updating the strategic plan, with the aim of developing a revised plan to start from 2026.

Sutton Mencap Charity Company

Quality Assurance

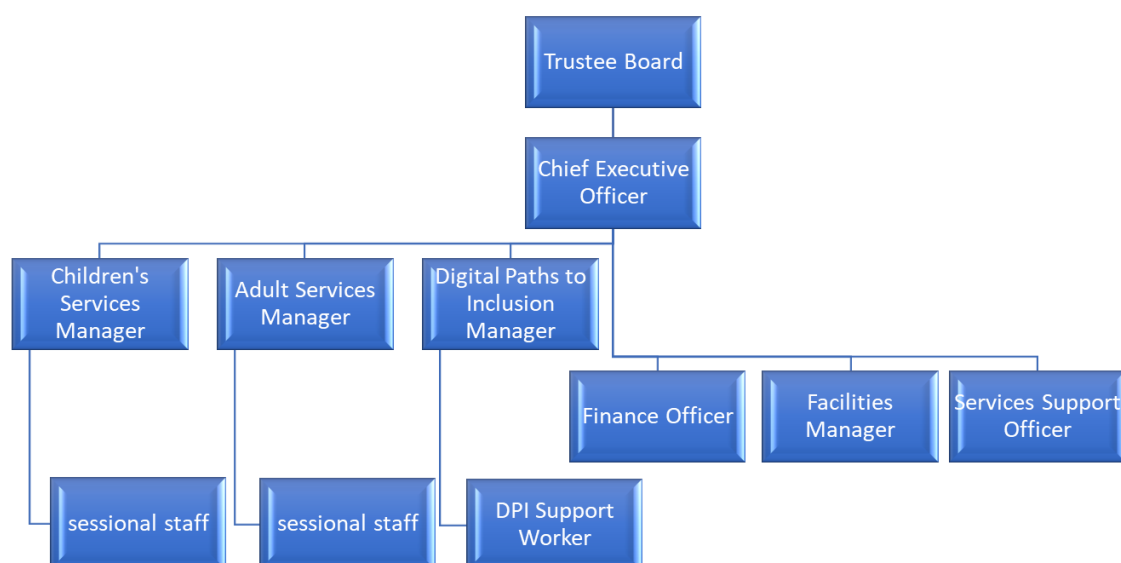
Trustees developed a new quality assurance programme in 2022, focussing on the following key areas of business:

1. **Putting People First:** how all our activities promote person centred care.
2. **Staff and management:** how we ensure that staff are recruited, trained and supported to deliver high quality services.
3. **The way we work:** How we deliver our services.
4. **The way we are run:** How governance and management support the delivery of high-quality services.
5. **Our place within the wider society:** How we fulfil our responsibilities as a local charity.

Each year, trustees cover one of these areas in depth, visiting services and putting together a detailed review of how the organisation meets a set of standards that underpin that area. Where we find ways of strengthening performance, these are then added to the programme of work for the coming year.

Organisation structure

As at 31st March 2025, 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.

Sutton Mencap Charity Company

Developments, activities and achievements during the year

1. Service development

Children's services

At the start of the financial year, the council invited tenders for delivery of short breaks services for high-needs children. The invitation to tender caused some concerns as the total funds allocated by the council would not be sufficient to cover all of the services we provide. We therefore tendered for a reduced level of service, which was rejected by the council.

That said, the council was unable to procure services from any alternative provider and they have therefore continued to purchase services from us. As a result, we have continued to provide After-school, Saturday and Holiday services for children with high support needs throughout the year. In total, we supported 64 children, up from 59 in the previous year, who between them received 6,700 hours of service, 900 hours more than in the previous year.

We were delighted to be able to continue supporting high need children in this way and believe that they benefit significantly from the services we provide. That said, trustees recognise the long-term risks to the service and have put in place contingency plans to minimise the impact of changes that might be forced on our children's services in the future.

Adults services

Services for adults continued to expand throughout the year, resulting in our busiest year on record. The number of people we supported increased from 60 to 67. Between them, clients received 35,500 hours of service, up from just under 29,000 in the previous year. Our day services and weekends away saw large increases in the numbers of people attending.

The popularity of our adult day services means that we are often running at capacity. In the long term we are looking to increase the number of places we can offer through expanding service areas within our building. We have also offered to set up new evening groups, as feedback from commissioners suggests that such groups would be popular.

Safeguarding

Safeguarding continues to be a major priority for Sutton Mencap. During the year we focussed on strengthening trustee oversight of safeguarding processes. This included commissioning and delivering a new safeguarding course for trustees, which focussed on the board's responsibility for oversight and reporting. We also developed new reporting mechanisms including a new safeguarding log, to ensure trustees have effective oversight of safeguarding.

We continue to require staff to undertake appropriate safeguarding training at least every 3 years and we continue to participate in local partnership work aimed at keeping children and adults safe.

Sutton Mencap Charity Company

2. Community development

Delivering the Digital Paths to Inclusion project

Our Digital Paths to Inclusion (DPI) project, funded by the City Bridge Trust has been 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.

Throughout the year, the DPI project continued to identify issues that matter to people with a learning disability, which were then highlighted through films and podcasts and our online digital magazine. We also continued to look at access to local services, with a particular focus on working with GP surgeries.

We commissioned an evaluation of the project in early 2025. This has provided a valuable insight into the impact of the project and how we can continue to use the content produced throughout the life of the project to highlight changes that can benefit people with a learning disability.

The project will end in July 2025 and we are very grateful to the City Bridge Trust for funding it over the past 5 years.

Strengthening engagement with service users, parents and carers

Trustees identified the need to develop closer links with service users, parents and carers through the Quality Assurance review on Putting People First, carried out in 2023.

We have started running Meet the Trustees sessions, which allow people who use our services to meet with trustees and raise any issues that they feel are important. We have also set up parents evening meetings, aimed at parents of people attending our adult services, and coffee mornings for parents on children's services.

Supporting delivery of the Learning Disability Strategy

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.

A key focus of this work has been to support the council and NHS in delivering their Learning Disability Strategy. In particular we have fed into discussions around access to healthcare services and community participation. We also helped with planning for the annual Learning Disability Conference due to be held in June 2025.

3. Service support

Premises and resources

We renewed our lease in 2024, which will ensure we have a base for delivery of services for many years to come. We also looked at developing the building to increase the space available to us for service use. Our original plan was to site a new garden room to the rear of the building which would allow us to expand delivery of children's services. However, this had to be put on hold due to the uncertainty over future delivery of those services. It is likely that we will instead seek approval

Sutton Mencap Charity Company

from the council for improvements to the main area of the building which could benefit either children's or adults' services, or both. We have some designated funding for this work and will aim to cover the rest through fundraising.

We also put together a set of plans for improving the environmental efficiency of the building as part of our long-term goal of achieving net zero in carbon emissions. Our aim will be to work with the council as our landlord to look at ways to implement these improvements.

We made other significant improvements to premises and resources, including through the purchase of a new minibus and the installation of a new kitchen in early 2025.

Fundraising

We set up a new volunteer-led fundraising sub-committee in 2024, which has planned and delivered a number of events and activities aimed at increasing income for the organisation. We are very grateful to the parents and carers who have taken part in planning these events.

Staff management

Our quality assurance review for 2024 looked at how we support and supervise our staff team. The review, together with our staff survey, came up with a number of suggestions around improving supervision and staff training, which we are keen to implement in the coming year.

Finance report

The year ending 31 March 2025 showed our income continuing to increase and the total for the year at £1,122,996 is £124,510 higher than 2024, (or £224,510 if we exclude the capital grant received in the previous year). This increase is mostly driven by price increases and increased activity of which 54% was attributable to adult services, 21% to children services and the remainder to grants and donations.

In 2024, our costs increased significantly due to an increase in the London Living Wage by over 10%. This was absorbed as much as possible through increased service delivery, but it was necessary to increase prices to cover these additional costs. This was obviously a challenge for the local authority, who faced their own budget constraints, and we are grateful to them for accepting the need for these increases.

For 2025/26, we will implement a further increase of 5% in London Living Wage, as announced in November 2024, as well as covering significant increases in employer's National Insurance contributions. In implementing these, we have again sought to minimise the impact on our prices through further increases in service delivery and implementing cost savings in relation to core staffing.

People costs rose in line with the increase in activity of both our services, and, alongside a rise in the London Living Wage rate, amounted to an overall 10% increase. Overall staff costs in total account for 70% of charitable activities and equivalent people numbers were in line with last year.

Sutton Mencap Charity Company

Accommodation costs were significantly higher year on year as we spent more on general repairs than in the previous year. Additionally, the kitchen was refurbished at a cost of £27,401 and new doors were installed, costing £6,118.

Fixed assets increased by £35,816 with the purchase of a new minibus at £52,840 partially offset by other asset disposals and depreciation charges.

Cash is invested in short and medium-term bank deposits and the closing balances on 31 March 2025 totaled £686,639 which is lower by £34,518 but after purchasing the minibus mentioned in fixed assets.

We have made changes to our unrestricted and designated funds. Due to increased activity, we have increased our general reserve to maintain three months running costs. We have added a premium of around £40,000 to this in recognition of the potential risk to our delivery of children's services. This has reduced the amount of funds we have designated for building improvements.

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 £750,108 at 31 March 2025. This continues to provide confidence to our members, clients, staff and trustees that we will be able 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.

Despite the ongoing challenges of managing cost pressures, we are confident that 2025/2026 will continue with a reasonable surplus for Sutton Mencap with the first quarter's results reflecting this optimism.

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, 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 designated a significant level of funds to two specific projects, improvement to the building and the purchase of replacement minibuses.

Sutton Mencap Charity Company

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.

Sutton Mencap Charity Company

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 AUDITOR'S REPORT TO THE TRUSTEES OF:

SUTTON MENCAP CHARITY COMPANY
(A company limited by guarantee)

FOR THE YEAR ENDED 31 MARCH 2025

Opinion

We have audited the financial statements of Sutton Mencap Charity Company (the 'charitable company') for the year ended 31 March 2025 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 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the trustees' report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Sutton Mencap Charity Company

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF:

SUTTON MENCAP CHARITY COMPANY **(A company limited by guarantee)**

FOR THE YEAR ENDED 31 MARCH 2025

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' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement on page 13, 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.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

Sutton Mencap Charity Company

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF:

SUTTON MENCAP CHARITY COMPANY
(A company limited by guarantee)

FOR THE YEAR ENDED 31 MARCH 2023

Auditor's responsibilities for the audit of the financial statements .../Cont'd

- Enquiry of management and those charged with governance about actual and potential litigation or claims and the identification of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including testing journal entries and other adjustments for appropriateness; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- Professional scepticism in course of the audit and with audit sampling in material audit areas.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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.

Kevin Fisher BA FCA CTA
(Senior Statutory Auditor)
For and on behalf of Kingston Burrowes Audit Ltd
Statutory Auditors
308 Ewell Road,
Surbiton, Surrey.
KT6 7AL

2025

Sutton Mencap Charity Company

Statement of Financial Activities and Income & Expenditure Report for the year to 31 March 2025

	Note	Restricted Funds £	Unrestricted Funds £	2025 Total £	2024 Total £
<u>Income and endowments</u>					
Donations and legacies	3	13,000	2,499	15,499	5,389
Other trading activities	4	-	3,169	3,169	5,629
Investment income	5	-	25,039	25,039	19,988
Income from charitable activities					
Grants	6	60,857	33,000	93,857	179,143
Fees from services for children and young people		-	368,911	368,911	296,709
Fees from services for adults		-	616,521	616,521	491,628
Total income and endowments		73,857	1,049,139	1,122,996	998,486
<u>Expenditure</u>					
Expenditure on raising funds		-	4,607	4,607	6,796
Expenditure on charitable activities	7	57,339	1,052,739	1,110,078	875,270
Total expenditure		57,339	1,057,346	1,114,685	882,066
Net income/ (expenditure)	9	16,518	(8,207)	8,311	116,420
Transfers between funds		-	-	-	-
Net movement in funds	17	16,518	(8,207)	8,311	116,420
<u>Reconciliation of funds</u>					
Total funds brought forward		120,664	621,133	741,797	625,377
Total funds carried forward		137,182	612,926	750,108	741,797

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 19 to 28 form part of the financial statements

Sutton Mencap Charity Company

Balance Sheet as at 31 March 2025

Company Registration Number 03915936

	Note	2025 £	2024 £
Fixed Assets			
Tangible Fixed Assets	12	<u>63,470</u>	<u>27,654</u>
Current Assets			
Debtors	13	106,133	92,808
Investments	14	342,635	172,635
Cash at Bank and in hand		<u>344,004</u>	<u>548,522</u>
		792,772	813,965
Liabilities:			
Creditors	15	106,134	99,822
Net Current Assets		686,638	714,143
Total Assets less Current Liabilities		<u>750,108</u>	<u>741,797</u>
Funds			
Unrestricted Fund	17	378,469	288,349
Designated Funds	17	234,457	332,784
Restricted Funds	17	<u>137,182</u>	<u>120,664</u>
		<u>750,108</u>	<u>741,797</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:

Date:

Name:

Date:

Sutton Mencap Charity Company

Statement of cash flows for the year to 31 March 2025

	Note	Total funds March 2025 £	Total funds March 2024 £
Net Cash provided by operating activities	20	<u>(6,717)</u>	<u>70,050</u>
Cash flows from investing activities			
Interest income		25,039	19,988
Purchase of tangible fixed assets		(52,840)	(22,749)
Purchase of investments		(170,000)	(2,635)
Net cash (used in)/ provided by investing activities		<u>(197,801)</u>	<u>(5,396)</u>
Change in cash and cash equivalents		(204,518)	64,654
Cash and cash equivalents brought forward		548,522	483,868
Cash and cash equivalents carried forward		<u>344,004</u>	<u>548,522</u>
Analysis of cash and cash equivalents			
Cash at bank and in hand		<u>344,004</u>	<u>548,522</u>

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

Sutton Mencap Charity Company

Notes to the financial statements for the year ended 31 March 2025

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 2025 (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	2025 Total	2024 Total
	£	£	£	£
Donations	13,000	2,499	15,499	5,389
Legacies	-	-	-	-
	13,000	2,499	15,499	5,389

All of the £5,389 recognised in 2024 related to restricted funds.

Sutton Mencap Charity Company

Notes to the financial statements for the year ended 31 March 2025 (continued)

4) Other trading activities

	Restricted	Unrestricted	2025 Total	2024 Total
	£	£	£	£
Rent received	-	-	-	3,900
Fundraising activities	-	3,169	3,169	1,729
	-	3,169	3,169	5,629

All of the £5,629 recognised in 2024 related to unrestricted funds.

5) Investment income

	Restricted	Unrestricted	2025 Total	2024 Total
	£	£	£	£
Interest received	-	25,039	25,039	19,988
	-	25,039	25,039	19,988

All of the £19,988 recognised in 2024 related to unrestricted funds.

6) Grants received

	Restricted	Unrestricted	2025 Total	2024 Total
	£	£	£	£
City Bridge Trust – DPI	58,857	-	58,857	57,143
Grant in kind – LBS rent		33,000	33,000	20,000
Gary Kesner Trust	2,000	-	2,000	2,000
LBS – capital grant for building	-	-	-	100,000
	60,857	33,000	93,857	179,143

Of the £179,143 recognised in 2024, £159,143 related to restricted funds.

Sutton Mencap Charity Company

Notes to the financial statements for the year ended 31 March 2025 (continued)

7) Charitable activities

	Restricted	Unrestricted	2025 Total	2024 Total
	£	£	£	£
Staff costs (excluding fundraising and governance)	32,233	727,967	760,200	667,967
HR and training costs	-	23,119	23,119	17,759
Minibus costs	-	33,994	33,994	2,385
Accommodation costs	1,983	138,443	140,426	77,652
Direct project costs (excluding staff costs)	4,415	84,045	88,460	73,632
Depreciation	1,651	3,832	5,483	3,044
Governance costs	-	9,877	9,877	8,232
Administration and office costs	17,057	31,462	48,519	24,599
	57,339	1,052,739	1,110,078	875,270

Of the £875,270 recognised in 2024, £56,703 related to restricted funds.

8) Staff costs

	2025 £	2024 £
Wages and salaries	700,883	631,640
Employer's National Insurance	47,140	41,938
Staff Pensions	19,810	18,063
Holiday pay accrual	4,771	(8,895)
Employment allowance	(5,000)	(5,000)
	767,604	677,746

Total employee benefits for key management personnel amounted to £163,856 (2024: £153,932)

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:

	2025	2024
Chief Executive Officer	1	1
Administration and finance	1.4	1.2
Children and young people's services	7.8	8.2
Adult services	13.1	12.6
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

	2025	2024
	£	£
Depreciation	5,483	3,044
Independent examination fee	-	2,840
Audit fee	3,800	-
	9,283	5,884

10) Trustees Emoluments & Expenses

No Trustees received emoluments or expenses during the year. Training course and trustee event expenses amounting to £863 (2023: £255) were paid on behalf of 9 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 2025 (continued)

12)Tangible fixed assets

	Leasehold Property	Furniture Fittings Fixtures	Office Equipment	Motor Vehicle	Garden	Total
	£	£	£	£	£	£
Cost						
As at 1 April 2024	482,091	49,628	15,228	-	14,484	561,431
Additions	-	-	-	52,840	-	52,840
Disposals	(11,541)	-	-	-	-	(11,541)
As at 31 March 2025	470,550	49,628	15,228	52,840	14,484	602,730
Depreciation						
At 1 April 2024	455,294	48,771	15,228	-	14,481	533,774
Charge for the year	3,615	217	-	1,651	-	5,483
Disposals	-	-	-	-	-	-
At 31 March 2025	458,909	48,988	15,228	1,651	14,481	539,257
Net Book Value						
At 31 March 2025	11,641	640	-	51,189	-	63,470
At 31 March 2024	26,797	857	-	-	-	27,654
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

	2025	2024
	£	£
Prepayments	14,435	16,039
Debtors	94,698	79,769
Less: provision for bad debts	(3,000)	(3,000)
	106,133	92,808

Sutton Mencap Charity Company

Notes to the financial statements for the year ended 31 March 2025 (continued)

14) Investments

	2025	2024
	£	£
Cash on deposit	342,635	172,635
	342,635	172,635

15) Creditors - Amounts falling due within one year

	2025	2024
	£	£
Accruals	4,857	5,244
Holiday pay accrual	5,787	14,665
Deferred income	2,000	12,000
Creditors	23,973	18,150
Payroll creditors	69,517	49,763
	106,134	99,822

16) Obligations under lease

At the 31 March 2025 the charity was committed to making the following lease payments under non-cancellable leases

	Photocopier	Land and Buildings	Photocopier	Land and Buildings
	2025	2025	2024	2024
Within one year	1,437	33,000	1,629	-
Between one and five years	5,798	165,000	1,766	-
More than five years		552,750		
Total	7,235	750,750	3,395	-

The trustees of Sutton Mencap entered into a lease of 8 Stanley Park Road for 23 years from 3 September 2024 at the current rental of £33,000 per annum. Rental is funded via a payment from the London Borough of Sutton.

Sutton Mencap Charity Company

Notes to the financial statements for the year ended 31 March 2025 (continued)

17) Movement in funds

	Balance 1.4.24	Income	Expenditure	Transfers	Balance 31.3.25
	£	£	£	£	£
Unrestricted funds					
General fund	288,349	1,049,139	(1,057,346)	98,327	378,469
Building designated fund	267,764	-	-	(76,694)	191,070
Minibus designated fund	62,020	-	-	(21,633)	40,387
Bad debt designated fund	3,000	-	-	-	3,000
Total unrestricted funds	621,133	1,049,139	(1,057,346)	-	612,926

	Balance 1.4.24	Income	Expenditure	Transfers	Balance 31.3.25
	£	£	£	£	£
Restricted funds					
LBS building grant	100,000			-	100,000
City Bridge Trust	10,403	58,857	(51,705)	-	17,555
Gary Kesner Trust	-	2,000	(2,000)	-	-
Minibus fund	7,258	3,000	(1,651)	-	8,607
Children's play equipment	3,003	10,000	(1,983)	-	11,020
Total restricted funds	120,664	73,857	(57,339)	-	137,182
Total funds	741,797	1,122,996	(1,114,685)	-	750,108

2024 Comparative information for the net movement in funds is as follows:

	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

Sutton Mencap Charity Company

Notes to the financial statements for the year ended 31 March 2025 (continued)

	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

18) Analysis of net assets between funds

	Restricted funds	Unrestricted funds	Total funds
	£	£	£
Tangible fixed assets	-	63,470	63,470
Net current assets	137,182	549,456	686,638
	137,182	612,926	750,108

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

2024 Comparative information for the net movement in funds is as follows:

	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

Sutton Mencap Charity Company

Notes to the financial statements for the year ended 31 March 2025 (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 £19,810 (2024: £18,024)

At 31 March 2025 £2,936 of contributions were payable and included in creditors. (2024: £2,874)

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

	2025 £	2024 £
Net movement in funds	8,311	116,420
Add back depreciation charge	5,483	3,044
Add back depreciation on disposal	11,541	-
Deduct interest income shown in investing activities	(25,039)	(193,988)
Decrease/ (increase) in debtors	(13,325)	20,0274
(Decrease)/ increase in creditors	6,312	9,952
	<hr/> (6,717)	<hr/> 70,050