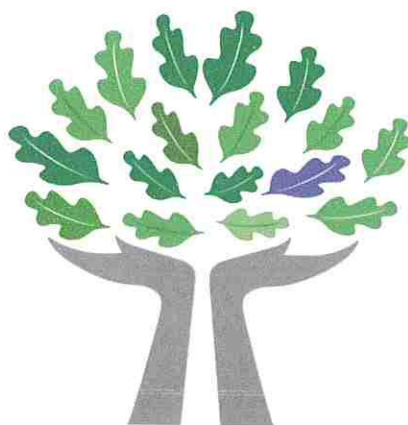


**...Supporting, Equipping and Empowering everyone
to DO MORE and BE MORE**



ANDOVER AND DISTRICT
MENCAP

Andover and District Mencap
Annual Report and Financial Statements
for the Year Ended 31st March 2021

Reg. Charity No. 1040832

Company Registration Number 2962601 (England and Wales)

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Andover and District Mencap



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SECTION 1 - LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs Ann Woods – Chair Mr David Atkins Mr Martyn Bullock – Vice Chair Mr Philip Woods Mr Colin Woods – Treasurer Mrs Katherine Bird
Honorary President	Mrs Iris Anderson
Honorary Vice President	Mrs Elizabeth Hall MBE – passed away 29 th March 2021.
Ambassadors	Mrs Iris Anderson Ms Vikki Cheshire
Executive Team	Mrs Helen Walker – Chief Executive Officer Mrs Lisa Rogers – People Partner Mr Andrew Frost – Finance Manager Ms Rachel Collins – Service Manager Ms Megan Leicester – Registered Manager Ms Ami Turner – Registered Manager Mr Lee Roberts – Central Services Manager
Charity Number	1040832
Company Number	02962601
Principal Address	Wellington Centre 44 Winchester Road Andover Hampshire SP10 2EG

Auditor

Hysons Accountants LLP
14 London Street
Andover
Hampshire
SP10 2PA

Bankers

Lloyds
High Street
Andover
Hampshire
SP10 1NW

Solicitors

Talbot Walker
16 Bridge Street
Andover
Hampshire
SP101BJ

**SECTION 2 - TRUSTEES REPORT (INCLUDING DIRECTORS REPORT) FOR THE YEAR
ENDING 31ST MARCH 2021**

1. The Accounts, Objects, Public Benefit and Purpose

The Accounts

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006, and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland(FRS 102)" (effective 1 January 2019)

Objects and Activities

Andover and District Mencap (ADM) is established for the public benefit and for general charitable purposes according to the laws of England and Wales and in particular, but not exclusively, for the promotion of equality, diversity, independence, and health of people with learning disabilities and their families.

Public Benefit Aims

In exercising relevant powers and duties, the Board of Trustees have considered Charity Commission guidance on public benefit. This report outlines how our performance during 2020/21 has benefited the public.

Our Purpose

ADM exists to make this area a place where disabled people have the same opportunities as everyone else. We provide support, information and advice to our members and their families every year. We raise awareness of the issues that matter and with your support, we will keep driving positive change across the county. Our services include:

- Care and support - Delivery of care to people with Learning Disabilities that include: Domiciliary, Community and Supported Living.
- Charitable activities - Delivery of a community venue that is home to a range of social, sporting, and skills-based groups to aid people to be independent.
- Housing - Housing options for people with a learning disability enabling them to live independently.
- Campaigning - Raising awareness and advocating for people with a learning disability that need support to be heard or a voice to represent them.
- Children's Respite - Provision of overnight Short Breaks and Day Care for children and young people with additional needs.

2. Structure, Governance and Management

ADM is a company limited by guarantee governed by its Memorandum and Articles of Association and registered in England and Wales - number 2962601. It is a charity, registered in accordance with the National Assistance Act 1948 and the Charities Act 1960. Its Charity number is 1040832.

Registered office: The Wellington Centre, Winchester Road, Andover, Hampshire, SP10 2EG

Trustees, Treasurer and Company Secretary

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

Mrs Ann Woods - Chair
Mr David Atkins
Mr Martyn Bullock- Vice Chair
Mr Philip Woods
Mr Colin Woods- Treasurer
Mrs Katherine Bird

Recruitment and Requirements of Trustees

Prospective trustees, with the necessary skills or qualifications needed by the organisation i.e. family/relative of an individual with learning disabilities undertake a robust recruitment process, including the completion of a recruitment pack, face to face interview and attendance at a Board meeting, where the Board takes the decision on the suitability of the candidate and votes on whether the candidate should be co-opted onto the Board and then recommended to the members for election at the AGM.

Trustees are nominated to serve for two-year periods (which is staggered to ensure continuity) by subscribed members including the role of Chair and should be submitted a minimum of one week prior to the AGM and if necessary, a ballot is held.

None of the Trustees have any beneficial interest in the company.

All the Trustees are directors of the company and guarantee to contribute £1 in the event of a winding up.

All the Trustees are subscribed members of ADM.

3. Statement of Trustees Responsibilities

The Trustees, who are also the directors of Andover and District Mencap for the purpose of company law, are responsible for preparing the Trustees Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP.
- 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity 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 Charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware;

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

4. Aims and Achievements.

2020/2021 Strategic Aims

As we came into 2020/2021, the Board of Trustees and Leadership Team identified and agreed strategic goals to drive change and to build a strong base from which to achieve our growth aims. These aims remain a key focus for us in the development of our 2021/22 and beyond Business Plan and mindful of our drive to consolidate our position of strength and grow.

Care and Support

Over the past 12 months the organisation's planned focus was diverted to safely and effectively getting our staff and the people that we support through a turbulent Covid-19 year whilst carefully managing our financial position. Throughout this period our whole team pulled together, went above and beyond and worked flexibly to ensure that we delivered the maximum support hours possible. We quickly adapted to the constantly changing landscape and managed to provide a consistent service throughout the period. High quality provision within an inclusive and responsive environment and planned growth remain our top priorities moving into 2021/22 in line with our mission to support, equip and empower everyone to do more and be more.

New Children's Respite Service

Rainbow Corner remained open throughout the Covid-19 period and, regardless of the Covid related restrictions, has continued to go from strength to strength, with demand for the service continuing to grow. Work has commenced on the extension works and we plan to be able to offer 50% more overnight stays during 2021/22. Costs have been carefully managed over the year and the good financial outturn and level of demand reflects the success of Rainbow Corner as we robustly move into 2021/22 and aim to become an outstanding provider.

Improved Financial Performance

Strong financial management, an outstanding year of fundraising, providing a consistent service through Covid-19 and a level of protection provided by Hampshire County Council all contributed to 2020/21's significantly better than budget positive financial out-turn. With the support of the Trustees, the Leadership Team have successfully navigated ADM through a Covid turbulent year and have excelled in their aims to keep ADM 'on-track'. The whole team now moves into 2021/22 focussed on normalising beyond the current Covid impacts, remaining financially focused and commencing their service growth developments.

Moving Forward

We will continue to apply proactive financial management, ensure value for money and build on our financial position as we move into a year of change aiming for exciting service growth developments as we tender for contracts with Hampshire County Council.

5. Treasurers Financial Review

2020/21 was a very difficult year financially for many charities as a result of the Covid 19 pandemic and resultant lockdown. However Andover and District Mencap has managed to survive financially due to the incredibly hard work of our staff and the support of our partners in particular Hampshire County Council and Test Valley Borough Council. We made a surplus of £111,028 including depreciation, £182,333 before depreciation. Our original aim was to make a small surplus before depreciation. We have finished well ahead of that target. This compares with the significant revenue losses which the organisation was incurring 3 years ago:

- 2017/18 - £160,000 loss including depreciation (£80,000 before depreciation)
- 2018/19 - £180,000 loss including depreciation (£107,000 before depreciation)
- 2019/20 - £6,405 surplus including depreciation (£81,722 before depreciation)

The original aim for 2020/21 was to build on our improved performance in 2019/20 and establish a stronger financial base going forward. We have achieved that despite the impact of Covid-19. However 2021/22 will bring its own challenges including:

- The continuing impact of Covid 19 on our ability to deliver our services
- The retendering by Hampshire County Council of the majority of our Adult Services support contracts.

In view of these significant challenges we are taking a cautious approach and our expectation for 2021/22 will be a reduced surplus before depreciation of £61,000, compared to £182,000 achieved in 2020/21.

One major project will be the commencement of the expansion of Rainbow Corner, using the garage area to provide more bedrooms for the purposes of Children's Respite and for which there is known demand.

The Sleep-in back pay issue has finally reached a conclusion as the result of a case heard at the Court of Appeal. Our liabilities remain zero in respect of the matter.



6. Audit

The Auditor

A resolution proposing that 'Hysons Accountants LLP be reappointed as auditors of the company will be put to the members.

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees Report has been prepared in accordance with the special provisions of part 15 of the Companies Act 2006.

The Trustees Report was approved by the Board of Trustees.

Signed..... *AWoods* Dated..... *18/10/21*

**Mrs Ann Woods
Chair**

SECTION 3 – INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ANDOVER AND DISTRICT MENCAP

1. Opinion

We have audited the accounts of Andover and District Mencap (the 'Charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, and the notes to the accounts, 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 accounts give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

2. 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 accounts section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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.

3. 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.

4. Other Information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

5. Opinions on Other Matters Prescribed by the Companies Act 2006

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

- the information given in the Trustees Report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Trustees Report has been prepared in accordance with applicable legal requirements.

6. Matters on Which we are Required to Report by Exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you, 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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

7. Responsibilities of the Trustees

As explained more fully in the Statement of Trustees Responsibilities, the Trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustees are responsible for assessing the Charity'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 company or to cease operations, or have no realistic alternative but to do so.

8. Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, Charities Act 2011, Charities SORP (FRS 102) and Financial Reporting Standard 102;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting

legal correspondence; and

- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the charity's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would

become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://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 and regulations made under that Act. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed.....*C. Joyce*.....Dated.....*18/10/21*.....

**Mr Christopher Joyce FCCA (Senior Statutory Auditor)
for and on behalf of Hysons Accountants LLP**

**Chartered Accountants
Statutory Auditor**

SECTION 4 – THE ACCOUNTS

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

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
<u>Income and endowments from:</u>						
Donations and Legacies	3	6,026			6,026	13,747
Charitable activities income	4	2,255,066	7,031		2,262,097	2,281,887
Other Trading Activities	5	16,167			16,167	72,063
Total Income		2,277,259	7,031	0	2,284,290	2,367,697
<u>Expenditure on:</u>						
Raising funds	6	4,380		0	4,380	5,193
Charitable activities	7	2,114,966	53,916		2,168,882	2,356,099
Total Resources Expended		2,119,346	53,916	0	2,173,262	2,361,292
Net Movement in Funds		157,913	(46,885)	0	111,028	6,405
Fund Balances 1 April 2020		555,560	1,803,282	6,161	2,365,003	2,358,598
Fund Balance 31 March 2021		713,473	1,756,397	6,161	2,476,031	2,365,003

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006

BALANCE SHEET AS AT 31 MARCH 2021

	Notes	£	2021 £	£	2020 £
Fixed Assets					
Tangible Assets	10		2,623,636		2,693,927
Current assets					
Debtors	11	294,708		261,694	
Cash at bank and in hand		207,002		12,061	
		<u>501,710</u>		<u>273,755</u>	
Creditors: Amounts falling due within one year	12	<u>(349,186)</u>		<u>(291,320)</u>	
Net Current Liabilities			152,524		(17,565)
Total Assets less Current Liabilities			<u>2,776,160</u>		<u>2,676,362</u>
Creditors: amounts falling due after more than one year	13		<u>(300,129)</u>		<u>(311,359)</u>
Net Assets			<u><u>2,476,031</u></u>		<u><u>2,365,003</u></u>
Income Funds					
Restricted Funds	20		6,161		6,161
Designated Funds	21	1,756,397		1,803,282	
General unrestricted funds		<u>713,473</u>		<u>555,560</u>	
			<u>2,469,870</u>		<u>2,358,842</u>
			<u><u>2,476,031</u></u>		<u><u>2,365,003</u></u>

The accounts were approved by the Trustees on

Ann Woods

Mrs Ann Woods - Chair
Trustee

18/10/21.

Company Registration No. 02962601

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2021

	Notes	£	2021 £	£	2020 £
Cash Flows from operating activities					
Cash absorbed by operations	15		206,556		52,513
Investing activities					
Purchase of tangible fixed assets			<u>(1,014)</u>		<u>(16,018)</u>
Net cash generated from investing activities			(1,014)		(16,018)
Financing activities					
Repayment of bank loans			<u>(10,600)</u>		<u>(9,159)</u>
Net cash used in financing activities			<u>(10,600)</u>		<u>(9,159)</u>
Net increase/ (decrease) in cash and cash equivalents			194,941		27,336
Cash and cash equivalents at the beginning of the year			<u>12,061</u>		<u>(15,275)</u>
Cash and cash equivalents at the end of year			<u>207,002</u>		<u>12,061</u>
Relating to:					
Bank balances and short term deposits			<u>207,002</u>		<u>12,061</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

1. Accounting Policies

Charity Information

Andover and District Mencap is a company limited by guarantee governed by its Memorandum and Articles of Association and registered in England and Wales - number 2962601. It is a charity registered in accordance with the National Assistance Act 1948 and the Charities Act 1960. Its Charity number is 1040832.

1.1 Accounting Convention

The accounts have been prepared in accordance with the Charity's governing document, the Companies Act 2006, the Charities SORP (FRS 102) '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 (FRS 102) (effective 1 January 2019)' and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. The Charity is a Public Benefit Entity as defined by FRS 102.

- The accounts are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.
- The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going Concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

At the balance sheet date there were net current assets/(liabilities) of £152,524 (2020: (£17,565)).

1.3 Incoming Resources

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

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

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income resources from charitable activities are measured at the fair value of the consideration received or receivable and represent amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.4 Resources Expended

Expenditure is recognised on an accrual basis as a liability is incurred. It includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of fundraising.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and the costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned between activities in line with their respective direct staff costs.

1.5 Tangible Fixed Assets

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

Tangible fixed assets are stated at cost less depreciation. The costs of minor additions or those costing below £150 are not capitalised. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land and buildings (including programme related fixtures, fittings, and equipment	2% Straight line 20% Straight line
--------------------------------------------------------------------------------------------------	---------------------------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in net income/(expenditure) for the year.

1.6 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Employee Benefits

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

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.8 Retirement Benefits

The charity operates a defined contributions pension scheme, the assets of the scheme being held separately from the assets of the company. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

1.9 Leases

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

1.10 Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the Board of Trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

2. Critical Accounting Estimates and Judgements

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

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

3. Donations and Legacies

	2021	2020
	£	£
Donations and gifts	<u>6,026</u>	<u>13,747</u>

4 Charitable activity income

	Adult and childrens services	client properties	Activities and clubs	Total 2021	Total 2020
	£	£	£	£	£
Sales within charitable activities	<u>2,111,578</u>	<u>143,488</u>	<u>7,031</u>	<u>2,262,097</u>	<u>2,281,887</u>
Analysis by fund					
Unrestricted funds	2,111,578	143,488		2,255,066	
Designated funds			7,031	7,031	
	<u>2,111,578</u>	<u>143,488</u>	<u>7,031</u>	<u>2,262,097</u>	
For the year ended 31 March 2020					
Unrestricted funds	2,076,580	155,507			2,232,087
Designated funds			49,800		49,800
	<u>2,076,580</u>	<u>155,507</u>	<u>49,800</u>		<u>2,281,887</u>

5 Other trading activities

	Unrestricted funds 2021	Unrestricted funds 2020
	£	£
Net gain on disposal of tangible fixed assets	0	0
Other income	0	0
Wellington Centre hire	16,167	72,063
	<u>16,167</u>	<u>72,063</u>

6 Raising Funds

	2021	2020
	£	£
<u>Fundraising and Publicity</u>		
Staging fundraising events	4,380	5,193
	<u>4,380</u>	<u>5,193</u>



7 Charitable activities

	Adult and childrens services		Client Properties		Activities and clubs		Wellington centre direct costs		Wellington centre support costs		Total 2021		Total 2020	
	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Staff Costs	1,553,145	8,389	901	27,551	226,636	1,816,622	1,934,231							
Depreciation and impairment				71,305		71,305	75,317							
Other Costs	37,459	97,243	(628)	37,067		171,142	218,245							
	1,590,604	105,632	273	135,923	226,636	2,059,068	2,227,793							
	<u>1,590,604</u>	<u>105,632</u>	<u>273</u>	<u>135,923</u>	<u>336,450</u>	<u>2,168,882</u>	<u>2,356,099</u>							
Share of support costs (see note 8)					105,134	105,134	123,534							
Share of Governance costs (see note 8)					4,680	4,680	4,772							
					336,450	2,168,882	2,356,099							
					<u>336,450</u>	<u>2,168,882</u>	<u>2,356,099</u>							
Analysis by fund														
Unrestricted funds	1,590,604	105,632		82,280	336,450	2,114,966								
Designated funds			273	53,643		53,916								
	<u>1,590,604</u>	<u>105,632</u>	<u>273</u>	<u>135,923</u>	<u>336,450</u>	<u>2,168,882</u>								
For the year ended 31 March 2020														
Unrestricted funds	1,720,835	98,998		43,039	408,011	2,270,883								
Designated funds			9,899	75,317		85,216								
	<u>1,720,835</u>	<u>98,998</u>	<u>9,899</u>	<u>118,356</u>	<u>408,011</u>	<u>2,356,099</u>								

8 Support costs

	Support costs	Governance costs	2021	2020
	£	£	£	£
Aministration expenses	15,166		15,166	20,835
Legal and professional fees	4,998		4,998	7,606
External Services (IT, H&S and HR)	33,309		33,309	42,253
Bank Charges	3,420		3,420	7,730
Bank Interest	16,966		16,966	20,220
Insurance	14,235		14,235	13,110
Regulatory fees	70		70	6,118
Other Costs	16,970		16,970	5,662
Audit fees		4,680	4,680	4,772
	<u>105,134</u>	<u>4,680</u>	<u>109,814</u>	<u>128,306</u>

9 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and applied for charitable purposes.

10 Tangible Fixed Assets

	Freehold Land and Buildings (including programme related investments)	Fixtures, fittings and equipment	Total
	£	£	£
Cost			
At 1 April 2020	3,304,088	209,091	3,513,179
Additions	0	1,014	1,014
Disposals	0	0	0
At 31 March 2021	<u>3,304,088</u>	<u>210,105</u>	<u>3,514,193</u>
Depreciation and impairment			
At 1 April 2020	634,260	184,992	819,252
Depreciation in the year	62,711	8,594	71,305
Disposals	0	0	0
At 31 March 2021	<u>696,971</u>	<u>193,586</u>	<u>890,557</u>
Carrying Amount			
At 31 March 2021	<u>2,607,117</u>	<u>16,519</u>	<u>2,623,636</u>
At 31 March 2020	<u>2,669,828</u>	<u>24,099</u>	<u>2,693,927</u>

11 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade Debtors	258,650	213,667
Other Debtors	0	0
Prepayments and accrued income	36,058	48,027
	<u>294,708</u>	<u>261,694</u>

12 Creditors amounts falling due within one year

	Notes		2021	2020
			£	£
Bank Loans and overdrafts	14	7	11,230	10,600
Other taxation and social security		8	56,664	43,541
Trade creditors			8,094	38,769
Other creditors			114,087	94,600
Accruals and deferred income		8	159,111	103,810
	55,301		<u>349,186</u>	<u>291,320</u>

13 Creditors amounts falling due after more than one year

	Notes		2021	2020
			£	£
Bank Loans	14	bank loan greater than 5 year	<u>300,129</u>	<u>311,359</u>

14 Loans and overdrafts

			2021	2020
			£	£
Bank overdrafts		7	0	0
Bank Loans		9001 - Bank loan greater than 5 year	311,359	321,959
			<u>311,359</u>	<u>321,959</u>
Payable within one year			11,230	10,600
Payable after one year			<u>300,129</u>	<u>311,359</u>
Due after 5 years			<u>248,763</u>	<u>262,657</u>

The long term loans are secured by fixed charges over the assets of the company
 The loan drawn down in July 2013 has a fixed interest rate of 4.73% and is repayable by monthly instalments until July 2038

15 Cash generated from operations

	2021	2020
	£	£
Surplus/(deficit) for the year	111,028	6,405
Adjustments for:		
Gain on disposal of tangible fixed assets	0	0
Depreciation and impairment of tangible fixed assets	71,305	75,317
Movements in working capital:		
Decrease/ (increase) in debtors	(33,014)	(61,310)
(Decrease) / increase in creditors	57,236	32,101
Cash absorbed by operations	<u><u>206,556</u></u>	<u><u>52,513</u></u>

16 Employees

Number of employees

	2021	2020
	Number	Number
Management and administration	15	19
Contracted services	79	84
Client properties	1	1
Activities and clubs	7	10
	<u><u>102</u></u>	<u><u>114</u></u>

Employment Costs

	2021	2020
	£	£
Wages and salaries	1,599,613	1,625,418
Social security costs	106,797	101,829
Other pension costs	48,268	65,993
	<u><u>1,754,678</u></u>	<u><u>1,793,240</u></u>

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

17. Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year, also no travelling expenses were claimed.

18. Related Party Transactions

Transactions with related parties

During the year, the charity entered into the following transactions with related parties:

During the year Andover and District Mencap invoiced service users who were children of the charity's trustees a total of £62,184 (2020: £73,746) for care services, of which £78 (2020: £10,650) was outstanding at the balance sheet date.

19. Retirement Benefit Schemes

Defined Contributions Schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £46,194 (2020: £46,712).

20. Restricted Funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Balance at 31 March 2021 £
	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	
Trustees small grants	5,061	0	0	5,061
Garden furniture fund	1,100	0	0	1,100
	<u>6,161</u>	<u>0</u>	<u>0</u>	<u>6,161</u>

Trustees Small Grants Fund -
Fund to help members and their families requiring emergency funding.

Garden Furniture Fund -
Funds raised to provide furniture in the outdoor area at The Wellington Centre.

21. Designated Funds

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

Movement in funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Balance at 31 March 2021 £
Club funds	17,069		(889)	16,180
Property fund	1,768,160		(39,800)	1,728,360
Capital fund	18,053	7,031	(13,227)	11,857
	<u>1,803,282</u>	<u>7,031</u>	<u>(53,916)</u>	<u>1,756,397</u>

Club Funds-

Funds held by the specific clubs run by Andover and District Mencap.

Property Fund-

This represents the net book value of the Wellington Centre land and buildings after the deduction of the bank loan.

Capital Fund-

This represents the depreciated value of fixtures, fittings, and equipment at the year end.

22. Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2021 are represented by:				
Tangible assets	567,397	2,056,239		2,623,636
Current assets / (liabilities)	146,076	287	6,161	152,524
Long term liabilities		(300,129)		(300,129)
	<u>713,473</u>	<u>1,756,397</u>	<u>6,161</u>	<u>2,476,031</u>