

Charity Registration No. 1043574

Company Registration No. 03009141 (England and Wales)

CHEPSTOW AND DISTRICT MENCAP SOCIETY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

CHEPSTOW AND DISTRICT MENCAP SOCIETY

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CHEPSTOW AND DISTRICT MENCAP SOCIETY

TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's 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 Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The Royal Mencap Society (Mencap) is the leading voice of learning disability. Everything we do, at Chepstow Mencap, is about valuing and supporting people with a learning disability, their families and carers. Our vision is a world where people with a learning disability are valued equally, listened to and included. We want everyone to have the opportunity to achieve the things they want out of life.

Our values include being people centred; empowering, including and respecting all people; and being brave and developing new ideas.

To achieve this, the charity:

- works in partnership with other organisations, service users and their parents or carers
- provides and promotes good practice
- offers a range of services from both professionals, dedicated staff and volunteers

Organisation

Honorary officers and the other trustees (up to 12) are elected annually at the Annual General Meeting.

The board of trustees, who also act as directors, administers the charity through regular meetings. The day-to-day operation of the charity's commissioned service is the responsibility of the Care Services Business Manager, who supervises activities and staff. The Finance Manager oversees all aspects of budget control and reporting.

All policies relating to staff and volunteers are regularly reviewed and updated.

Chepstow Mencap is affiliated to The Royal Mencap Society. It also aims to work in co-operation and partnership with other organisations having the same objectives.

Related parties

The key relationships with external organisations are with the Royal Mencap Society (Mencap), Monmouthshire County Council/Monmouthshire Local Health Board (MCC/MHB) and Gwent Association of Voluntary Organisations (GAVO).

The affiliation with Mencap requires that we comply with their policies and procedures. MCC/MHB is our principal partner and relations are governed by the terms of our service contracts with them. GAVO provides professional support and a networking structure with both voluntary and relevant statutory bodies.

CHEPSTOW AND DISTRICT MENCAP SOCIETY

TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Public benefit

We have referred to the guidance contained in the Charity Commissions' general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

CHANGES INTRODUCED IN THE YEAR

This year has been the most challenging time in our charity's history.

Our day service and old premises closed on 16th March 2020, due to covid. Covid-19 presented many problems, unpredictability, and stress. However, we managed to adapt and work flexibly to provide a support service throughout the year.

Operational Support

We were supported with our IT. This enabled us to work from home, and keep communication going between staff and families.

Government guidelines

Staff were flexible with giving support in line with government guidelines which changed throughout the year.

Funding

Our local authority continued to pay our core funding as we continued to provide a support service. However, reduced support resulted in our additional funding being stopped. Redundancies were made in October 2020, to reflect our reduced service. Our staff turnover has historically been very low and the redundancy process was upsetting for everyone. There were no compulsory redundancies, they were all voluntary.

There were not opportunities throughout the year for fund raising but we continued to receive donations and government grants.

Changes in support – during the year

Support was quite often provided in the form of socially distanced walks. The Internet facilitated support sessions via zoom. Social media, such as Facebook, was used to keep communication with all charity members.

The most successful support came in the form of our booster bus. Staff visited all of our Service users and their families, weekly. The 7 seater vehicle distributed activity packs, acted as a postal service and had a weekly theme where participants dressed up, or used props, and a weekly video was uploaded on Facebook.

All individuals and families expressed that the social isolation was the hardest part of the pandemic. The booster bus ensured that people had a visit from familiar faces and kept everyone in touch. This was especially invaluable to members who were self isolating.

CHEPSTOW AND DISTRICT MENCAP SOCIETY

TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Milestones during the year

Sale of our premises

Our initial plans were to sell our existing premises once we had moved into the Board School. We marketed the building and found a purchaser. In order to complete the sale we were asked for a completion date in August 2020. We were still in lockdown with no signs of going back to building based services for a while. We carried on with the sale and used temporary storage for a few weeks.

Old Board School – new headquarters

Our schoolhouse project was completed in September 2020. Construction work had been held up with no one allowed to work on site for a few months. On completion of the work some members of staff moved into the new premises and furniture was moved from its temporary storage. There were a few weeks in September where covid rules had relaxed and we were prepared to commence our full service. This was short-lived as more lockdown rules were introduced.

The Old Board school is not being used to its full potential while there are still covid restrictions. However, services are increasing and bookings are now being made.

Charity shop

Our charity shop was closed for most of the year, but has now re-opened

Achievements and performance

The main areas of charitable activity are:

- The provision of care support services to people with learning disabilities through the provision of day and evening activities and a support service at home and in the community,
- Provision of a social network with a variety of social activities and trips for adults and their carers throughout the year,
- A charity shop to provide a community presence and retail training for service users,
- Fundraising and community profile.

Care support:

Care support is provided on an individual or group basis. The services are co-ordinated from the head office, The Board School, which provides a daily hub.

Where facilities are available in the community, the venues are hired on a sessional basis.

Independent living skills:

Care support is provided to support adults living independently, including support with shopping, cooking, travel by public transport, and money skills. Cookery is a popular choice of activity with more men and young adults wanting to learn how to cook. Travel by public transport is important for future services and individuals are supported with travel and transport skills on local transport routes to eventually access public transport independently. Shopping in the community provides choice, integration, money skills and independence in preparation for independent living.

The training kitchen at the new project is designed to be accessible to all.

CHEPSTOW AND DISTRICT MENCAP SOCIETY

TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Work experience

- **Charity shop:** Our charity shop provides 8 placements for work experience in retail. The shop is located in the community where 33% of our Service Users live. Working in the shop promotes confidence, and communication skills when offering customer service.
- **Luncheon club:** A lunch club is provided for a pensioner group at a local community centre. This service has been running for several years and work placements are fully subscribed with placements offered on a rota basis.
- **Gardening service:** We offer a community garden service.

Transition:

Young adults 18-25, and new Service users are given the opportunity to join our projects in the community such as our gardening services, luncheon club and work at our charity shop. We also offer services and opportunities at half terms and holidays for young adults who attend college, providing services and opportunities in the community where they live.

Complex needs:

We support adults with complex needs. The space and facilities at the Board School will allow us to give support for complex needs

Social networks:

Chepstow Mencap has a strong membership of families and carers. We have successful social events in Chepstow and district, at local venues. The events provide a social network and everyone gets involved in the preparations. Events are usually sold out with support from community groups attending.

Fund raising:

Our local community supports us with our fundraising and, with donations and hard work, we are able to provide the people we support with an enjoyable social life, and equipment and resources. Thanks to our staff, friends and volunteers who give up their time and fundraise for us to make this possible.

Partnership and community:

Community groups are invited to share our activities and facilities. Sharing of resources reduces costs, develops friendships, provides integration, and provides opportunities.

This integration and support was the driving force in finding a premises suitable for our needs in Chepstow.

CHEPSTOW AND DISTRICT MENCAP SOCIETY

TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

To progress the charity

Our strategic 5 year plan

Vision

- We believe that people with a learning disability should be valued equally, listened to and included in their community
- To maintain our presence in the community and remain visible
- To continue to provide services for people with learning disability to lead fulfilled lives
- Expand our existing provision and create new services
- Overcome barriers. To provide support and choice for young Service Users in transition (18-25 years old) To provide work experience, independent living skills, training, integration in the community, and facilitate social networking.
- To provide social networks, developing and supporting friendships for adults with learning disabilities in their communities where they live
- To provide social networks and support families and carers of adults with learning disabilities
- Provide wellbeing for adults with learning disabilities
- Raise community awareness
- Provide employment skills and opportunities
- Volunteers and Work Placements. To provide work experience, in a support role in a care environment. Providing new opportunities through the expansion of existing, and creation of new services

Charity

To remain a charity with the same principles at heart when Chepstow Mencap was first formed. To give the people that we support, access to a rewarding way of life. We are a value driven charity, which provides the best care possible for the people that we support and their families.

Financial review

The charity made an overall surplus for the year of £368,569 of which £182,719 was unrestricted. Successful capital grant applications were received during the year.

Principal funding sources

The major sources of funds during the year are as follows:

- Day care contract with Monmouthshire County Council - £274,034
- Family Aid contract with Monmouthshire County Council - £84,306
- Independent Living Service, privately contracted - £101,132
- Donations from individuals and volunteer fundraising - £4,569
- Grants - £257,295

Investment policy

At present there is no plan to accumulate funds other than short term disbursement on charitable activities and the maintenance of prudent reserves.

All reserve funds are held in deposit accounts. There is no intention to change the policy with respect to this beyond reviewing competitive interest rates on like accounts.

CHEPSTOW AND DISTRICT MENCAP SOCIETY

TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Reserves policy and risk management

Reserves are held for both contingencies and opportunities and to mitigate against any factors identified in the organisation's risk assessment. The level of reserves held will ensure that the charity and its trustees are protected, commitments can be met for the next 6 months and the organisation can operate innovatively in a changing environment. Trustees consider this figure to be around £153,000.

The trustees have also recognised the need to maintain the property to a good standard in order for the facilities to be used by the public and have therefore designated funds to cover these costs for the next 10 years. Trustees consider this figure to be around £140,000.

The trustees have designated funds to purchase two minibuses in order to carry out activities in line with its aims and objects. Trustees consider this figure to be around £62,000.

The charity's free reserves, excluding restricted funds, designated funds and fixed assets are £95,146.

The main risk to the continuation of the services run by the charity would be the loss of contracts from MCC/MHB and delay in the contractual payments. To minimise this risk, extreme care is taken by the management to ensure compliance with the terms of the contracts held.

Taxation

As a registered charity, Chepstow and District Mencap Society is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

Plans for future periods

Chepstow Mencap collaborates with Monmouthshire County Council, to review the provision of contracted services. Support is person centred and community based.

Chepstow Mencap's focus for the next 18 months is to continue developing our new Board School project.

Structure, governance and management

Constitution

Chepstow and District Mencap Society is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association. The company follows the model Memorandum and Articles of Association for affiliated groups as laid down by the Royal Mencap Society. Charity number: 1043574. Company number: 03009141.

The organisation is a charitable company registered as a charity on 7 March 1972 as an Associate Member of the Royal Mencap Society. It was incorporated as a company limited by guarantee on 12 January 1995. The company was established according to a model provided by Royal Mencap 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.

Recruitment and appointment of management committee

The directors of the company, who are also charity trustees for the purposes of charity law and under the company's articles, are known as members of the Executive Committee and are elected to serve for a period of one year. They must be re-elected at the next Annual General Meeting.

CHEPSTOW AND DISTRICT MENCAP SOCIETY

TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

REFERENCE AND ADMINISTRATIVE INFORMATION

Name

Chepstow and District Mencap Society (Limited by Guarantee)

Known as

Chepstow Mencap

Registered company number

03009141

Registered charity number

1043574

Trustees

The directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. Trustees are elected at the Annual General Meeting when nominations are considered and voted upon. Every full member of Chepstow Mencap can vote at the Annual General Meeting. The trustees who served during the year were as follows:

S Nicholson	(Chair)
RP Gleed	(Honorary Secretary)
A Narduzzo	(Vice Chair)
M Davies	
R Perrett	
M Nicholson	Resigned 31 August 2021

Service Manager

Michele Blinman

Registered and principal office

The Board School, Bridge Street, Chepstow, Monmouthshire, NP16 5EZ

Auditors

Azets Audit Services, Ty Derw, Lime Tree Court, Cardiff Gate Business Park, Cardiff CF23 8AB

Bankers

HSBC Bank PLC, 12 Beaufort Square, Chepstow, Monmouthshire, NP16 5XH

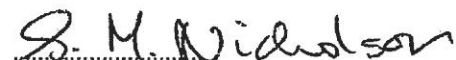
Post Office National Savings Account

Monmouthshire Building Society Savings Account

Key Management Personnel

The key management personnel of the charity during the year were the Trustees, the Service Manager, the Deputy Manager and the Finance Manager. Trustees are not remunerated. The pay of the key management personnel is benchmarked to the salary rates of similar organisations in the area.

The trustee's report was approved by the Board of Trustees.



Ms S Nicholson

Trustee

Dated: 8/11/21

CHEPSTOW AND DISTRICT MENCAP SOCIETY

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2021

The trustees (who are also directors of Chepstow and District Mencap Society 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 which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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.

In so far as the trustees are aware:

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

The auditors, Azets Audit Services, will be proposed for reappointment at the AGM.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

CHEPSTOW AND DISTRICT MENCAP SOCIETY

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF CHEPSTOW AND DISTRICT MENCAP SOCIETY

Opinion

We have audited the financial statements of Chepstow and District Mencap Society (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 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).

This report is made solely to the charitable company's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

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 2021 and of its incoming resources and application of resources, 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 charity 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 trustee's 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 charity'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 annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

CHEPSTOW AND DISTRICT MENCAP SOCIETY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CHEPSTOW AND DISTRICT MENCAP SOCIETY

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustee's report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustee's responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

CHEPSTOW AND DISTRICT MENCAP SOCIETY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CHEPSTOW AND DISTRICT MENCAP SOCIETY

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Sarah Case

**Sarah Case FCA DChA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services**

9-11-2021
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**Chartered Accountants
Statutory Auditor**

Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
United Kingdom
CF23 8AB

CHEPSTOW AND DISTRICT MENCAP SOCIETY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CHEPSTOW AND DISTRICT MENCAP SOCIETY

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

CHEPSTOW AND DISTRICT MENCAP SOCIETY

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

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<u>Income and endowments from:</u>							
Donations, legacies and grants	3	49,569	212,295	261,864	25,444	720,000	745,444
Charitable activities	4	459,472	-	459,472	515,951	-	515,951
Other trading activities	5	3,323	-	3,323	27,048	-	27,048
Investments	6	286	-	286	1,508	-	1,508
Other income	7	141,472	-	141,472	44,756	-	44,756
Total income		654,122	212,295	866,417	614,707	720,000	1,334,707
<u>Expenditure on:</u>							
Charitable activities	8	471,403	26,445	497,848	540,962	18,240	559,202
Net income for the year/ Net movement in funds		182,719	185,850	368,569	73,745	701,760	775,505
Fund balances at 1 April 2020		806,500	729,920	1,536,420	732,755	28,160	760,915
Fund balances at 31 March 2021		989,219	915,770	1,904,989	806,500	729,920	1,536,420

Incoming resources and net resources relate entirely to continuing operations for the next twelve months. The trustees' and directors' report discloses information relating to the changes in these operations for the future.

The company had no recognised gains and losses other than those included in the results above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the net resources for the financial period stated above and its historical cost equivalent.

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

CHEPSTOW AND DISTRICT MENCAP SOCIETY

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	13		1,454,843		1,282,278
Current assets					
Stocks		525		525	
Debtors	14	38,024		33,570	
Cash at bank and in hand		479,149		275,265	
		<u>517,698</u>		<u>309,360</u>	
Creditors: amounts falling due within one year	15	<u>(67,552)</u>		<u>(55,218)</u>	
Net current assets			<u>450,146</u>		<u>254,142</u>
Total assets less current liabilities			<u>1,904,989</u>		<u>1,536,420</u>
Income funds					
Restricted funds	16		915,770		729,920
<u>Unrestricted funds</u>					
Designated funds	17	355,000		-	
General unrestricted funds		<u>634,219</u>		<u>806,500</u>	
			<u>989,219</u>		<u>806,500</u>
			<u>1,904,989</u>		<u>1,536,420</u>

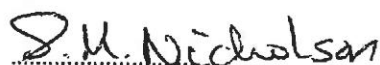
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 8(11)21.



Ms S Nicholson

Trustee

Company Registration No. 03009141

CHEPSTOW AND DISTRICT MENCAP SOCIETY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	21		284,738		782,476
Investing activities					
Purchase of tangible fixed assets		(336,139)		(1,007,875)	
Proceeds on disposal of tangible fixed assets		254,999		34,833	
Investment income received		286		1,508	
Net cash used in investing activities			(80,854)		(971,534)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			203,884		(189,058)
Cash and cash equivalents at beginning of year			275,265		464,323
Cash and cash equivalents at end of year			479,149		275,265

CHEPSTOW AND DISTRICT MENCAP SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Chepstow and District Mencap Society is a private company limited by guarantee incorporated in England and Wales. The registered office is Chepstow Mencap Ltd, The Board School, Bridge Street, Chepstow, Gwent, NP16 5EZ, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], 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 Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The charity reported an unrestricted net inflow of £182,719 for the year. At the time of approving the financial statements, 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 financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 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.

Income is derived from donations, fund raising activities, investment income, grants and the provision of care services.

Voluntary income such as donations etc, represents amounts received and recorded at offices during the year. The charity is able to make claims for income tax refunds in the case of gift aid donations. All taxation received has been included.

Grants comprise amounts receivable during the year.

Fundraising income is recognised on receipt.

Income from investments is included in the year in which it is receivable.

CHEPSTOW AND DISTRICT MENCAP SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.5 Resources expended

Expenditure

Resources expended are included in the Statement of Financial Activities on an accruals basis inclusive of any VAT, which cannot be recovered.

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

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of income received for those activities. The management team considers this to be the most equitable method of splitting expenditure attributable to more than one activity. The management team considers that all of the resources expended are directly attributable to activities.

Fundraising expenditure

This expenditure comprises costs incurred in inducing people or organisations to contribute financially to the charity's work. This includes the cost of advertising for funds and the cost of mounting appeals and staging special events in addition to a proportion of overheads and property expenses.

Direct charitable expenditure

This includes all costs relating to the furtherance of the charity's objectives.

Governance costs

These costs include the costs of governance arrangements, which relate to the general running of the charity as opposed to the direct management functions inherent in generating funds, service delivery and programme of project work. These include such items as external audit, legal advice for trustees and costs associated with constitutional and statutory requirements.

Netting off of income and expenditure

Income and expenditure are stated gross.

1.6 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.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	50 years - Straight line basis
Leasehold improvements	4 years - Straight line basis
Fixtures and fittings	10 years - Straight line basis
Computers	4 years - Straight line basis
Motor vehicles	4 years - Straight line basis

1.7 Stocks

Stocks are stated at the lower of cost and net realisable value.

1.8 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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

CHEPSTOW AND DISTRICT MENCAP SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

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.

1.11 Retirement benefits

The charity operates a defined contribution scheme for the benefit of its employees. The assets of the scheme are held separately from those of the charity. Contributions payable are charged to the profit and loss account in the year they are payable and are charged against unrestricted funds.

CHEPSTOW AND DISTRICT MENCAP SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

1.12 Leases

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

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, legacies and grants

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Donations and gifts	4,569	-	4,569	25,444	-	25,444
Grants	45,000	212,295	257,295	-	720,000	720,000
	<u>49,569</u>	<u>212,295</u>	<u>261,864</u>	<u>25,444</u>	<u>720,000</u>	<u>745,444</u>

4 Charitable activities

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Monmouth County Council - Family Aid Scheme	84,306	83,061
Monmouth County Council - Day Care Contract	274,034	269,985
ILF Services	101,132	162,905
	<u>459,472</u>	<u>515,951</u>

CHEPSTOW AND DISTRICT MENCAP SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

5 Other trading activities

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Subscriptions	69	101
Gardening services	-	4,856
Shop income	3,254	22,091
	<hr/>	<hr/>
Other trading activities	3,323	27,048
	<hr/> <hr/>	<hr/> <hr/>

6 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Interest receivable	286	1,508
	<hr/> <hr/>	<hr/> <hr/>

7 Other income

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Net gain on disposal of tangible fixed assets	141,472	27,417
Other income	-	1,579
Fundraising	-	10,288
Dinner money	-	5,472
	<hr/>	<hr/>
	141,472	44,756
	<hr/> <hr/>	<hr/> <hr/>

CHEPSTOW AND DISTRICT MENCAP SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

8 Charitable activities

	Other activities £	Local authority contracts £	ILF services £	Total 2021 £	Total 2020 £
Staff costs	-	251,262	70,551	321,813	362,516
Depreciation and impairment	49,315	732	-	50,047	36,421
Minibus travel and subsistence	439	3,242	888	4,569	11,241
Premises	10,762	12,909	1,626	25,297	34,995
Direct costs	8,429	8,813	-	17,242	31,439
Legal & professional	7,404	5,228	772	13,404	11,240
Loss on the disposal of fixed assets	-	-	-	-	3,834
	<u>76,349</u>	<u>282,186</u>	<u>73,837</u>	<u>432,372</u>	<u>491,686</u>
Share of support costs (see note 9)	1,808	44,610	10,958	57,376	60,756
Share of governance costs (see note 9)	8,100	-	-	8,100	6,760
	<u>86,257</u>	<u>326,796</u>	<u>84,795</u>	<u>497,848</u>	<u>559,202</u>
Analysis by fund					
Unrestricted funds	86,257	300,351	84,795	471,403	
Restricted funds	-	26,445	-	26,445	
	<u>86,257</u>	<u>326,796</u>	<u>84,795</u>	<u>497,848</u>	
For the year ended 31 March 2020					
Unrestricted funds	87,298	316,402	137,262		540,962
Restricted funds	-	18,240	-		18,240
	<u>87,298</u>	<u>334,642</u>	<u>137,262</u>		<u>559,202</u>

CHEPSTOW AND DISTRICT MENCAP SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

9 Support costs	Support Governance costs		2021	Support Governance costs		2020	Basis of allocation
	£	£		£	£		
Staff costs	43,752	-	43,752	44,273	-	44,273	
Office expenses	13,624	-	13,624	16,483	-	16,483	Direct
Audit & accountancy	-	8,100	8,100	-	6,760	6,760	Governance
	57,376	8,100	65,476	60,756	6,760	67,516	
Analysed between							
Charitable activities	57,376	8,100	65,476	60,756	6,760	67,516	

Governance costs includes payments to the auditors of £8,100 (2020: £6,760) for audit fees.

CHEPSTOW AND DISTRICT MENCAP SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

10 Net movement in funds	2021	2020
	£	£
Net movement in funds is stated after charging/(crediting)		
Depreciation of owned tangible fixed assets	50,047	36,421
Profit on disposal of tangible fixed assets	(141,472)	(27,417)
	<u> </u>	<u> </u>

11 Trustees

No emoluments were paid to the trustees during the year. (2020: Nil)

No trustees claimed expenses during the current year (2020: £22 - mileage), however one trustee was for reimbursed for costs incurred on behalf of the charity totalling £74 (2020: £34).

12 Employees

The average monthly number of employees during the year was:

	2021	2020
	Number	Number
Full time staff	8	9
Part time staff	16	22
	<u> </u>	<u> </u>
Total	24	31
	<u> </u>	<u> </u>

Employment costs

	2021	2020
	£	£
Wages and salaries	341,736	382,754
Social security costs	18,972	19,363
Other pension costs	4,857	4,672
	<u> </u>	<u> </u>
	365,565	406,789
	<u> </u>	<u> </u>

Key Management Personnel

The total emoluments and benefits (including salary, employers' national insurance, pension and benefits in kind) received by the three key management personnel during the year (2020: 3) were £69,303 (2020: £74,503).

Redundancy and Termination payments

The charity paid £30,149 in redundancy costs during the year.

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

CHEPSTOW AND DISTRICT MENCAP SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

13 Tangible fixed assets		Freehold land and buildings improvements		Leasehold improvements	Fixtures and fittings		Computers		Motor vehicles		Total
		£	£		£	£	£	£	£	£	
	Cost										
	At 1 April 2020	1,383,715	12,907	83,533	18,722	35,400	1,534,277				
	Additions	178,782	298	146,605	10,454	-	336,139				
	Disposals	(195,313)	-	(71,867)	-	-	(267,180)				
	At 31 March 2021	1,367,184	13,205	158,271	29,176	35,400	1,603,236				
	Depreciation and impairment										
	At 1 April 2020	127,676	11,086	66,966	10,871	35,400	251,999				
	Depreciation charged in the year	26,727	950	15,845	6,525	-	50,047				
	Eliminated in respect of disposals	(89,026)	-	(64,627)	-	-	(153,653)				
	At 31 March 2021	65,377	12,036	18,184	17,396	35,400	148,393				
	Carrying amount										
	At 31 March 2021	1,301,807	1,169	140,087	11,780	-	1,454,843				
	At 31 March 2020	1,256,039	1,821	16,567	7,851	-	1,282,278				

CHEPSTOW AND DISTRICT MENCAP SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

14 Debtors	2021	2020
Amounts falling due within one year:	£	£
Trade debtors	9,929	18,576
Other debtors	28,095	13,167
Prepayments and accrued income	-	1,827
	<u>38,024</u>	<u>33,570</u>
	<u><u>38,024</u></u>	<u><u>33,570</u></u>

15 Creditors: amounts falling due within one year	2021	2020
	£	£
Other taxation and social security	5,318	4,130
Trade creditors	121	3,959
Other creditors	19,294	28,965
Accruals and deferred income	42,819	18,164
	<u>67,552</u>	<u>55,218</u>
	<u><u>67,552</u></u>	<u><u>55,218</u></u>

CHEPSTOW AND DISTRICT MENCAP SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

16 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:

	Balance at 1 April 2019 £	Movement		Balance at 1 April 2020 £	Movement		Balance at 31 March 2021 £
		Incoming resources £	Resources expended £		Incoming resources £	Resources expended £	
Masonic Grant	15,000	-	-	15,000	-	(1,278)	13,722
Gateway Club	9,750	-	(3,250)	6,500	-	(3,250)	3,250
Tesco	3,410	-	(590)	2,820	-	(1,875)	945
Big Lottery	-	475,000	(9,500)	465,500	25,000	(10,000)	480,500
Wolfson Fund	-	60,000	(1,200)	58,800	-	(1,200)	57,600
Bernard Sunley	-	30,000	(600)	29,400	-	(600)	28,800
Edward Gostling	-	20,000	(400)	19,600	-	(400)	19,200
Bailey Thomas	-	35,000	(700)	34,300	-	(700)	33,600
Garfield Weston	-	40,000	(800)	39,200	-	(800)	38,400
Andrews Trust	-	25,000	(500)	24,500	15,000	(800)	38,700
Clothworkers	-	35,000	(700)	34,300	-	(700)	33,600
Welsh Government	-	-	-	-	150,000	(2,612)	147,388
Gavo - ICF Fund	-	-	-	-	15,745	(1,575)	14,170
Peoples and Places	-	-	-	-	5,200	(520)	4,680
Chepstow Lions	-	-	-	-	850	(85)	765
Tesco - Groundworks	-	-	-	-	500	(50)	450
	28,160	720,000	(18,240)	729,920	212,295	(26,445)	915,770

CHEPSTOW AND DISTRICT MENCAP SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

16 Restricted funds (Continued)

Masonic Grant

The grant funding was provided for the purchase of furniture at the Old School Building, which has been purchased post year end.

Gateway Club

The grant funding was used to purchase an interactive whiteboard, sensory equipment and iPads. The cost is being depreciated in line with the accounting policy.

Tesco Groundworks

The grant funding was for the refurbishment of the shop and is being depreciated in line with the accounting policy.

Funding

All other grant funding has been used to renovate the Board School Building. The grant funding is being depreciated in line with the accounting policy.

CHEPSTOW AND DISTRICT MENCAP SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

17 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			
	Incoming resources £	Balance at 1 April 2020 £	Transfers £	Balance at 31 March 2021 £
Critical Costs reserve	-	-	153,000	153,000
Maintenance Cost reserve	-	-	140,000	140,000
Replacement Minibuses reserve	-	-	62,000	62,000
	-	-	355,000	355,000

Critical Cost reserve The trustees have designated funds to cover the charity's statutory obligations and operating costs for six months should an emergency funding situation occur.

Maintenance Cost reserve The trustees have designated funds for the maintenance and general up keep of the property for the next 10 years.

Replacement Minibuses reserve The trustees have designated funds to purchase two minibuses to support the charity's aims and objects.

18 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:				
Tangible assets	539,073	915,770	1,454,843	1,282,278
Current assets/(liabilities)	450,146	-	450,146	254,142
	989,219	915,770	1,904,989	1,536,420

19 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	561	2,250
Between two and five years	-	2,813
	561	5,063