

**Charity registration number 1043574**

**Company registration number 03009141 (England and Wales)**

**CHEPSTOW AND DISTRICT MENCAP SOCIETY  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

# 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 2022

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The trustees present their annual report and financial statements for the year ended 31 March 2022.

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.

#### **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**

The year started with Covid restrictions in place and the restrictions continued and changed throughout the year. Our new premises was completed but could not be fully utilised. However, the building gave us a base for an additional support facility. When restrictions allowed, the building was hired out for community use during the year.

# CHEPSTOW AND DISTRICT MENCAP SOCIETY

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

### FOR THE YEAR ENDED 31 MARCH 2022

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#### **Government guidelines**

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

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

Our day service and old premises closed on 16 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.

#### **Funding**

Our local authority continued to pay our core funding as we continued to provide a support service.

There were not many opportunities throughout the year for fundraising, but we continued to receive donations and were able to hire out the Board School premises when Covid regulations allowed.

#### **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. Support bubbles were formed and we purchased 2 outside workshops at the Board School.

PPE and testing were in place throughout the service and the Board School was used as a base.

All individuals and families expressed that the social isolation was the hardest part of the pandemic. We continued to keep in contact with people who were hesitant about meeting in person.

#### **Milestones during the year**

##### **Chepstow Mencap celebrates 50 years**

Chepstow and District Mencap Society was established 50 years ago by a group of committed parents who wanted to ensure that their children who experienced various levels of Learning Difficulties were provided with adequate support as they progressed from childhood to adulthood. In addition, this enthusiastic group of parents wanted their children to experience new environments and opportunities, develop independently and therefore set about raising funds in order to introduce a variety of activity from which the young adults would benefit.

The 50th anniversary was celebrated in the Board School with a big party.

##### **Old Board School – new head office**

The Old Board school was not used to its full potential because of Covid restrictions. However, it was hired out to community groups, and services are increasing.

We look forward to the opportunities that a community space will bring.

##### **Charity shop**

Our charity shop re-opened and work placements were re-instated. The re-opening was very much welcomed by the people we support.

# CHEPSTOW AND DISTRICT MENCAP SOCIETY

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

### FOR THE YEAR ENDED 31 MARCH 2022

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#### **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.
- 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.

#### **Old Board School kitchen and café area**

The training kitchen at the new project is designed to be accessible to all. It has proved to be very popular with the people that we support, with cookery high on the list of enjoyable activities. It has also given the opportunity to open up for pop up cafes which are well attended. The pop up cafes give the opportunity to welcome the community into the Old Board School, as well as generating an income. Our members prepare and serve refreshments and meet a variety of visitors (some of which have become regulars).

#### **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.
- We have now added the placements in our own premises at the pop up cafes
- 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 Old Board School allow us to give support for complex needs in much better premises. One of the reasons for refurbishing our building was to provide easier access on ground level to join all activities, and access to a spacious "Changing Place" facility for personal care. All rooms and the outside spaces can be accessed by wheelchair users or people with mobility needs.

# CHEPSTOW AND DISTRICT MENCAP SOCIETY

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

*FOR THE YEAR ENDED 31 MARCH 2022*

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### **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. We are looking forward to the events increasing.

### **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 premises suitable for our needs in Chepstow

### **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 a 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.

# CHEPSTOW AND DISTRICT MENCAP SOCIETY

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

**FOR THE YEAR ENDED 31 MARCH 2022**

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### Financial review

The charity made an overall surplus for the year of £27,957 which 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 - £278,145
- Family Aid contract with Monmouthshire County Council - £85,571
- Other local authorities and private engagements- £10,425
- Donations from individuals and volunteer fundraising - £6,197
- Grants - £30,339

### 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.

### 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 £107,523.

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 AND DISTRICT MENCAP SOCIETY

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

*FOR THE YEAR ENDED 31 MARCH 2022*

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### **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 2022**

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### 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 Glead	(Honorary Secretary)
A Narduzzo	(Vice Chair)
M Davies	
R Perrett	
M Nicholson	Resigned 31 August 2021
L Sidhu	Appointed 8 November 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

Nationwide Building Society

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: 7 November 2022

# CHEPSTOW AND DISTRICT MENCAP SOCIETY

## STATEMENT OF TRUSTEE'S RESPONSIBILITIES

**FOR THE YEAR ENDED 31 MARCH 2022**

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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

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#### Opinion

We have audited the financial statements of Chepstow and District Mencap Society (the 'charity') for the year ended 31 March 2022 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 2022 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

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#### **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.

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

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#### **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.

  
15-11-2022

**Azets Audit Services**

**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**

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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 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 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
<b>Income and endowments from:</b>							
Donations, legacies and grants	3	6,197	30,339	36,536	49,569	212,295	261,864
Charitable activities	4	374,141	-	374,141	459,472	-	459,472
Other trading activities	5	14,271	-	14,271	3,323	-	3,323
Investments	6	871	-	871	286	-	286
Other income	7	6,294	-	6,294	141,472	-	141,472
<b>Total income</b>		<b>401,774</b>	<b>30,339</b>	<b>432,113</b>	<b>654,122</b>	<b>212,295</b>	<b>866,417</b>
<b>Expenditure on:</b>							
Charitable activities	8	358,393	45,763	404,156	471,403	26,445	497,848
<b>Net income/(expenditure) for the year/</b>							
<b>Net movement in funds</b>		<b>43,381</b>	<b>(15,424)</b>	<b>27,957</b>	<b>182,719</b>	<b>185,850</b>	<b>368,569</b>
Fund balances at 1 April 2021		989,219	915,770	1,904,989	806,500	729,920	1,536,420
<b>Fund balances at 31 March 2022</b>		<b>1,032,600</b>	<b>900,346</b>	<b>1,932,946</b>	<b>989,219</b>	<b>915,770</b>	<b>1,904,989</b>

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 2022

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	Notes	2022		2021	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13		1,470,423		1,454,843
<b>Current assets</b>					
Stocks		525		525	
Debtors	14	13,980		38,024	
Cash at bank and in hand		492,307		479,149	
		<u>506,812</u>		<u>517,698</u>	
<b>Creditors: amounts falling due within one year</b>	15	<u>(44,289)</u>		<u>(67,552)</u>	
Net current assets			<u>462,523</u>		<u>450,146</u>
<b>Total assets less current liabilities</b>			<u>1,932,946</u>		<u>1,904,989</u>
<b>Income funds</b>					
Restricted funds	16		900,346		915,770
<u>Unrestricted funds</u>					
Designated funds	17	355,000		355,000	
General unrestricted funds		<u>677,600</u>		<u>634,219</u>	
			<u>1,032,600</u>		<u>989,219</u>
			<u>1,932,946</u>		<u>1,904,989</u>

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# CHEPSTOW AND DISTRICT MENCAP SOCIETY

## BALANCE SHEET (CONTINUED)

**AS AT 31 MARCH 2022**

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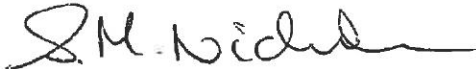
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

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 7 November 2022



Ms S Nicholson  
Trustee

Company registration number 03009141

# CHEPSTOW AND DISTRICT MENCAP SOCIETY

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

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	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	21		83,547		284,738
<b>Investing activities</b>					
Purchase of tangible fixed assets		(71,260)		(336,139)	
Proceeds on disposal of tangible fixed assets		-		254,999	
Investment income received		871		286	
<b>Net cash used in investing activities</b>			(70,389)		(80,854)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			13,158		203,884
Cash and cash equivalents at beginning of year			479,149		275,265
<b>Cash and cash equivalents at end of year</b>			<u>492,307</u>		<u>479,149</u>

# CHEPSTOW AND DISTRICT MENCAP SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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### 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, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 £27,957 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 2022

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#### 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 2022

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### 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 2022

### 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 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Donations and gifts	6,197	-	6,197	4,569	-	4,569
Grants	-	30,339	30,339	45,000	212,295	257,295
	<u>6,197</u>	<u>30,339</u>	<u>36,536</u>	<u>49,569</u>	<u>212,295</u>	<u>261,864</u>

### 4 Charitable activities

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Monmouth County Council - Family Aid Scheme	85,571	84,306
Monmouth County Council - Day Care Contract	278,145	274,034
ILF Services	10,425	101,132
	<u>374,141</u>	<u>459,472</u>

# CHEPSTOW AND DISTRICT MENCAP SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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### 5 Other trading activities

	<b>Unrestricted funds 2022 £</b>	<b>Unrestricted funds 2021 £</b>
Subscriptions	125	69
Shop income	14,146	3,254
	<hr/>	<hr/>
Other trading activities	14,271	3,323
	<hr/> <hr/>	<hr/> <hr/>

### 6 Investments

	<b>Unrestricted funds 2022 £</b>	<b>Unrestricted funds 2021 £</b>
Interest receivable	871	286
	<hr/> <hr/>	<hr/> <hr/>

### 7 Other income

	<b>Unrestricted funds 2022 £</b>	<b>Unrestricted funds 2021 £</b>
Net gain on disposal of tangible fixed assets	-	141,472
Hire income	2,368	-
Fundraising	3,926	-
	<hr/>	<hr/>
	6,294	141,472
	<hr/> <hr/>	<hr/> <hr/>

# CHEPSTOW AND DISTRICT MENCAP SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 8 Charitable activities

	Other activities £	Local authority contracts £	ILF services £	Total 2022 £	Total 2021 £
Staff costs	2,714	212,931	-	215,645	321,813
Depreciation and impairment	54,414	1,265	-	55,679	50,047
Minibus travel and subsistence	90	5,526	43	5,659	4,569
Premises	13,123	15,448	103	28,674	25,297
Direct costs	8,439	19,334	-	27,773	17,242
Legal & professional	1,512	2,958	-	4,470	13,404
	<u>80,292</u>	<u>257,462</u>	<u>146</u>	<u>337,900</u>	<u>432,372</u>
Share of support costs (see note 9)	12,688	46,856	142	59,686	57,376
Share of governance costs (see note 9)	2,190	4,380	-	6,570	8,100
	<u>95,170</u>	<u>308,698</u>	<u>288</u>	<u>404,156</u>	<u>497,848</u>
<b>Analysis by fund</b>					
Unrestricted funds	49,407	308,698	288	358,393	
Restricted funds	45,763	-	-	45,763	
	<u>95,170</u>	<u>308,698</u>	<u>288</u>	<u>404,156</u>	
<b>For the year ended 31 March 2021</b>					
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>

## CHEPSTOW AND DISTRICT MENCAP SOCIETY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

9 Support costs	Support Governance costs		2022		Support Governance costs		2021		Basis of allocation
	£	£	£	£	£	£	£		
Staff costs	45,304	-	45,304	-	43,752	-	43,752		
Office expenses	14,382	-	14,382	-	13,624	-	13,624	Direct	
Audit & accountancy	-	6,570	6,570	8,100	-	8,100	8,100	Governance	
	<u>59,686</u>	<u>6,570</u>	<u>66,256</u>	<u>8,100</u>	<u>57,376</u>	<u>8,100</u>	<u>65,476</u>		
Analysed between									
Charitable activities	<u>59,686</u>	<u>6,570</u>	<u>66,256</u>	<u>8,100</u>	<u>57,376</u>	<u>8,100</u>	<u>65,476</u>		

Governance costs includes payments to the auditors of £6,570 (2021: £8,100) for audit fees.

# CHEPSTOW AND DISTRICT MENCAP SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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<b>10 Net movement in funds</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Net movement in funds is stated after charging/(crediting)		
Depreciation of owned tangible fixed assets	55,679	50,047
Loss/(profit) on disposal of tangible fixed assets	-	(141,472)
	<u>          </u>	<u>          </u>

### 11 Trustees

No emoluments were paid to the trustees during the year. (2021: Nil)

No trustees claimed expenses during the current year, however one trustee was for reimbursed for costs incurred on behalf of the charity totalling £168 (2021: £74).

### 12 Employees

The average monthly number of employees during the year was:

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
Full time staff	7	8
Part time staff	12	16
	<u>          </u>	<u>          </u>
Total	19	24
	<u>          </u>	<u>          </u>

<b>Employment costs</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	246,671	341,736
Social security costs	10,175	18,972
Other pension costs	4,103	4,857
	<u>          </u>	<u>          </u>
	260,949	365,565
	<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 (2021: 3) were £84,308 (2021: £69,303).

#### Redundancy and Termination payments

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

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

**CHEPSTOW AND DISTRICT MENCAP SOCIETY**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

13 Tangible fixed assets	Freehold land and buildings £	Leasehold improvements £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
<b>Cost</b>						
At 1 April 2021	1,367,185	13,205	158,269	29,176	35,400	1,603,235
Additions	25,325	-	45,935	-	-	71,260
At 31 March 2022	1,392,510	13,205	204,204	29,176	35,400	1,674,495
<b>Depreciation and impairment</b>						
At 1 April 2021	65,377	12,036	18,184	17,396	35,400	148,393
Depreciation charged in the year	27,850	950	20,354	6,525	-	55,679
At 31 March 2022	93,227	12,986	38,538	23,921	35,400	204,072
<b>Carrying amount</b>						
At 31 March 2022	1,299,283	219	165,666	5,255	-	1,470,423
At 31 March 2021	1,301,807	1,169	140,087	11,780	-	1,454,843

# CHEPSTOW AND DISTRICT MENCAP SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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### 14 Debtors

	2022	2021
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	9,500	9,929
Other debtors	4,480	28,095
	<u>13,980</u>	<u>38,024</u>

### 15 Creditors: amounts falling due within one year

	2022	2021
	£	£
Other taxation and social security	3,868	5,318
Trade creditors	7,821	121
Other creditors	20,199	19,294
Accruals and deferred income	12,401	42,819
	<u>44,289</u>	<u>67,552</u>

**CHEPSTOW AND DISTRICT MENCAP SOCIETY**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**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 2020		Movement		Balance at 1 April 2021		Movement		Balance at 31 March 2022	
	£	£	Incoming resources	Resources expended	£	£	Incoming resources	Resources expended	£	£
Masonic Grant	15,000		-	(1,278)	13,722		-	(1,500)	12,222	
Gateway Club	6,500		-	(3,250)	3,250		-	(3,250)	-	
Tesco	2,820		-	(1,875)	945		-	(945)	-	
Big Lottery	465,500		25,000	(10,000)	480,500		-	(10,000)	470,500	
Wolfson Fund	58,800		-	(1,200)	57,600		-	(1,200)	56,400	
Bernard Sunley	29,400		-	(600)	28,800		-	(600)	28,200	
Edward Gostling	19,600		-	(400)	19,200		-	(400)	18,800	
Bailey Thomas	34,300		-	(700)	33,600		-	(700)	32,900	
Garfield Weston	39,200		-	(800)	38,400		-	(800)	37,600	
Andrews Trust	24,500		15,000	(800)	38,700		8,000	(1,600)	45,100	
Clothworkers	34,300		-	(700)	33,600		-	(700)	32,900	
Welsh Government	-		150,000	(2,612)	147,388		-	(3,000)	144,388	
Gavo - ICF Fund	-		15,745	(1,575)	14,170		-	(1,575)	12,595	
Peoples and Places	-		5,200	(520)	4,680		-	(1,300)	3,380	
Chepstow Lions	-		850	(85)	765		-	(85)	680	
Tesco - Groundworks	-		500	(50)	450		1,000	(195)	1,255	
HSBC	-		-	-	-		3,701	(275)	3,426	
Welsh Government	-		-	-	-		17,638	(17,638)	-	
	<u>729,920</u>		<u>212,295</u>	<u>(26,445)</u>	<u>915,770</u>		<u>30,339</u>	<u>(45,763)</u>	<u>900,346</u>	

**CHEPSTOW AND DISTRICT MENCAP SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2022**

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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 2022

### 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:

	Transfers	Balance at 1 April 2021	Movement in funds	
			Incoming resources	Balance at 31 March 2022
	£	£	£	£
Critical Costs reserve	153,000	153,000	-	153,000
Maintenance Cost reserve	140,000	140,000	-	140,000
Replacement Minibuses reserve	62,000	62,000	-	62,000
	<u>355,000</u>	<u>355,000</u>	<u>-</u>	<u>355,000</u>

**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	Restricted funds	Total	Total
	2022	2022	2022	2021
	£	£	£	£
Fund balances at 31 March 2022 are represented by:				
Tangible assets	570,077	900,346	1,470,423	1,454,843
Current assets/(liabilities)	462,523	-	462,523	450,146
	<u>1,032,600</u>	<u>900,346</u>	<u>1,932,946</u>	<u>1,904,989</u>

### 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:

	2022	2021
	£	£
Within one year	2,250	561
Between two and five years	3,385	-
	<u>5,635</u>	<u>561</u>

# CHEPSTOW AND DISTRICT MENCAP SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 19 Operating lease commitments

(Continued)

### 20 Related party transactions

All care services and chalet holidays are provided to relatives of the directors. Such services are provided on the same basis as those to third parties.

Mr M Nicholson is employed by the charity on a permanent contract. Mr M Nicholson is related to three of the trustees (Mrs S Nicholson - mother, Mr M Nicholson – father and Mr R Perrett – grandfather). The Charity Commission has confirmed its consent for Mr M Nicholson to be employed by the charity.

During 2022, Mr M Nicholson and Mr T Nicholson were employed by the charity with the consent of the Charity Commission. Mr M Nicholson is related to trustees (Mrs S Nicholson- wife and Mr R Perrett - father in law. Mr T Nichol is related to one trustee (Mrs S Nicholson - sister in law).

A conflicts of interest register is in place which is completed by all trustees and the management team.

21 Cash generated from operations	2022 £	2021 £
Surplus for the year	27,957	368,569
Adjustments for:		
Investment income recognised in statement of financial activities	(871)	(286)
Gain on disposal of tangible fixed assets	-	(141,472)
Depreciation and impairment of tangible fixed assets	55,679	50,047
Movements in working capital:		
Decrease/(increase) in debtors	24,044	(4,454)
(Decrease)/increase in creditors	(23,262)	12,334
<b>Cash generated from operations</b>	<b>83,547</b>	<b>284,738</b>