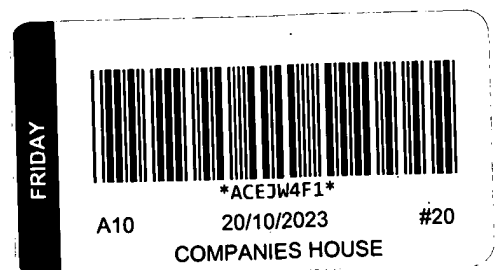


EALING MENCAP
(A Company Limited by Guarantee)
REPORT AND FINANCIAL STATEMENTS

31st March 2023

Charity Number: 1054061

Company Number: 03039319



Report of the Trustees for the Year Ending 31st March 2023

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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).

Our Aims and Purpose

Our charity's purposes as set out in the objects contained in the company's memorandum of association: are that we provide support and services for people with a learning disability and other disabilities or other disadvantaged persons, their carers and families.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'. The charity relies on grants and the income from fees and charges to cover its operating costs.

Our Vision is:

To change society so that disabled people can fully enjoy their rights and live as happily and independently as possible.

Our mission is:

Disabled people will have every opportunity throughout their life to achieve their full potential.

Ensuring our work delivers our aims

We have remained focused and have achieved many of the objectives we set ourselves in our 2 year 21-23 Changing Lives Strategic plan. Our plan has enabled us to navigate our way through the challenges we are still facing after a global pandemic and we continue to make a slow recovery from it. The Covid pandemic, the changing needs of our beneficiaries, the changing expectations of our external funders/stakeholders and the cost-of-living crisis/social care staff shortage crisis is now having an adverse impact on our income. Plus, and importantly Ealing Council has now revised its commissioning strategy and the aim is to move away from non-building-based services which have provided a significant proportion of Ealing Mencap's income and contribution to central and management costs for many years. This is not new news to us, and as outlined in our commitments for 22-23 we have over the past year been working towards the last year of our strategic plan, as well as considering our strategic direction going forward into 2024 and beyond.

Changing our strategic direction as a charity, as well as considering our business model, which has served us well is now of paramount importance. As outlined in one of our 22-23 objectives we need to shift away from the reliance of social care funding as our business model is not fit for the future. To help us with our thinking we have recently been working with Charities Aid Foundation to develop a new strategy that will enable Ealing Mencap to change, survive and thrive, during what will continue to be a challenging time for both the charity and our beneficiaries.

We now understand/recognise and are committed to both changing the focus of what we do and modernising management and our delivery over the next few years. We have agreed that we need to still, whilst we can, meet the needs of our existing customers and proactively change our approach so we can reach those that we are not currently supporting.

We have agreed that our Vision and Mission and values are fit for purpose for the next year and instead of developing a new 2/3-year strategy we are going to be working with a succinct one year 23-24 action plan. The next few years will be critical for the charity as it seeks to modernise and change. It is important therefore that to the extent that it is possible, the charity has strong and consistent leadership. Work has already begun to strengthen and diversify the skillset of the board of trustees. The CEO will be retiring at the end of December 2023 and the role will revert to a full-time position and a new chair will be appointed within the next year. We are committed to continuing to provide legacy services to existing customers and we will continue to innovate and seek to develop new relevant funded provision for disabled people and their families.

Almost 5,500 adults with a learning disability are living in our community and many are reliant on help from their neighbours and families. We want to positively impact on the lives of everyone with a learning disability. Over the next two years as part of the transformation of our offer we will proactively reach out into the community and create new charitable support products for people who are ineligible for statutory funding, so that everyone has support that is relevant to them when they need it.

We will continue to research and make use of technology, so we can swiftly respond to the changing needs of our community. We are optimistic as we move into a new era for the charity. We are aware that as we transform, we will need to reorganise roles and responsibilities and use reserves, if required, as we remain committed to creating a better society where the lives of disabled people are truly considered of equal value and worth.

We are now at the end of our 21-23 Changing Lives Strategic Plan, the associated priorities/aims & objectives to meet them. Throughout this year the outcomes and associated objective have been reviewed on a quarterly/ end of year basis; considering what we achieved from our work and any associated risks therein.

The main priorities of our 21-23 Changing Lives Strategic Plan were :

We made a commitment that by 2023 we will:

PRIORITIES

- 1) Have a strong understanding of the unmet needs of disabled people and their families in Ealing and will have an offering and brand that they like and engage with, so increasing the number of people accessing our support to improve their lives.**
- 2) Have redirected resources away from the current personal budget financed model of service provision, so assisting a greater number of disabled people and their families to access their rights and live as happily as independently as possible.**
- 3) Be a modern and agile charity providing support relevant for disabled people and their families now and for the future.**
- 4) Have diversified our income sources, so reducing our reliance on personal budget income to pay for core costs and improving our financial stability and sustainability.**

Our activities/services to meet our purpose

Adults and Children

- Activities for adults with a learning disability, where people can make friends, develop skills and have fun with a varied programme of day, evening and weekend activities.
- Children's activities, clubs, short respite holiday breaks.
- We provide employment training, internships and a Back Into Employment Service. Our employment services are made up of a number of different offers; Dare to Dream is a service that provides training and support to understand the route to meaningful employment opportunities. Project Search provides internships in partnership with the local college, a new employer Marriott Hotel. Employment Support, supports young people up to the age of 24 into paid employment.
- Young Persons Travel Training Service in Hounslow.

Participation

- We provide a service, which assists young people and adults to have a voice both locally and nationally.
- We support the Learning Disability Power Group making sure people's voices are heard and the views of

We do this by:

- Making sure information is accessible.
- Using lots of different ways to get information out there – like social media.
- Raising awareness and campaigning on issues that matter to our customers.
- Holding consultations on behalf of the local authority so that our customers can be involved in the decisions that affect them.
- Working with professionals so they understand the best way to support people with disabilities in our

Advice

- We are the lead organisation for a 10-partner advice consortium, Ealing Advice Service EAS. This service provides a local generalist and specialist advice service that aims to provide the people of Ealing with access to high-quality advice. The service brings together key advice agencies in Ealing, who provide a joined-up service which offers residents support on housing, debt, immigration, welfare benefits, employment, travel and transport concessions, welfare payments, mental health and community care; legal representation and a specialist solicitor or caseworker, where required. This grant was due to end in March 2023 and has been extended till Oct 2023 and we are currently reapplying with a view to include 2 new partners, if we are successful.

Parent Support (a service paid for from reserves, agreed till March 2024)

➤ We have allocated funding from our reserves to provide a new service especially for Parents. This service in the past year has started to establish itself in Ealing and is already in great demand. The service is supporting parents and carers whom have many challenging and differing needs. The service supports them on an individual basis through each stage of the journey the vision that this service will make it easier for parents to find and engage with the right support when they need it.

Achievements and Performance of activities

The charity this year is still facing many challenges, due to the aftermath of COVID 19, and other environmental factors that the social care sector are facing; recruitment issues, cost of living crisis/ wage increases against a social care sector that cannot afford an uplift for provider/charity income (see above under **Ensuring our work delivers our aims**). We have made good progress over the last year and income has increased by £159k. We have, where possible, continued to cut costs. However, we have an end of year deficit of £89k albeit this is £144k better than we originally expected as spending from the Survive and Thrive designated fund has been phased over a longer period.

This is what we said success would look like and our achievements/impact in 22-23. We are pleased with many of the outcomes and those that have been difficult to achieve are carried forward into the 23-24 action plan. The outcomes thus far:

We said that we would do under Priority 1 this year;

- **Determine what Ealing Mencap will be and provide as a charity beyond 2023, confirm decisions and actions including deciding on name and brand change and sign off at Board.**
- **Engage fully and support the delivery of consultation activities for the Ealing Council 5-year All-Age Learning Disability Strategy Consultation process ensuring our customers, people with learning disabilities and parents participate and have their say.**
- **Influence decision makers for the 5-year All-Age Learning Disability Strategy so that it delivers outcomes matching what people with learning disabilities and their supporters say is needed.**
- **Source, commission and organise facilitated consultant support service to hold workshops for finance/business modelling and strategy planning, to create and agree a succession process and vision for 2023 - 2028. This may involve considering our core offering, finance/funding model and resources required, identity and USP.**
- **Create strong promotional material (market research/survey outcomes/feedback/annual report etc) and widely advertise our charity and all it offers disabled people and their families.**

What we said we would do under Priority 2 this year:

- **Establish, and trial a range of free at point of contact charitable support products for disabled people and their families on a test and learn basis.**
- **Allocate sufficient staff resources, time and attention to recruitment, service design and promotional activities so that we can successfully establish, launch, and deliver the Parent Support and My Time Services as new offerings.**

- **Agree and implement an agreed organisational marketing strategy to effectively promote our charity to a wider audience who are not in receipt of statutory social care provision.**
- **Consider, explore, and agree what other 'free at point of contact' products/support we can develop and offer to provide more options that enable us to interact with the wider community audience and create change in society. Current ideas include training and engagement with employers, hub and spoke based activities, membership platform, and information/advice sessions with experts.**
- **Our H&SC Grants - EAS Consortia and Saturday Youth Scheme - are due to be tendered in August 2023. Sufficient staff resource, time and attention will need to be allocated to completing the tender process to give every chance of success.**

We said that we would do under Priority 3 this year:

- **Operate our services using a cost effective/resource efficient model of delivery - the rising costs of living across all cost centres is challenging our current price model.**
- **Carry out a systems/process/technology assessment to identify opportunities to streamline or improve business operations efficiency.**
- **Carry out a digital review to identify hardware, software, technology, skills set, social media, CRM and resource gaps - £20k expenditure from reserves has been set aside to reduce longer term core/central operations costs**

We said that we would do under Priority 4 this year:

- **Carry out a form, task, and function assessment of the SMT and management team to identify gaps, overlap and opportunities for implementing further cost savings and/or enhanced operational delivery.**
- **Implement further cost savings including facilities, staffing and resources based on actual financial position.**
- **Source and invite an external finance consultant to analyse and assess our current financial position and business model, and then facilitate a workshop with the Trustees to discuss and agree what actions should be taken in response to risks and to create a new strategy/business model for the SMT to implement.**
- **Identify and commit to allocating resources/staffing to enable us to implement opportunities for securing increased levels of unrestricted income to better align income v expenditure, reduce the deficit budget, improve our financial stability and sustainability.**

What we have achieved under our 4 priorities this year via our services and for our beneficiaries:

6,788 named individuals accessed Ealing Mencap for support in 2022/23. This number was predominantly due to 6,478 people seeking assistance from our Ealing Advice Service, importantly 136 of these individuals were supported by our new Parent Support Service. Through our EAS advice consortia in 2022/23 we brought an additional £3,692,940 million into residents' pockets by assisting people to access their welfare benefits rights and entitlements, over a million more pounds than last year.

The number of people accessing our daily activities as expected has only increased slowly. Between our day services, My Town children's service, Hounslow Travel training and our employment services we have worked with 310 individuals.

Job Start is set up to support 18-24-year-olds through the 12-week support package. We have supported 12 through the Program and currently 5 are in paid employment and another 2 we supported to join supported internships.

Part of the funding is also to support 14-18-year-olds in school in the next steps career sessions 23 young people have completed these sessions and the feedback from schools has been very positive.

We still run our Project Search service but unfortunately after many years and again due to COVID 19 our 12-placed internship program at the Hilton T5 Hotel at Heathrow is officially closed. We have been working with a new hotel; Delta Hotels Marriott Windsor Slough, this is going well, albeit we are working with fewer interns and then gaining less paid job outcomes as there are now many Project Search programs around North West London. We have worked with 9 young people this year and 5 (55%) are in paid employment.

Adult and Children's Performance: we delivered 9,014 sessions of face to face day opportunities support to 87 adults and 183 sessions of face to face support to children 54 children. Our adults and children's services, are still struggling with gaining new/relevant referrals and when funding is available via either new customers or grants being able recruit the right staff has also impacted/hindered our ability to grow/change what we do; we have not been able to gain the momentum we need in starting our new innovative children (and hopefully in the future adults) community based My Town service due to these reasons.

Hounslow Independent Travel Training (HITT): have throughout this year continued to travel train young people and have successfully trained 22 young people into independent travel after working with over a 147 individuals and their families. Plus we have now been informally told that the contract will be carried on for another year, which is positive news.

Our Participation service has worked closely with the Partnership Board/ Ealing Council on the development/consultation and endorsement of Ealing Councils All Age Learning Disability Strategy. The local Adult Partnership board is now a driving force of this strategy and is continuing its work in enabling the voice of our customers and their families to come to the fore in Ealing.

The Ealing Advice Service (EAS)

EAS performance: EAS have worked/supported 6,478 individual clients this year.

Our services remain highly regarded by the people they serve, their families and other voluntary and independent organisations. We are still proactively trying to reach those that do not use our services, by trialling/introducing different on-line support information/options for both.

Fundraising Activity

Ealing Mencap carries out fundraising activities in order to generate funds for the charity. Ealing Mencap does not use professional fundraisers or involve commercial participators. There have been no complaints about fundraising activity this year; the charity has due regard to the Code of Fundraising Practice in the UK

All the charity's marketing activities are undertaken directly to ensure that they are not unreasonably persistent or intrusive. Marketing materials contain clear details of how to unsubscribe to future communications and care is taken to limit the level of communications being sent out.

Financial Review

The charity sustained a loss for the year of £89k after depreciation of £45k was charged. The main reason for the deficit was that the board agreed to fund the £87k deficit on the Parents Support Service from reserves. The financial performance of each of our services is closely managed to ensure that they are financially viable on a continuing basis.

Our current business model, staffing shortages, different commissioning and the shortage of appropriate grants continues to affect our ability to increase our income. It has been a challenging year however, the difficult decision that needed to be made around finances and structure are now proceeding and will be actioned as part of the next years Transformational action plan. We have reserves to support us to redefine who we are as a charity and we will continue to ensure that risk management is an integral part of governance and planning/project management processes.

Principal Risks and Uncertainties

Financial effect of significant events

We have been operating against a backdrop of over 10 years of austerity the Ealing Council's government grant has been cut by 64 % based on a 2020 report by the London Councils organisation and Ealing Council is currently overspent by £21 million, with a predominant 'overspend', particularly in social services. There is an expectation of cuts and changes in the way services are commissioned. We have identified for some time that to survive we need to change. Whilst we have built up/grown what has arguably been the largest personal budget funded adult day activities provision in Ealing, a model that has served us well, generating significant unrestricted and surplus income to pay for the core costs of the charity. We identified some time ago that this business model is now vulnerable and must be changed. It has taken this financial year with the support of an outside commissioned service Charity Aids Foundation (CAF) to move us forward. We have struggled to consider change mainly because we are still delivering services to our legacy day opportunity customers, whilst receiving reduced referrals. However, it has now been agreed that our ambitions as a charity need to change; we will continue to use some of the allocated surplus agreed last year to re-develop and refocus some aspects of our charitable work. We will be restructuring our senior management team as the core functions of the organisations are currently operating at pre pandemic levels and are not fit for purpose, plus they are operating at a significant financial deficit.

Whilst we are concerned, we are equally optimistic that we will thrive and change the charity and we will continue to meet the needs of our beneficiaries' and stakeholders and reach those that we do not currently serve using our 23/24 focused action plan as an aid and driver.

Reserves Policy and Going Concern

Reserves are needed to bridge the gap between the spending and receiving of income and to cover unplanned emergency repairs and other expenditure. The trustees consider that the ideal level of reserves as at 31 March 2023 would be the equivalent of 3 months budgeted costs being £458k and that these should be designated from unrestricted reserves.

Total unrestricted funds at 31 March 2023 were £762k. Of these, £169k was designated for the "Survive and Thrive" project to redevelop and refocus some fundamental strategic aspects of our charitable work to be undertaken over the course of 2022 & 2023. After designating £458k as required by the reserves policy, undesignated unrestricted reserves totalled £165k.

Plans for Future Periods

Our future strategic direction:

We are continuing to proactively take action to further improve people's knowledge/perception of our charity, whilst continuing to provide the legacy support services we provide. We will now be proactively working towards changing what we do so we can create further opportunities to work with the younger generation. We need to provide products, services and support that appeal to them and what are needed for those that do not meet criteria for social care. Achieving our priorities means we will be having a positive impact on the lives of more disabled people and their families by providing support that is relevant to them.

For the past two years we have focused on the inequalities of health, wealth, opportunity and digital inclusion. Given feedback we have received and the current external factors – it is clear that a root and branch reform of health and social care is desperately needed as the current system which governs and funds the way people with a learning disability are supported is fundamentally broken. Given our limited financial resources, we have no choice but to assume that there will be no significant change in national or local policy/direction in the foreseeable future and as a charity we will need to transform and shift our focus. Whilst we will continue to focus on the five areas outlined above as part of our transformational action plan 2023/2024, the main focus in the coming year will be the recruitment of a new fulltime CEO (the current Parttime CEO is retiring in December 2023) and the restructure of the senior management team to support Ealing Mencap to have a core support function that is suitable/financially viable to carry the charity forward so we can continue to reduce inequality and disadvantage, innovate, provide support services directly for disabled people and their families, use our influence, to challenge discrimination and create a wider change in society, which in turn will enable us to thrive and survive.

To ensure that our 1-year action plan going forward is successful and the transformational ambitions we desire are achieved, within a much smaller/challenging financial envelope, we have set ourselves clear priorities/goals outlined below and we will continue to collate real data to demonstrate and evidence our impact.

As a charity we have 8 strategic drivers for our 1 year 2023-24 transformational action plan:

- 1. External factors**
- 2. The priorities for our beneficiaries have shifted**
- 3. Unsustainable current business model –**
- 4. Raise substantial funds from non-statutory sources money from third party sources including philanthropy, legacies and individual giving**
- 5. Engagement with beneficiaries and supporters in particular making use of digital technologies.**
- 6. We should continue, at least for the time being, to provide legacy services to existing customers and to try to develop the My Town service.**
- 7. Succession planning - The next few years will be critical for the charity as it seeks to modernise and change.**
- 8. Transition**

How will we transition: Using our 2023-2024 Transition Action Plan our Priorities will be:

Priority 1 - Strategy & Services

- **We will realign our purpose; we need to have a clear sense of what this is and what impact we want to achieve for disabled people and their families.**

- **We will continue to strengthen our community reach- ensuring that local people with disabilities and their families know about Ealing Mencap and what we can do for them is essential. Equally, ensuring consistent messaging to a wider business and community audience will assist in fundraising, support and partnerships that will benefit the charity and our beneficiaries.**

Priority 2 - Leadership & Decision Making

- **Diversify Board - need wider representation of all sectors of the community, with ranging views/experiences/skills.**
- **Recruit new Chair as existing Chair intends to step down and will need a replacement with good handover**
- **Recruit FT CEO - current CEO has informed Board/SMT of intention to retire at the end of Dec 2023.**
- **Re-organise SMT/Team and any other posts if required**
- **Strong Decision Making - accountability, authority, timeliness, and transparency of decision making is critical at this stage of the organisations development.**

Priority 3 - Funding & Sustainability

- **Diversify Income**
- **Reimagine use of Building Assets**

Priority 4 - People and Culture

- **Ensure strong communication across organisation to keep teams motivated, supported and delivering at high performing level**

Priority - 5

- **Review intended impact**
- **Capture Impact**

The Trustees confirm that they have complied with their duty in respect of public benefit guidance published by the Charity Commission.

Reference and Administrative Details

Charity Number: 10054061

Company Number: 03039319

Registered Office: Enterprise Lodge, Stockdove Way, Greenford. UB6 8TJ.

Our advisers

Auditors: Wenn Townsend. 5 Gosditch Street, Cirencester. GL2 7AG.

Bankers: Barclays Bank plc, 177 Greenford Road, Greenford. UB6 8QX.

Solicitors: Bird & Lovibond, 3 Vine Street, Uxbridge. Middlesex. UB8 1RP.

Directors and Trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. The trustees and officers serving from 1 April 2022 to the date of approval of these financial statements were as follows:

G A Venus - Chair
D Widdowson - Vice Chair
T J R Willis
J Mills
R Samuel (appointed 19th May 2022)
J Hirst (appointed 5th April 2023)

Key management personnel

L Dodd - Chief Executive and Secretary

Structure, Governance and Management

Governing Document

Ealing Mencap is a company limited by guarantee governed by its Memorandum and Articles of Association and is a registered charity with the Charity Commission. Ealing Mencap legally changed its 1995 Memorandum of Articles, these were adopted in October 2016. At this point any person who was a member of the Charity immediately prior to the adoption of these Articles automatically ceased to be a member of the Charity upon adoption of these Articles, unless they were already a Trustee of the Charity.

Appointment of trustees

As set out in the Articles of Association The Board consists of at least three and not more than twelve appointed individuals. Trustees shall be appointed by the Board, either to replace a Trustee or as an additional Trustee, for a term of up to three years, any Trustee will be eligible for re-appointment if the Board thinks fit for a further term or terms of up to three years; Trustees may serve a maximum of three terms.

Trustee induction and training

New trustees undergo an orientation day to brief them on: their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity. During induction they meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

The board of trustees administers the charity. The board meets quarterly and there are sub-committees covering operations and finance and audit which meet quarterly in advance of the main trustees meeting. A Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and related activity.

Related parties and co-operation with other organisations

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager of the charity with a supplier or employee must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party.

Pay policy for senior staff

The board of directors, is the Trustee Board. The Senior Management Team (SMT), which includes the Chief Executive, are the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All directors give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 11 to the accounts.

The pay of the senior staff is reviewed annually and the directors benchmark against pay levels in charities of a similar size run on a voluntary basis.

Risk management

The trustees have a risk management strategy which comprises:

- a quarterly and annual review of the principal risks and uncertainties that the charity face;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

Trustees' responsibilities in relation to the financial statements

The trustees (who are also the directors of Ealing Mencap for the purposes of company law) are responsible for preparing the Report of the Trustees and 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 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 the 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 FRS102;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper 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.

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.

Statement as to disclosure to our auditors

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 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 published on 16 July 2014.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the Board of Trustees on *21st September 2023* and signed on its behalf, by:



G Venus (Chair)

EALING MENCAP
(A Company Limited by Guarantee)

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF EALING MENCAP

We have audited the financial statements of Ealing Mencap (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, Balance Sheet and Statement of Cash Flows and notes to the financial statements including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2023 and of its incoming resources and application of reserves, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with Charities SORP (FRS102); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISA's (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

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 trustees' report;
- or
- the charitable company has not kept appropriate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters relating 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 financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 it 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

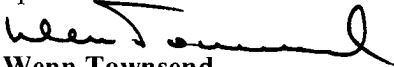
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of report

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.


Wenn Townsend
Chartered Accountants
Statutory Auditor

Date: 30 October 2023

Wenn Townsend is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

EALING MENCAP
(A Company Limited by Guarantee)
Statement of Financial Affairs
(incorporating the Income and Expenditure Account)
Year Ended 31st March 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total funds 2023 £	Total funds 2022 £
Income					
Donations and legacies	4	9,573	0	9,573	7,332
Charitable activities	5	862,237	863,203	1,725,440	1,567,655
Investments	6	3,210	943	4,153	4,070
Total income		875,020	864,146	1,739,166	1,579,057
Expenditure					
Charitable activities	7	(974,174)	(844,121)	(1,818,295)	(1,641,036)
Total expenditure		(974,174)	(844,121)	(1,818,295)	(1,641,036)
Realised gains / (losses) on investments		0	0	0	0
Unrealised gains / (losses) on investments		(9,459)	0	(9,459)	(346)
Net income / (expenditure)		(108,613)	20,025	(88,588)	(62,325)
Transfers		99,885	(99,885)	0	0
Other recognised gains / (losses):					
Gains / (losses) on revaluation of fixed assets		0	0	0	0
Net movement in funds		(8,728)	(79,860)	(88,588)	(62,325)
Reconciliation of funds					
Total funds brought forward		770,998	1,152,060	1,923,058	1,985,383
Total funds carried forward		762,270	1,072,200	1,834,470	1,923,058

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 21 to 34 form an integral part of these financial statements.

EALING MENCAP
(A Company Limited by Guarantee)
Statement of Financial Affairs - Previous Year
(incorporating the Income and Expenditure Account)
Year Ended 31st March 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total funds 2022 £
Income				
Donations and legacies	4	7,332	0	7,332
Charitable activities	5	742,863	824,792	1,567,655
Investments	6	4,070	0	4,070
Total income		754,265	824,792	1,579,057
Expenditure				
Charitable activities	7	(819,188)	(821,848)	(1,641,036)
Total expenditure		(819,188)	(821,848)	(1,641,036)
Realised gains / (losses) on investments		0	0	0
Unrealised gains / (losses) on investments		(346)	0	(346)
Net income / (expenditure)		(65,269)	2,944	(62,325)
Transfers		33,807	(33,807)	0
Other recognised gains / (losses):				
Gains / (losses) on revaluation of fixed assets		0	0	0
Net movement in funds		(31,462)	(30,863)	(62,325)
Reconciliation of funds				
Total funds brought forward		802,460	1,182,923	1,985,383
Total funds carried forward		770,998	1,152,060	1,923,058

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 21 to 34 form an integral part of these financial statements.

EALING MENCAP
(A Company Limited by Guarantee)
COMPANY NUMBER: 03039319
Balance Sheet Year Ended 31st March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	15	1,159,188	1,204,486
Investments	16	213,778	223,238
Total fixed assets		<u>1,372,966</u>	<u>1,427,724</u>
Current assets			
Debtors	17	58,056	118,196
Cash at bank		890,998	782,710
Total current assets		<u>949,054</u>	<u>900,906</u>
Liabilities			
Creditors falling due within one year	18	(303,277)	(217,133)
Net current assets		<u>645,777</u>	<u>683,773</u>
Total assets less current liabilities		2,018,743	2,111,497
Creditors falling due after more than one year	20	(184,273)	(188,439)
Net assets		<u>1,834,470</u>	<u>1,923,058</u>
The funds of the charity:			
	21		
Restricted income funds		592,624	672,484
Restricted income funds: Revaluation Reserve		479,576	479,576
Unrestricted funds		762,270	770,998
Total charity funds		<u>1,834,470</u>	<u>1,923,058</u>

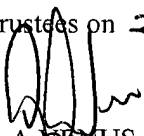
For the year ended 31 March 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies but as this company is a charity, it is subject to audit under the Charities Act 2011.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 and the Charities SORP (FRS 102).

These financial statements set out on pages 17 to 33 were approved and authorised for issue by the Trustees on 21st September 2023 and signed on their behalf by:


G A VENUS, CHAIR


D WIDDOWSON, VICE CHAIR

The notes on pages 21 to 34 form an integral part of these financial statements.

EALING MENCAP
(A Company Limited by Guarantee)
Statement of Cash Flows
as at 31st March 2023

	2023	2022
	£	£
Cash flows from operating activities		
Net cash provided by (used in) operating activities	111,617	(27,995)
	<u>111,617</u>	<u>(27,995)</u>
Cash flows from investing activities:		
Dividends and interest from investments	4,153	4,070
Purchase of property, plant and equipment	0	0
Net cash provided by (used in) investing activities	<u>4,153</u>	<u>4,070</u>
Cash flows from financing activities:		
Repayments of borrowing	(7,482)	(10,851)
Net cash provided by (used in) financing activities	<u>(7,482)</u>	<u>(10,851)</u>
Change in cash & cash equivalents in the reporting period	<u>108,288</u>	<u>(34,776)</u>
Cash and cash equivalents at start of the reporting period	782,710	817,486
Cash and cash equivalents at end of the reporting period	<u>890,998</u>	<u>782,710</u>

Note (a)

Net movement in funds	(88,588)	(62,325)
Depreciation	45,298	48,851
Dividends and interest from investments	(4,153)	(4,070)
(Gains)/losses in value of investments	9,459	346
Gains / (losses) on revaluation of fixed assets	0	0
Loan repayments	7,482	10,851
Decrease /(increase) in debtors	60,140	(26,351)
Increase / (decrease) in creditors	81,979	4,703
Net cash inflow from operating activities	<u>111,617</u>	<u>(27,995)</u>

The notes on pages 21 to 34 form an integral part of these financial statements.

EALING MENCAP
(A Company Limited by Guarantee)
Notes to the Financial Statements
for the year ended 31st March 2023

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

Ealing Mencap meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Income

Membership subscriptions, donations and fund raising income are accounted for when received by the company.

Other income is accounted for on an accruals basis as far as is prudent to do so. Income included any income tax recoverable thereon. It is the charity's policy to show income before deduction of expenses except where otherwise stated.

Government Grants

Grants income was received from the London Boroughs of Ealing and Hounslow and Central Government. The sums are detailed in note 13.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

EALING MENCAP
(A Company Limited by Guarantee)
Notes to the Financial Statements
for the year ended 31st March 2023

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects.

Expenditure and irrecoverable VAT

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. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs of delivering services & other activities together with their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's activities. These costs have been allocated to expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 9.

Operating leases

The charity classifies the lease of printing and other equipment as operating leases; the title to the equipment remains with the lessor and the equipment is replaced before the end of its economic life. Rental charges are charged on a straight line basis over the term of the lease.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

- Freehold buildings: Depreciated over 30 years, straight line method
- Motor vehicles: 25% on cost
- Office equipment: 25% on cost

Freehold Land and Buildings are included in the balance sheet at fair value and are professionally revalued every three years. Any change in fair value is recognised in the statement of financial activities.

EALING MENCAP
(A Company Limited by Guarantee)
Notes to the Financial Statements
for the year ended 31st March 2023

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Pensions

Employees are automatically enrolled into a defined contributions pensions scheme operated by B&CE Peoples Pension. Employees can subsequently opt out. Employees joining the scheme, contract directly with the pension company.

The charity makes a matching contribution of 3% of qualifying earnings to this pension scheme and acts as agent in collecting and paying over employee pension contributions. The contributions made for the accounting period are treated as an expense and were £18,489 (2022: £19,537).

Listed Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair values as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities.

EALING MENCAP
(A Company Limited by Guarantee)
Notes to the Financial Statements
for the year ended 31st March 2023

2. Legal status of the charity

Ealing Mencap is a charitable company incorporated in England under the Companies Act 2006. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 9 of these financial statements. The nature of the charity's operations and principal activities are to promote care, treatment and education for children and adults with a learning disability and to secure provisions and services commensurate with their needs.

3. Financial Performance of the charity

The Statement of Financial Activities states the financial performance of the charity.

4. Income from donations and legacies

	2023	2022
	£	£
General donations	9,573	7,332
Legacies	0	0
	<u>9,573</u>	<u>7,332</u>

£4,299 was donated by the Ealing Housing Association on closure of its bank account for the purpose of providing housing advice. All income other from donations and legacies was unrestricted (2022 - all unrestricted).

5. Income from charitable activities

	2023	2022
	£	£
Grants receivable		
- Restricted	857,864	823,979
- Unrestricted	171,855	168,293
	<u>1,029,719</u>	<u>992,272</u>
Individual budgets and direct payments (restricted)	1,110	813
Individual budgets and direct payments (unrestricted)	694,611	574,570
	<u>1,725,440</u>	<u>1,567,655</u>

6. Investment income

	2023	2022
	£	£
Interest received	34	3
Dividends	4,119	4,067
	<u>4,153</u>	<u>4,070</u>

EALING MENCAP
(A Company Limited by Guarantee)
Notes to the Financial Statements
for the year ended 31st March 2023

7. Analysis of expenditure on charitable activities

	Note	Access & advocacy services £	Children and Young People £	Real Me, Gateway & other £	Total £
Staffing and related costs		145,253	108,017	545,218	798,488
Projects' external costs		426,292	0	0	426,292
Other direct activity costs		89,483	21,525	85,949	196,957
Premises costs inc. depreciation		0	1,200	61,856	63,056
Rent & venue hire		31,215	600	37,500	69,315
Support & governance	9	23,255	26,619	214,313	264,187
		715,498	157,961	944,836	1,818,295

Analysis between restricted and unrestricted expenditure:

Restricted	710,964	34,667	98,490	844,121
Unrestricted	4,534	123,294	846,346	974,174
	715,498	157,961	944,836	1,818,295

Expenditure on charitable activities was £1,827,670 (2022: £1,641,036) of which £983,549 was unrestricted (2022: £819,188) and £844,121 was restricted (2022: £821,848).

8. Summary analysis of expenditure and related income for charitable activities

This table shows the cost of the three main charitable activities and the sources of income directly to support those activities.

	Access & advocacy services £	Children and Young People £	Real Me, Gateway & other £	Total £
Costs	(715,498)	(157,961)	(944,836)	(1,818,295)
Personal budgets and direct payments	2,486	1,085	690,754	694,325
Direct grant support	738,830	73,981	218,304	1,031,115
Net income	25,818	(82,895)	(35,778)	(92,855)

EALING MENCAP
(A Company Limited by Guarantee)
Notes to the Financial Statements
for the year ended 31st March 2023

9. Analysis of governance and support costs

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to governance. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the charitable activities undertaken (see note 7) in the year.

Refer to the table below for the basis for apportionment and the analysis of support and governance costs.

	General Support	Governance	Total	Basis of Apportionment
	£	£	£	
Salary, wages & related costs	147,058	0	147,058	Apportioned on an income basis except where limited by grant conditions or where specific cost allocations identified.
General office costs	32,596	0	32,596	
Premises costs inc. depreciation	35,000	0	35,000	
Audit fees & annual report	0	6,000	6,000	
Finance, HR & Consultancy	43,533	0	43,533	
Legal	0	0	0	
	<u>258,187</u>	<u>6,000</u>	<u>264,187</u>	

EALING MENCAP
(A Company Limited by Guarantee)
Notes to the Financial Statements
for the year ended 31st March 2023

10. Net income/(expenditure) for the year

This is stated after charging:	2023	2022
	£	£
Operating leases	46,595	52,194
Depreciation	45,298	48,851
Mortgage interest payable	10,056	6,475
Audit fees	6,000	5,400
	<u>107,949</u>	<u>112,920</u>

11. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	2023	2022
	£	£
Salaries and wages	824,348	757,682
Social security costs	68,677	60,714
Pension costs	18,489	16,349
	<u>911,514</u>	<u>834,745</u>

No employees had employee benefits in excess of £60,000 (2022: nil). Pension costs are allocated to activities in proportion to the related staffing costs incurred.

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2022: £nil) neither were they reimbursed expenses during the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

The key management personnel of the charity comprise the trustees and the Chief Executive Officer. The total employee benefits (including employer pension contribution but excluding employer national insurance) of the key management personnel of the charity were £46,428 (2022: £47,440).

EALING MENCAP
(A Company Limited by Guarantee)
Notes to the Financial Statements
for the year ended 31st March 2023

12. Staff numbers

The average monthly head count was 36 staff (2022: 39 staff) and the average monthly number of full-time equivalent employees (including casual and part-time staff) during the year were as follows:

	2023	2022
	Number	Number
Community care services	24	21
Management and administration	5	6
	<u>29</u>	<u>27</u>

13. Government grants

	2023	2022
	£	£
<u>Local authority grants</u>		
LB Ealing - Access, advocacy, children's activities	736,263	676,074
LB Hounslow - Travel training	124,313	129,873
<u>Central Government</u>		
HMRC Job Retention Scheme Grant	0	2,761
Education and Skills Funding Agency	1,500	1,500
Greater London Authority	49,508	13,591

14. Corporate taxation

The charity is exempt from tax on income and gains falling within section 478 of the Corporation Tax Act 2010 to the extent that these are applied to its charitable objects.

EALING MENCAP
(A Company Limited by Guarantee)
Notes to the Financial Statements
for the year ended 31st March 2023

15. Tangible fixed assets

	Freehold Land £	Freehold Buildings (Property) £	Office & Other Equipment £	Total £
Cost				
Balance as at 1.4.22	136,998	1,113,003	97,646	1,347,647
Additions	0	0	0	0
Disposals	0	0	0	0
Revaluation	0	0	0	0
Balance as at 31.3.23	<u>136,998</u>	<u>1,113,003</u>	<u>97,646</u>	<u>1,347,647</u>
Depreciation				
Balance as at 1.4.22	0	(45,515)	(97,646)	(143,161)
Charged for year	0	(45,298)	0	(45,298)
Disposals	0	0	0	0
Revaluation	0	0	0	0
Balance as at 31.3.23	<u>0</u>	<u>(90,813)</u>	<u>(97,646)</u>	<u>(188,459)</u>
Net book value 31.3.23	<u>136,998</u>	<u>1,022,190</u>	<u>0</u>	<u>1,159,188</u>
Net book value 31.3.22	<u>136,998</u>	<u>1,067,488</u>	<u>0</u>	<u>1,204,486</u>

The freehold land and buildings were revalued by Martin & Pole Chartered Surveyors in June 2022. The Historical Cost of freehold land and buildings was £1,050,000 at 31st March 2023.

16. Investments

	2023 £	2022 £
Market value as at 1 April	223,237	223,583
Additions	0	0
Disposals	0	0
Net investment gains / (losses)	(9,459)	(346)
Market value as at 31st March	<u>213,778</u>	<u>223,237</u>
Historical cost as at 31st March	<u>179,272</u>	<u>179,272</u>
UK Fixed Interest	64,163	65,140
UK Equities	73,559	75,757
Investment Trusts	45,946	51,083
Overseas Equities	30,110	31,257
	<u>213,778</u>	<u>223,237</u>

EALING MENCAP
(A Company Limited by Guarantee)
Notes to the Financial Statements
for the year ended 31st March 2023

17. Debtors

	2023	2022
	£	£
Amounts falling due after one year:		
Lease deposit	18,750	18,750
Amounts falling due within one year:		
Trade debtors	14,730	59,228
Other debtors	5,000	10,625
Prepayments	19,576	29,593
	58,056	118,196

18. Creditors

Amounts falling due within one year

	2023	2022
	£	£
Tax and social security	16,568	17,572
Accruals and deferred income	138,089	63,504
Trade and other creditors	141,288	109,855
Loan due within one year	7,332	9,473
	303,277	200,404

19. Deferred income

Deferred income comprises amounts received from grant and funding bodies that relate to income awarded relating to the following financial year.

	2023	2022
	£	£
Balance at 1st April	68,284	53,584
Amount released to income earned from charitable activities	(68,284)	(53,584)
Amount deferred in year	124,203	68,284
Balance at 31st March	124,203	68,284

20. Creditors: amounts falling due after more than one year

The mortgage of £191,605 is secured on Enterprise Lodge, Stockdove Way. The initial mortgage of £279,000 is repayable over 25 years. The interest rate is 3% above base rate. Interest payable for the year was £10,056 (2022: £6,475). The registered charge is dated 27th July 2012

	2023	2022
	£	£
Mortgage balance due after more than one year (see note 23)	184,273	188,439

EALING MENCAP
(A Company Limited by Guarantee)
Notes to the Financial Statements
for the year ended 31st March 2023

21. Analysis of charitable funds

	Balance 1.4.22 £	Incoming Resources and Designation £	Resources Expended £	Transfers to/from restricted funds £	Investment gain/(loss) £	Funds 31.3.23 £
Analysis of movements in unrestricted funds:						
General fund	554,098	417,020	(864,465)	37,816	(9,459)	135,010
Designated (reserves)		458,000				458,000
Designated (Survive & Thrive)	216,900	0	(109,709)	62,069	0	169,260
	<u>770,998</u>	<u>875,020</u>	<u>(974,174)</u>	<u>99,885</u>	<u>(9,459)</u>	<u>762,270</u>
Analysis of movements in restricted funds:						
Freehold land/property	724,910	0	0	(45,298)		679,612
Revaluation reserve	479,576	0	0	0		479,576
Mortgage	(199,087)	0	0	7,482		(191,605)
Enterprise Lodge	<u>1,005,399</u>	<u>0</u>	<u>0</u>	<u>(37,816)</u>		<u>967,583</u>
Enterprise Lodge- development Fund	3,618	943	0	0		4,561
EAS	0	542,206	(542,206)	0		0
Children in Need	13,452	241	(11,830)	0		1,863
Participation	6,611	49,000	(41,657)	0		13,954
City Bridge Trust	4,557	27,038	(23,895)	0		7,700
Project Search	1,819	72,379	(72,492)	0		1,706
Advice Resilience Fund	25,338	4,229	(2,795)	0		26,772
CIN Employability	5,886	20,112	(25,998)	0		0
Children & Young People's Fund	62,069	0	0	(62,069)		0
Saturday Youth Club	13,662	31,695	(22,836)	0		22,521
COMF Jan-Jun'22	1,341	10,707	(9,983)	0		2,065
GLA - Advice In Community Settings grant (R)	7,886	49,508	(54,881)	0		2,513
LBE / NW London ICB Mental Health FY23	0	29,435	(26,936)	0		2,499
LBE Winter Crisis Dec22- May23	0	26,653	(8,612)	0		18,041
Household Support Fund	173	0	0	0		173
Sports England	249	0	0	0		249
	<u>1,152,060</u>	<u>864,146</u>	<u>(844,121)</u>	<u>(99,885)</u>		<u>1,072,200</u>

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21. Analysis of charitable funds (continued)

<i>Name of restricted fund</i>	<i>Description, nature and purposes of the fund:</i>
Enterprise Lodge	Represents the net value of the freehold land & building after deducting the outstanding mortgage and depreciation. The purpose of the fund is to ensure Ealing Mencap maintains a secure physical centre for its charitable operations. The original grant funding and donations were conditional on them being used to fund the purchase of land and construction of a building.
Enterprise Lodge Development Fund	To provide funding as required for developments (e.g. new specialist facilities) at Enterprise Lodge.
EAS	Ealing Advice Service is supported by grant funding from the London Borough of Ealing. It was formerly known as ESAS.
Children in Need	3 year grant awarded to run two residential trips per year for Children. Y3 has been deferred to 2022/22 due to Covid 19 at the request of the funder.
Participation (formerly Inclusion)	A group of elected representatives who campaign for people with learning disabilities in Ealing.
City Bridge Trust	To provide travel and transport advice for 21 hours per week.
Project Search	Project Search is a supported internship programme delivered in partnership by Ealing Mencap alongside the Marriot Hotel, Coins and West London College, Southall.
Advice Resilience Fund	Funding from CAF Resilience Fund and LB Ealing to enable the continuation of an advisor post into FY22 formerly funded by the City Bridge trust.
CIN Employability	An initial 18 month project to assist adults with employment skills and opportunities funded by Children in Need. The project has been extended until 2023.
Children & Young People's Fund	The fund was needed to support the new Parent Support Service.
Saturday Youth Club	Saturday Youth Club including funding from LB Ealing (includes Holiday funding)
COMF Jan-Jun'22	Community-based support for those disproportionately impacted such as the BAME population. Funded by LB Ealing.
GLA - Advice In Community Settings grant (R)	to deliver targeted interventions to help families or individuals on low or no incomes to access advice and support. Funded by the Greater London Authority.
LBE / NW London ICB Mental Health FY23	NHS funded Mental Health project.
LBE Winter Crisis Dec22-May23	Targeted funding for those facing hardship during the winter.
Household Support Fund	A fund provided by LB Ealing to enable emergency payments to be made to residents of the borough for help with household bills

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21. Analysis of charitable funds (continued)

<i>Name of restricted fund</i>	<i>Description, nature and purposes of the fund:</i>
Sports England	Sports coaching sessions
Designated (Survive & Thrive)	The Survive and Thrive project is designated to redevelop and refocus strategic aspects of our charitable work including the new Parent Support Service.

22. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total 2023 £
Tangible fixed assets	213,778	1,159,188	1,372,966
Cash at bank and in hand	657,178	233,820	890,998
Other net current assets/(liabilities)	(108,686)	(136,535)	(245,221)
Creditors of more than one year	0	(184,273)	(184,273)
	<u>762,270</u>	<u>1,072,200</u>	<u>1,834,470</u>

	Unrestricted funds £	Restricted funds £	Total 2022 £
Tangible fixed assets	223,238	1,204,486	1,427,724
Cash at bank and in hand	578,390	204,320	782,710
Other net current assets/(liabilities)	(30,630)	(68,307)	(98,937)
Creditors of more than one year	0	(188,439)	(188,439)
	<u>770,998</u>	<u>1,152,060</u>	<u>1,923,058</u>

23. Financial Instruments

Financial instruments measured at amortised cost comprise the mortgage provided by Barclays Bank Plc to the charity secured on the freehold land and buildings at Enterprise Lodge, Stockdove Way, Perivale. Middlesex. The initial mortgage of £279,000 is repayable over 25 years. The interest rate is 3% above base rate.

	2023 £	2022 £
Mortgage repayable - less than 1 year	7,332	10,648
Mortgage repayable - within 1 to 2 years	8,518	11,025
Mortgage repayable - within 2 to 5 years	29,553	35,478
Mortgage repayable in over 5 years	146,202	141,936
	<u>191,605</u>	<u>199,087</u>

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24. Post Balance Sheet Events

The trustees were not aware of any post balance sheet events at the date of approval of the 2023

25. Operating leases	2023	2022
	£	£
Land and buildings due:		
Within one year	37,500	37,500
Between one and five years	150,000	150,000
More than five years	84,375	187,500
Office equipment due:		
Within one year	18,876	11,531
Between one and five years	29,714	15,714
More than five years	0	0

The totals above represent the total future minimum lease payments under non-cancellable operating leases.

26. Capital Commitments	2023	2022
	£	£
Capital expenditure that has been contracted for but has not been provided for in the financial statements	None	None
Capital expenditure that has been authorised by the Board but has not yet been contracted for	None	None

27. Related Party Transactions

One trustee has a family member in paid employment at standard pay rates with the charity at a salary of £16,243 (2022 £12,423).