

**Hammersmith and Fulham Mencap
(A Company Limited by Guarantee)**

REPORT AND FINANCIAL STATEMENTS

31st March 2021

Charity Number: 1150840

Company Number: 8155114



Report of the Trustees for the Year Ending 31st March 2021

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2021 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) (update bulletin 2).

Our Purposes and Activities

The principal activity of the charity as set out in its memorandum and articles of association is "The relief of people with a learning disability in particular by the provision of help and support for them and for their families, dependants and carers, and to challenge discrimination against people with a learning disability; and

To provide or assist in the provision of facilities for the recreation or other leisure time occupation for people who have need thereof by reason of learning disability with the object of improving their conditions of life."

In delivering their objects, Hammersmith and Fulham Mencap supports people with learning disabilities to have equal access to housing, employment, health services, day opportunities, education and leisure facilities.

The organisation provides a range of person-centred services and activities to adults with learning disabilities, disabled children and parents/carers of disabled children living in Hammersmith and Fulham and the surrounding area of west London.

Through our activities, we strive to support people to have equal access to all services and opportunities to be included in the community, ensuring that peoples' rights are respected and that user involvement is central.

The details of key areas of work delivered are as follows:

Parent/Carer Advocacy Worker (Children) provides one to one advocacy support to parents/carers of disabled children in Hammersmith and Fulham. The parent/carers advocacy worker provides information on housing, health and education and supports parents to get the best possible services for their disabled child. The advocacy worker represents parents'/carers' views within commissioning and planning groups.

Parentsactive Co-ordinator facilitates a peer support group for parents/carers of disabled children to ensure that they have a say in service provision and development of services in the borough. The co-ordinator supports Parentsactive members to regularly produce a newsletter distributed to all parents of disabled children in the borough. This newsletter provides a source of information to parents on forthcoming events as well as important legislative information relating to disabled children. They have developed a separate interactive Website providing information to over 400 parents/carers of disabled children living in the borough.

Play Provision Project promotes the development of play inclusion opportunities across the borough. The worker delivers play schemes for disabled children and their siblings aged 5 to 13 years. The play schemes provide fun, exciting and innovative activities to disabled children and their siblings.

Youth Development Project Co-ordinator supports young disabled people (aged between 13 and 25 years) to be involved in a positive transition from children to adult services. The Co-ordinator works with children's services, schools, colleges, employment, housing and adult learning disability services to ensure that the young person and their family/carers are fully involved in this process and have a say in their future life plans. This Project also offers social activities for young disabled people to develop friendship networks outside of school and college.

Young People's Transition Practitioner supports young people aged 14-25, with autism spectrum disorder and/or a learning disability who also experience mental health difficulties, to transition into adult services.

My Life: Out and About is our community based project that offers support for adults with a learning disability to access a wide range of activities of their choice within the community. People using this service pay for it using their personal budget provided by their Local Authority which enables them to choose what service they wish to use. It is a vital service constituting the lion's share of our income.

DBS checks (Disclosure Barring Service)

All staff, trustees and volunteers are expected to undergo Enhanced Disclosure with the Criminal Records Bureau on appointment to their post within the service and every three years thereafter.

Achievements and Performance

This has been a challenging year with many successes.

London Borough of Hammersmith and Fulham funded:

- Parent/Carer Advocacy £40,000
- Play Provision £10,560
- My Life Activity Co-ordinator £20,000

Other projects:

- Children In Need Post 3 year funding (Jul 2018 – 2021) £38,365
- Henry Smith Post 3 year funding (Jul 2018 – 2021) £32,764
- Parentsactive Co-ordinator support £18,684
- NHS Hammersmith & Fulham CGC Transition Practitioner Post £40,000

Much time has gone into securing government and charitable support, without which, like many charities of our size, we would not have survived. MyLife provides the majority of our income. Economically managing staff numbers sufficient to respond to a fluctuating level of service users has been a severe management challenge.

Fundraising

Members of Hammersmith and Fulham Mencap charity's fundraising team organise events and carry out fundraising activities in order to generate funds for the charity. The Charity does not use professional fundraisers or involve commercial participants.

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

2020/21 has been a year of consolidation for the organisation following the expansion of the services being offered by the charity in prior years, primarily through the further development of our community based day service My Life Out and About.

Operating margins were maintained until February 20 before being impacted by the Covid19 situation. Underlying performance in MyLife remains strong and returning the service to full capacity is a key management priority and will ensure modest growth in unrestricted funds can be achieved as in prior years. The result for the year was a loss of £102k and a decreased turnover of £346k.

Covid19 Impact

The Covid19 pandemic did not impact the results for FY20 significantly but approximately one week of income from MyLife was lost at the end of March 2020 (partially offset by a provision for support received from local authorities covering that period). However, for FY21 performance was affected at different levels during the financial year, reflecting national and local changes caused by Covid. The MyLife service was suspended from 23rd March to 26th May followed by a gradual but limited reopening. The MyLife support workers were all placed on furlough at 80% of their applicable pay and corresponding job retention scheme grants from HMRC of £130k have been received to cover these costs. When the loss of clients had a great impact in Autumn 2020, we had to implement frontline staff redundancies. Other costs were calculated as 32% of usual income and some of these were covered by all the local authority / NHS clients. Self funded clients (through Direct Payments) have not made corresponding payments and this has resulted in a lower than planned gross contribution from MyLife for this period. Following reopening, further support has been received from the local authorities to cover the 32% core running costs for those clients who have not returned and normal payments have resumed for those that have. Staff are being gradually unfurloughed in line with the increasing number of returned clients.

In addition, the Play Saturday and Holiday Scheme had to be suspended from the 25th of March 2020 and has not been able to re-open yet due to space restrictions affected by social distancing measures. The organisation was able to recoup 32% of the usual income as covered by the funding local authority.

Investment Powers and Policy

In accordance with the Charity's Articles the Trustees may invest the money of the Charity not immediately required for its purposes in or upon such investments, securities or properties as may be thought fit. The Charity does not currently hold any investments.

Reserves Policy and Going Concern

In accordance with Charity Commission guidelines, the trustees have considered the level of unrestricted reserves which it is appropriate for the Charity to hold with the imperative that it should be able to continue to meet its charitable objectives in the short term in the event of a temporary shortfall in unrestricted income.

The unrestricted reserves requirement was made up of wind down costs of £66k to cover wages and redundancy costs, plus £37k for a planned office move in September 2021 giving a total unrestricted reserves requirement of £103k. As at 31st March 2021 available unrestricted reserves were £30.3k (Unrestricted funds £59.8k less Fixed Assets £29.5k) falling short of the requirement by £72.7k and the £210k target by £179.7k. The Trustees and Senior Management are focussed on building up unrestricted reserves during 2021/22 through a series of measures including:

- grant funding for MyLife & Core Costs (grants of £68.2k had been secured by December 2021)
- increasing MyLife revenue by encouraging clients to return in a Covid safe environment, the volume of activity has increased throughout 2021 with hours invoiced in H2 2021 now higher than Dec 2019
- reducing costs:
 - following a restructure in mid 2021 a senior post was deleted resulting in ongoing savings of c.£54.5k per annum
 - during 2020/21 the old telephone system and associated contracts were phased out and replaced with a new internet based system from BT saving some £15k per annum going forward
- securing new premises from September 2021 at a lower cost
 - the new premises are inclusive of business rates and service charges will save £3.6k per annum, with additional savings of £8.5k having been secured for September 2021 - March 2022 through rent discounts agreed with the landlord
 - a grant of £50k was awarded by London Borough of Hammersmith and Fulham in September 2021 to fund 3 months full rent, the moving and building alteration costs
- a new strategic plan is under development as of December 2021 that will prioritise the MyLife rate increases:
 - increasing the rates will enable us to build our unrestricted reserves over time and will allow for wage increases for the MyLife staff, negotiations are ongoing as at December 2021
 - increasing the range of grant funded activities and overall contribution to core costs alongside new initiatives seeking legacy and other funding
- we have taken advice from auditors on our financial profile and have by and large applied their recommendations

Through these measures we seek to address the reduction in reserves experienced during 2020/21 and the Covid pandemic and to once again build up unrestricted reserves in with our Reserves Policy.

Plans for Future Periods

The Business Plan for the period April 2018 – March 2021 includes the following key elements:

- To continue to involve people with learning disabilities, carers and staff at the heart of HF Mencap's way of working. To continually review how we involve people to ensure that we are reaching and involving as many people with learning disabilities as possible.
- To continue to provide and develop a range of services that meet the needs of our service users. In an increasingly competitive environment, to tender either alone or in partnership for existing and new services that would benefit people with learning disabilities.

A Business Plan is under development up to 2024. The main priorities are: to identify Trust Funding and sources of income to expand the range of projects delivered and supplement MyLife, to ensure current income provides long-term financial stability and to maintain good quality services across all projects despite external pressures.

Priority Actions for the future development and sustainability of the organisation

Our Business Plan aims to build upon the Charity's core strengths and to continue to maintain our service - 'My Life: Out and About' - offering support to people with learning disabilities to access community facilities, training and other opportunities of their choice six days a week. However, HF Mencap is planning to explore various income diversification opportunities and where suitable, pursue them in synergy and partnership with other organisations.

The Charity is committed to developing and diversifying our fundraising strategy. In 2021/22 our priority will continue to be to generate sources of unrestricted funding through development of community fundraising which we have embarked upon this year. We have greatly increased our social media presence in the current financial year and aim to promote our fundraising activities to our growing digital audience.

We will continue to work together with the North West London Mencaps Consortium and the Young Hamersmith & Fulham Sync Consortium to identify funding opportunities to deliver a variety of services and activities across the West London boroughs.

The Charity will also continue in its campaigning role, addressing the concerns and issues as highlighted by our service users especially people with profound and multiple learning disabilities and their families. We have an ongoing Campaign (together with National Mencap) to improve the quality of health care provision in hospital for people with learning disabilities accessing NHS provision (Treat me well campaign).

The Charity will continue to campaign for affordable housing for people with learning disabilities, and to work with the Council to this end.

The Chief Executive continues to sit on a number of steering and planning groups to evaluate and monitor local health, housing and social care provision across the borough and to ensure that the voice of children and adults with learning disabilities is represented in the delivery and development of local health services.

We are working with the charity Pilotlight to develop our strategic capacity and management impact but this is temporarily on the back burner while we focus on our funding crisis.

We along with other local providers lost the contract for adult advocacy and hope to find alternative funding to continue this important part of our work.

Reference and Administrative Details

Charity Number: 10054061

Company Number: 8155114

Registered Office: Addison School, Addison Gardens, London. W14 0DT.

Our advisers

Auditors: Wenn Townsend, 5 Gosditch St, Cirencester GL7 2AG

Bankers: CAF Bank Limited, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ

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 during the year and since the year end were as follows:

Julian Hillman (Chair)*

Anna Docherty (resigned 1 February 2021)

Samantha Johnson

Elizabeth Ryland * (resigned 30 November 2020)

Richard Shaw *

Laura Douglas

Natalia Kalinowska (appointed 30 November 2020)

Annabel Naylor * (appointed 30 November 2020)

Matthew Rabson (appointed 30 November 2020)

Sairina Ramakrishnan (appointed 30 November 2020)
Christian Redon (Treasurer) * (appointed 30 November 2020)
John Savage (appointed 30 November 2020)
Hannah Tiernan (appointed 30 November 2020)
(* Members of the Finance Committee)

Key management personnel

Teresa McGinn - Chief Executive

Structure, Governance and Management

Governing Document

Hammersmith and Fulham Mencap is a company limited by guarantee governed by its Memorandum and Articles of Association dated 22nd November 2017. It is registered as a charity with the Charity Commission.

Appointment of trustees

The Executive Committee (EC) is elected at the Annual General Meeting each year. Trustees need to be re-elected after a period of 3 years. The two constitutional officers are the Chair and the Treasurer. No trustee receives any remuneration for his or her services. Fifteen percent of the EC is made up of people with learning disabilities or parent/carers of people with learning disabilities.

Trustee induction and training

Successful new candidates for EC membership are inducted into the organisation by the Chair who informs them of their roles, responsibilities and the governance of the organisation. They serve initially as co-opted members of the EC and are eligible to be formally elected with full voting rights at the AGM. Training is available to individual trustees through national providers or local e.g. SOBUS the local community and voluntary sector association which assists voluntary organisations within the London Borough of Hammersmith and Fulham to be effective organisations.

Organisation

The day-to-day management and strategic development of the Charity is undertaken by the Chief Executive who is accountable to the Executive Committee (EC) made up of trustee/directors and constitutional officers. The Chief Executive reports on a monthly basis to the EC on all aspects and activities of the organisation. The EC meets a minimum of four times per year. The annual budget is approved by the EC and monitored through the Finance Committee which reports to the EC.

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.

Hammersmith and Fulham Mencap is affiliated, as required by its Memorandum and Articles of Association with National Mencap to which it pays an annual subscription but receives no funding from National Mencap.

Pay policy for senior staff

The Charity's trustees are also directors of the Charity Company. 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

Due to the pressing impact of COVID and resultant financial pressures, coupled with the difficulty in finding new premises and dealing with necessary redundancies, both Board meetings and Finance Sub. Committee meetings were dominated by risk management. These meetings happened much more frequently than usual because of the constant changes of circumstances managing the pandemic threw up. Keeping staff and service users safe, avoiding the spread of Covid and taking advice from Public Health England were always in trustees minds. Once a sufficient level of stability has been secured through mitigation of those key risks, resources will be made available from the operational team and trustees to conduct dedicated quarterly risk assessment reviews feeding into the Board meetings.

Trustees' responsibilities in relation to the financial statements

The charity trustees (who are also the directors of Hammersmith and Fulham Mencap for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity 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 applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the 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 charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence 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.

By order of the board of trustees



Julian Hillman (Chair)



2021

**Hammersmith and Fulham Mencap
(A Company Limited by Guarantee)**

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF Hammersmith and Fulham Mencap

Opinion

We have audited the financial statements of Hammersmith and Fulham Mencap (the 'charitable company') for the year ended 31 March 2021 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 2021 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 United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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.

**Hammersmith and Fulham Mencap
(A Company Limited by Guarantee)**

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF Hammersmith and Fulham Mencap

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 7, 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.

Hammersmith and Fulham Mencap
(A Company Limited by Guarantee)

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF Hammersmith and Fulham Mencap

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.
- 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.

**Hammersmith and Fulham Mencap
(A Company Limited by Guarantee)**

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF Hammersmith and
Fulham Mencap**

Use of report

This report is made solely to the charitable company's trustees, as a body, in accordance with part 14 of the Charities (Accounts and Reports) Regulations 2008. 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**

Wenn Townsend

Date: *20 December 2021*

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

Hammersmith and Fulham Mencap
(A Company Limited by Guarantee)
Statement of Financial Affairs
(including Income and Expenditure Account)
for the year ending 31st March 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total funds 2021 £	Total funds 2020 £
Income					
Donations and legacies	4	6,702	0	6,702	1,643
Charitable activities	5	630,004	169,813	799,817	1,151,279
Investments	6	0	0	0	0
Total income		636,706	169,813	806,519	1,152,922
Expenditure					
Charitable activities	7	(752,437)	(156,235)	(908,672)	(1,248,703)
Total expenditure		(752,437)	(156,235)	(908,672)	(1,248,703)
Transfers		12,454	(12,454)	0	0
Net movement in funds		(103,277)	1,124	(102,153)	(95,781)
Reconciliation of funds					
Total funds brought forward		163,059	18,973	182,032	277,813
Total funds carried forward		59,782	20,097	79,879	182,032

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 16 to 27 form an integral part of these financial statements.

Hammersmith and Fulham Mencap
(A Company Limited by Guarantee. No.8155114)
Balance Sheet
as at 31st March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	15	29,540	38,330
Total fixed assets		<u>29,540</u>	<u>38,330</u>
Current assets			
Debtors	16	99,382	142,377
Cash at bank and in hand		88,075	119,858
Total current assets		<u>187,457</u>	<u>262,235</u>
Liabilities			
Creditors falling due within one year	17	137,118	118,533
Net current assets		<u>50,339</u>	<u>143,702</u>
Net assets		<u>79,879</u>	<u>182,032</u>
The funds of the charity:	19		
Restricted income funds		20,097	18,973
Unrestricted funds		59,782	163,059
Total charity funds		<u>79,879</u>	<u>182,032</u>

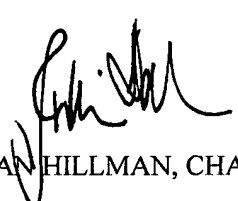
For the year ended 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies but as this company is a charity, it is subject to audit or independent examination under the Charities Act 2011.

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.

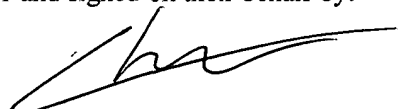
These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 and the Charities SORP (FRS 102).

These financial statements were approved and authorised for issue by the Trustees on


JULIAN HILLMAN, CHAIR

15th Dec 2021

2021 and signed on their behalf by:


CHRISTIAN REDON, TREASURER

The notes on pages 16 to 27 form an integral part of these financial statements.

Hammersmith and Fulham Mencap
(A Company Limited by Guarantee)
Statement of Cash Flows
as at 31st March 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	(i)	<u>(30,111)</u>	<u>(66,525)</u>
		<u>(30,111)</u>	<u>(66,525)</u>
Cash flows from investing activities:			
Interest received		0	0
Purchase of premises / plant and equipment		<u>(1,672)</u>	<u>(26,004)</u>
Net cash provided by (used in) investing activities		<u>(1,672)</u>	<u>(26,004)</u>
Change in cash & cash equivalents in the reporting period		<u>(31,783)</u>	<u>(92,529)</u>
Cash and cash equivalents at start of the reporting period		119,858	212,387
Cash and cash equivalents at end of the reporting period		<u>88,075</u>	<u>119,858</u>
(i) Reconciliation of net movement in funds to net cash flow from operating activities			
Net movement in funds		(102,153)	(95,781)
Depreciation		10,462	8,660
Interest received		0	0
Decrease /(increase) in debtors		42,995	44,497
Increase / (decrease) in creditors		<u>18,585</u>	<u>(23,901)</u>
Net cash provided by/(used in) operating activities		<u>(30,111)</u>	<u>(66,525)</u>

The notes on pages 16 to 27 form an integral part of these financial statements.

**Hammersmith and Fulham Mencap
(A Company Limited by Guarantee)
Notes to the Financial Statements
for the year ended 31st March 2021**

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 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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Hammersmith and Fulham 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(s).

Income

Grants receivable are credited to the Statement of Financial Activities (SOFA) in the year in which they are receivable. Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received.

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.

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.

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.

**Hammersmith and Fulham Mencap
(A Company Limited by Guarantee)
Notes to the Financial Statements
for the year ended 31st March 2021**

1. Accounting Policies (continued)

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 10.

Operating leases

The charity classifies the lease of telephone, 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:

- Premises (specialist facilities with an ongoing value in business)
 - 2014/15 & prior: 25% of cost per annum
 - 2015/16 onwards: 10% of cost per annum
- Equipment: 25% of cost per annum
- Motor vehicles: 25% of cost per annum

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.

**Hammersmith and Fulham Mencap
(A Company Limited by Guarantee)
Notes to the Financial Statements
for the year ended 31st March 2021**

1. Accounting Policies (continued)

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 trust 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

Since October 2016 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% (2020: 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 £11,313 (2020: £13,293).

Termination Payments

Employees leaving the Charity will receive salary/wages, pension contribution and accrued holiday pay due on the next available payroll run following cessation of their employment. These payments are taxable and subject to PAYE deductions. An employee entitled to statutory redundancy pay will receive this without deductions. Where an employment ceases subject to a legal agreement or other agreed settlement between the Charity and the employee and where any additional severance payments are due these shall be paid without deduction up to a total limit to include any statutory redundancy payment of £30,000 per employee (2021) with any excess being subject to PAYE. In all cases the Charity will seek to minimise the level of such payments through an externally run arbitration process and more generally through ensuring internal Human Resource procedures are as effective as possible.

Hammersmith and Fulham Mencap
(A Company Limited by Guarantee)
Notes to the Financial Statements
for the year ended 31st March 2021

2. Legal status of the charity

The charity is a company limited by guarantee and has no share capital. 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 charity is registered and incorporated in England and Wales and its registered address is: 65 Aspenlea Road, London. W6 8LH.

3. Financial Performance of the charity

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

4. Income from donations and legacies

	2021 £	2020 £
Donations and fundraising (restricted)	0	0
Donations and fundraising (unrestricted)	6,702	1,643
	<u>6,702</u>	<u>1,643</u>

5. Income from charitable activities

	2021 £	2020 £
Grants receivable		
- Restricted	169,813	232,552
- Unrestricted	225,399	20,000
	<u>395,212</u>	<u>252,552</u>
Individual budgets and direct payments (restricted)	0	4,666
Individual budgets and direct payments (unrestricted)	404,605	894,061
Contribution to building costs from serviced office hire & other income	0	0
	<u>799,817</u>	<u>1,151,279</u>

6. Investment income

	2021 £	2020 £
Interest received	0	0
	<u>0</u>	<u>0</u>

Hammersmith and Fulham Mencap
(A Company Limited by Guarantee)
Notes to the Financial Statements
for the year ended 31st March 2021

7. Analysis of expenditure on charitable activities

		Adult & Children's services	Restricted grant funded projects	Total 2021	Total 2020
		£	£	£	£
Staffing and related costs		509,758	120,976	630,734	826,230
Direct project costs		34,830	12,581	47,411	199,679
Support & governance costs	9	207,849	22,678	230,527	222,794
		752,437	156,235	908,672	1,248,703

Analysis between restricted and unrestricted expenditure:

Restricted	0	156,235	156,235	223,211
Unrestricted	752,437	0	752,437	1,025,492
	752,437	156,235	908,672	1,248,703

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

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

	Adult & Children's services	Restricted grant funded projects	Total 2021	Total 2020
	£	£	£	£
Costs	(752,437)	(156,235)	(908,672)	(1,248,703)
Personal budgets and direct payments	404,605	0	404,605	898,727
Direct grant support	225,399	169,813	395,212	252,552
Net income	(122,433)	13,578	(108,855)	(97,424)

Hammersmith and Fulham Mencap
(A Company Limited by Guarantee)
Notes to the Financial Statements
for the year ended 31st March 2021

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 8) in the year.

Support and governance costs are apportioned to charitable activities in proportion to their income for the year up to a maximum of 13.5% for restricted funds with the balance to unrestricted funds.

	General Support	Governance	Total 2021	Total 2020
	£	£	£	£
Salary, wages & related costs	53,310		53,310	48,949
Building service charges & rent	31,437		31,437	31,626
Business rates	15,002		15,002	14,777
Insurance	2,296		2,296	2,241
Training	4,082		4,082	8,717
IT costs	17,668		17,668	9,999
General office costs	53,988		53,988	53,820
Audit		5,400	5,400	5,400
Finance & HR costs	39,118		39,118	38,714
Legal	13		13	454
Depreciation	8,213		8,213	8,097
	225,127	5,400	230,527	222,794

10. Net income/(expenditure) for the year

This is stated after charging:	2021	2020
	£	£
Operating leases	30,246	34,137
Depreciation	8,213	8,097
Audit fees	5,400	5,400
	43,859	47,634

**Hammersmith and Fulham Mencap
(A Company Limited by Guarantee)
Notes to the Financial Statements
for the year ended 31st March 2021**

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

	2021	2020
	£	£
Salaries and wages	619,854	759,443
Social security costs	52,877	64,942
Pension costs	11,313	13,293
Termination payments	0	37,500
	<u>684,044</u>	<u>875,178</u>

One employee had employee benefits in excess of £60,000 but less than £70,000 (2020: 1). The charity established an occupational pension scheme with B&CE People's Pension on 1st October 2016 in order to meet its obligations under the auto-enrolment regulations. Employer contributions are at a rate of 3% (2020: 3%) on the qualifying earnings of eligible employees.

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2020: £nil) neither were they reimbursed expenses during the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £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 Trust were £60,874 (2020: £61,315).

12. Staff numbers

The average monthly head count was 36 staff (2020: 36 staff) and the average monthly number of full-time equivalent employees (including casual and part-time staff) during the year were as follows:

	2021	2020
	Number	Number
Staff employed in direct charitable activities	20	36
Management and administration	2	2
	<u>22</u>	<u>38</u>

**Hammersmith and Fulham Mencap
(A Company Limited by Guarantee)
Notes to the Financial Statements
for the year ended 31st March 2021**

13. Government grants

	2021	2020
	£	£

The following grants income was receivable from government bodies during the year:

	£	£
London Borough of Hammersmith & Fulham	70,560	132,099
NHS/CCGHF	40,000	36,666
HMRC Job Retention Scheme	130,688	0
	<u>241,248</u>	<u>168,765</u>

14. Corporate taxation

As a charity Hammersmith And Fulham Mencap is exempt from tax on income and gains falling within the Income Taxes Act 2007 Section 524 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

Hammersmith and Fulham Mencap
(A Company Limited by Guarantee)
Notes to the Financial Statements
for the year ended 31st March 2021

15. Tangible fixed assets

	Premises	Equipment	Motors	Total
	£	£	£	£
Cost				
Balance as at 1.4.20	43,486	41,739	8,995	94,220
Additions	0	1,672	0	1,672
Balance as at 31.3.21	<u>43,486</u>	<u>43,411</u>	<u>8,995</u>	<u>95,892</u>
Depreciation				
Balance as at 1.4.20	(29,440)	(25,888)	(562)	(55,890)
Charged for year	(2,491)	(5,722)	(2,249)	(10,462)
Balance as at 31.3.21	<u>(31,931)</u>	<u>(31,610)</u>	<u>(2,811)</u>	<u>(66,352)</u>
Net book value 31.3.21	<u>11,555</u>	<u>11,801</u>	<u>6,184</u>	<u>29,540</u>
Net book value 31.3.20	<u>14,046</u>	<u>15,851</u>	<u>8,433</u>	<u>38,330</u>

16. Debtors

Amounts falling due within one year

	2021	2020
	£	£
Trade debtors	73,423	125,621
Other debtors	494	0
Accrued income	10,458	3,249
Prepayments	15,007	13,507
	<u>99,382</u>	<u>142,377</u>

17. Creditors

Amounts falling due within one year

	2021	2020
	£	£
Tax and social security	11,398	15,985
Accruals and deferred income	101,626	84,429
Trade and other creditors	24,096	18,119
	<u>137,120</u>	<u>118,533</u>

**Hammersmith and Fulham Mencap
(A Company Limited by Guarantee)
Notes to the Financial Statements
for the year ended 31st March 2021**

18. Deferred income

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

	£
Balance at 1.4.20	(48,460)
Amount released to income earned from charitable activities	48,460
Amount deferred in year	(63,670)
	<u>(63,670)</u>

19. Analysis of charitable funds

Analysis of movements in unrestricted funds:

	Balance 1.4.20	Incoming Resources	Resources Expended	Transfers to/from restricted funds	Funds 31.3.21
	£	£	£	£	£
General fund	163,059	636,706	(752,437)	12,454	59,782
	<u>163,059</u>	<u>636,706</u>	<u>(752,437)</u>	<u>12,454</u>	<u>59,782</u>

Analysis of movements in restricted funds:

	Balance 1.4.20	Incoming Resources	Resources Expended	Transfers to/from restricted funds	Funds 31.3.21
	£	£	£	£	£
Advocacy (Core & Parent Carer)	0	40,000	(40,000)	0	0
Parentsactive	0	18,684	(18,684)	0	0
Children in Need	407	38,365	(38,772)	0	0
Henry Smith	3,148	32,764	(24,223)	0	11,689
Play Provision to 1.4.20	12,454	0	0	(12,454)	0
Transitions Pilot	2,964	40,000	(34,556)	0	8,408
	<u>18,973</u>	<u>169,813</u>	<u>(156,235)</u>	<u>(12,454)</u>	<u>20,097</u>

**Hammersmith and Fulham Mencap
(A Company Limited by Guarantee)
Notes to the Financial Statements
for the year ended 31st March 2021**

19. Analysis of charitable funds (continued)

Name of restricted fund description, nature and purposes of the fund:

Advocacy (Core & Parent Carer)	Core Advocacy & Parent Carer Advocacy Posts funded by the London Borough of Hammersmith and Fulham
Parentsactive coordinator	Part funds a co-ordinator of the Parentsactive service employed by HF Mencap.
Children in Need	Programme of workshops, discussion sessions and activities which will enable choice and control for young people with learning disabilities.
Henry Smith	Funding of a part-time assistant and part-time sessional workers providing activities for young people with learning disabilities in transition to adulthood
Play Provision	Promotes the development of play inclusion opportunities across the borough. HF Mencap delivers play schemes for disabled children and their siblings aged 5 to 11 years.
Transitions Pilot	Provision of a Transition Practitioner working in collaboration with CAMHS and other local services with young people in transition

20. Analysis of group net assets between funds

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Tangible fixed assets	29,540		29,540	38,330
Cash at bank and in hand	67,978	20,097	88,075	119,858
Other net current assets/(liabilities)	(37,736)		(37,736)	23,844
	<u>59,782</u>	<u>20,097</u>	<u>79,879</u>	<u>182,032</u>

Hammersmith and Fulham Mencap
(A Company Limited by Guarantee)
Notes to the Financial Statements
for the year ended 31st March 2021

21. Post Balance Sheet Events

In September 2021, the charity moved to new premises based in a dedicated building at Addison Primary School, Addison Gardens, London W14 0DT. As well as providing an overall annual cost saving, the new lease is more flexible and the location is more easily assessable to our clients and their families.

22. Operating leases	2021	2020
	£	£
Office equipment which expire:		
Within one year	864	5,538
Between one and five years	864	1,728
More than five years	0	0
Motor vehicles which expire:		
Within one year	2,611	2,611
Between one and five years	5,875	8,486
More than five years	0	0
Lease on space at 65 Aspenlea Road		
Within one year	9,517	19,034
Between one and five years	0	11,103
More than five years	0	0

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

23. Capital Commitments	2021	2020
	£	£
Capital expenditure that has been contracted for but has not been provided for in the financial statements	0	0
Capital expenditure that has been authorised by the Board but has not yet been contracted for	0	0

24. Related Party Transactions

There were no related party transactions during the year.