

SHEFFIELD MENCAP

(A company limited by guarantee and not having a share capital)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

SHEFFIELD MENCAP

CONTENTS

FOR THE YEAR ENDED 31 MARCH 2021

	Page
Legal and administrative information	1
Report of the trustees	2
Report of the independent auditors to the members	6
Statement of financial activities	8
Balance sheet	9
Statement of cash flows	10
Notes forming part of the financial statements	11

SHEFFIELD MENCAP

LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 MARCH 2021

STATUS

The organisation is a charitable company limited by guarantee and governed by its memorandum and articles of association. The charity exists as a separate legal entity and is independent of the national charity the Royal Mencap Society.

DIRECTORS & TRUSTEES

The directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. In accordance with the Articles of Association the trustees are nominated and elected by the members on an annual basis in general meetings. The elected trustees have the power to co-opt other members to the executive board of directors (known as the committee) to fill specialist roles. Although no formal training or induction programme is utilised the trustees are normally elected on the basis that they are suitably experienced to carry out the functions expected from members of the board.

The trustees serving during the period and since the period end were as follows:

C. Booth	- Chair
C. Sterry	- Treasurer
C. Gamble	
L. Ward	
C. Walker	
D. Wand	
J.M. Michel	- resigned June 2020
N. Cosgrove	
H. Cooper	
R. King	- deceased June 2020
M. Baxter	
K. Pugh	
T.F. Viner	
L. Williams	- appointed 29/09/2020
J.A. Badger	- appointed 26/01/2021
J.C. Mitchell	- appointed 26/01/2021
J. Thompson	- appointed 26/01/2021
A.J. Tkacz	- appointed 26/01/2021

COMPANY SECRETARY

J. Sullivan

CHIEF EXECUTIVE

J. Sullivan

SENIOR MANAGERS

S. Slater Jones
D. Swindlehurst

COMPANY NUMBER

3168775

CHARITY NUMBER

1056155

REGISTERED OFFICE

Norfolk Lodge
Park Grange Road
Sheffield
S2 3QF

BANKERS

Lloyds Bank plc
City Branch
Church Street
Sheffield

STATUTORY AUDITORS

Tingle Ashmore Ltd
Enterprise House
Broadfield Court
Sheffield
S8 0XF

SHEFFIELD MENCAP

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2021 which are 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 to the UK and Republic of Ireland published in October 2019.

Legal and administrative information set out on page 1 forms part of this report.

Objects and activities of the charity

Our vision is that all people with a learning disability and their family carers in Sheffield feel valued and respected. We believe that everyone should be supported to reach their full potential and to live the life they choose. Our charity exists to provide and support activities and services that improve the quality of life for people with learning disabilities and their carers, in Sheffield. To achieve this object, the charity operates a number of projects, listed below.

Aims

In all our work Sheffield Mencap aims to:

- listen and respond to the needs of people with learning disabilities, their families and carers;
- offer a range of activities to promote the well-being and quality of life of people with learning disabilities and their families and carers;
- recognise that people's circumstances vary enormously and adapt what we do to meet the needs of individuals and their families;
- welcome diversity in our members, staff and volunteers, and work continuously against disadvantage, discrimination and prejudice;
- work with other organisations that share our interests, concerns and values;
- provide a safe, secure, and nurturing environment; and
- aim to provide a high quality and professional service in everything we do.

At a time when charities face fierce public scrutiny and criticism, we feel that it is more important than ever to demonstrate that we uphold the highest values and operate a culture of professionalism and responsible financial management. We are committed to being a highly professional organisation, efficiently and responsibly run, with a strong commitment to quality, safeguarding and robust governance.

Public benefit

The trustees consider that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charities Commission and that the detailed review of activities, set out in this Annual Report, demonstrates that the charity delivers public benefit.

Governing Document

Sheffield Mencap is a company limited by guarantee governed by its Memorandum and Articles of Association incorporated 6 March 1996 as amended by special resolution dated 14 February 2005 and 3 June 2010. It is registered as a charity with the Charity Commission.

Organisation

The board of directors / trustees (known as "the executive committee") of up to 20 members who meet bi-monthly to administer the charity. A chief executive is appointed by the trustees to manage the day-to-day operations of the charity. The list of the trustees and method of election are given in full on page 1.

Key Management Personnel Remuneration

Annually, the remuneration of the key management personnel is set using the NJC pay scales as a guide and benchmark with the consideration and review of comparable and relevant salaries relating to similar employment positions.

Financial review

The net income for the year amounted to £217,167 (2020 - net income £2,676). Of this net amount, general funds increased by £215,210 and restricted funds increased by £1,957. Total funds now stand at £766,240 (2020 - £549,073).

Financial sustainability is a key priority for Sheffield Mencap and Gateway. The trustees monitor the income and expenditure throughout the year which also includes the management of funds brought forward to ensure that the charity only expends available funds.

SHEFFIELD MENCAP

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2021

Training & Support Projects and Social Activities

We currently run the following projects and activities:

Gateway

Our long-established and much-loved evening social and leisure service runs on four nights each week and continues to attract large numbers of members. There are over 80 people attending on some nights. There are two adult evenings and a teens night, all of which depend on the utilisation of numerous volunteers in respect of transport and the activities concerned. A varied range of Music, Art, Sport and Cooking activities are provided, and there are arranged weekends away and day trips during the summer. We also have a children's club running each Friday evening (TGIF) and parents are encouraged to stay and meet together for mutual support.

Activity and Learning Hub

This service runs 5 days a week at Norfolk Lodge and is extremely popular with our members who fund their place through their social care plan. The Activity and Learning Hub offers a wide range of accredited and non-accredited sessions to our members to provide engaging, challenging and creative opportunities for development and progression.

Sharing Caring Project

This highly valued service provides practical support to family carers of people with learning disabilities and comprises of our Keep in Touch service and a new Carers Outreach Project, offering creative group work with carers and the cared for meeting together.

Out & About

Out and About works with volunteers to provide a flexible short breaks service to people with a learning disability and their family carers. The project does this mainly through small group activities in the community. However, we do offer sports and fitness sessions in house and in the community too.

Children's Services

We provide several projects for our young people, including SNIPS, a flexible short breaks service running on Saturdays and in school holidays, Shine Out on Saturdays, which provides arts and drama workshops and a Friday evening social club. We have recently introduced new projects for children in recent years: Communicate is a Saturday morning session for children with autism from 6 to 10 years. This project is run under speech and language principles and is intended to improve communication, confidence and attention levels. The Children's Radio Project is for young people aged 12 to 18 and is a place where they learn new skills around broadcasting. Two new initiatives this year are our Children's Fitness group, which meets each Thursday evening and our SHINE at Mencap programme which works closely over a period of 18 weeks with children and young people who want to manage their weight and their families.

Snoezelen

Our sensory room continues to prove popular. It provides a tranquil environment for an individual or a small group to enjoy the sensations of light, colour, sound and touch. The room is available for individual bookings.

Sunday Lunch Club

Sunday Lunch Club provides a valued opportunity for older carers and the person they care for to meet up every month for fun, friendship and a hot three course meal.

Coffee Bar

The hub of Norfolk Lodge, our coffee bar, is in use all day and throughout the evening and is used by every group.

Reserves policy

The executive committee have developed a policy whereby the unrestricted funds not committed or invested in the tangible fixed assets (the free reserves) the charity holds should be six months of the resources expended. At this level, the trustees feel that they would be able to carry on the charity's activities in the event of a significant drop in funding, and if required, allow sufficient time to close down services with enough notice that our members have a chance to find an alternative service to reduce distress and anxiety. It would then be necessary to consider how funding would be replaced or the activities of the organisation changed. The free reserves at 31 March 2021 were £426,429 which represents around 6 months of total expenditure.

Future strategy

The challenges and context, alongside our success in delivering significant improvements and change in recent years, put us in a good place as we move into this new business planning cycle. We have set our priorities for the next three years as to:

1. **Be the voice of learning disability in the city**
2. **Aim for excellence in our current services**
3. **Build and Grow our Charity**

SHEFFIELD MENCAP

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2021

Investment policy

In accordance with the company's Memorandum and Articles of Association, the trustees have power to invest monies of the Charity not immediately required for its purposes, as may be thought fit. The management committee will consider suitable investments, securities or properties at such time as the level of reserves justifies a change in the current arrangements.

Principal funding sources

The introduction of individual budgets means that everyone who chooses to use our services pays for their place out of their own budget. We also look to Grants and Foundations for support and have received in excess of £150,000 from this source in the year. We also have some contracts remaining with Sheffield City Council and we are a partner with the Sheffield Carers' in the citywide Carers' Contract.

Fundraising policy

Sheffield Mencap and Gateway procures funds through grant and trust fundraising, community fundraising and donations and legacies. During the financial year 2020/21, Sheffield Mencap obtained grants written by the in-house fundraiser and an external professional fundraising company, Competitive Solutions (CSL). This contract with Competitive solutions was terminated in September 2020.

Sheffield Mencap's financial affairs will be conducted in a responsible manner, consistent with the ethical obligations of stewardship and legal requirements of Charity Commission regulations. The Fundraising Manager is a member of the Institute of Fundraising which sets out a standard for Fundraisers and abides by this standard in their work for Sheffield Mencap and Gateway. In addition, Competitive Solutions were also a member of the Institute of Fundraising.

Sheffield Mencap should closely monitor any individual or organisation that solicits funds on its behalf to ensure adherence to donor intent as well as accountable, transparent and responsible fundraising practices. The Senior Managers and CEO monitored the activities carried out by the Fundraising Manager and CSL through regular meetings and online documentation.

There were no complaints received by the charity in relation to its Fundraising activities.

Donors' privacy will always be respected. Any donor records that are maintained by Sheffield Mencap will be kept confidential and in line with our Data Protection Policy that is fully compliant with the 2018 Data Protection Act (encompassing the GDPR). Donors' have the right to see their own record, to challenge its accuracy and to have their details removed. All requests from donors or prospects requiring that fundraising contact cease will have the request honoured by Sheffield Mencap. Sheffield Mencap does not share the personal data of any individual donors with any external party.

Donors and prospects will be treated with respect by Sheffield Mencap. We will honour their requests to: limit frequency of contacts; not be solicited by telephone or other technology, reduce or cease receiving printed or electronically transmitted material concerning Sheffield Mencap.

Risk review

We continue to implement the findings of a detailed risk assessment undertaken both by staff and trustees, which resulted in the establishment of a range of actions to be initiated by individuals, projects groups and the organisation as a whole. We regularly review our Risk Register. We are committed to identifying and reducing all risks associated with the running of Sheffield Mencap.

Trustees' responsibilities in relation to the financial statements

The charity trustees (who are also directors of Sheffield Mencap for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019(FRS 102);
- 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 charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SHEFFIELD MENCAP

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2021

Statement as to disclosure to our auditors

In so far as the trustees are aware:

- there is no relevant audit information, of which the charity's auditor is unaware; and
- the trustees have each 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.

Members of the executive committee and members of the charity

Members of the executive committee, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 1. No remuneration or expenses are paid to the directors in respect of their duties as trustees.

Members of the charitable company guarantee an amount not exceeding £1 to the assets of the charitable company in the event of winding up.

Auditors

Tingle Ashmore Limited were appointed as the charitable company's auditors and have expressed their willingness to continue in that capacity.

Approval

This report has been prepared taking advantage of the small companies exemption of section 415A of the Companies Act 2006.

Approved by the executive committee on 28 January 2022 and signed on its behalf by:

.....
Director and Trustee – C. Sterry

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS

FOR THE YEAR ENDED 31 MARCH 2021

Independent Auditor's Report to the Members of Sheffield Mencap

Opinion

We have audited the financial statements of Sheffield Mencap (the 'charitable company') for the year ended 31st March 2021 which comprise the Statement of Financial Activities (Including Income and Expenditure Account), Balance Sheet, Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the 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 resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the report of the trustees, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the report of the trustees. 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 4 the trustees (who are also the 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 related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the charity and the environment in which it operates we identified that the principal risks of non-compliance with laws and regulations related to health and safety and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements being the Companies Act 2006, Charities Act 2011, Charity SORP and payroll tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of overriding internal controls, and determined that the principal risks related to the incorrect classification and recognition of income and posting inappropriate journal entries. Audit procedures performed included the following:

- Discussion with management regarding their knowledge or suspicion of instance of non-compliance with laws and regulations and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Reviewing correspondence and documentation from funders for significant receipts;
- Identifying and testing journals, in particular those for large amounts, unusual descriptions or those for year end adjustments;
- Reviewing the minutes of trustee meetings.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment 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 for 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 (ie. gives a true and fair view).

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 our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Brendan Ashmore ACA
Senior Statutory Auditor
For and on behalf of Tingle Ashmore Ltd
Chartered Accountants and Statutory Auditors
Enterprise House, Broadfield Court, Sheffield, S8 0XF

Dated: 31 January 2022

SHEFFIELD MENCAP

STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account)

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	YEAR END 31 MAR 21 RESTRICTED £	YEAR END 31 MAR 21 UNRESTRICTED £	YEAR END 31 MAR 21 TOTAL £	YEAR END 31 MAR 20 TOTAL £
Income from:					
Donations, legacies & similar income	2	127,529	274,366	401,895	123,960
Charitable activities	3	162,193	540,573	702,766	762,804
Other trading activities	4	-	4,500	4,500	10,980
Investment income		-	4	4	-
Total income		<u>289,722</u>	<u>819,443</u>	<u>1,109,165</u>	<u>897,744</u>
Expenditure on:					
Fund-raising		-	15,672	15,672	46,822
Charitable activities:					
Social activities & projects		104,782	107,479	212,261	193,475
Training & support projects		152,191	500,676	652,867	641,303
Governance		-	11,198	11,198	13,468
Total expenditure	5	<u>256,973</u>	<u>635,025</u>	<u>891,998</u>	<u>895,068</u>
Net income for the year	6	32,749	184,418	217,167	2,676
Transfer between funds		<u>(30,792)</u>	<u>30,792</u>	<u>-</u>	<u>-</u>
Net movement in funds		1,957	215,210	217,167	2,676
Total funds brought forward		<u>106,137</u>	<u>442,936</u>	<u>549,073</u>	<u>546,397</u>
Total funds carried forward		<u><u>108,094</u></u>	<u><u>658,146</u></u>	<u><u>766,240</u></u>	<u><u>549,073</u></u>

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

All income and expenditure derive from continuing activities.

SHEFFIELD MENCAP
BALANCE SHEET
AS AT 31 MARCH 2021

	Notes	31 MAR 21		31 MAR 20
		£	£	£
Fixed Assets				
Tangible Assets	9	171,282		180,539
Investments	10	250		250
		171,532		180,789
Current Assets				
Stock	11	620		689
Debtors and prepayments	12	123,032		84,143
Cash at bank and in hand		512,906		328,126
		636,558		412,958
Creditors:				
Amounts falling due w ithin one year	13	41,850		44,674
Net current assets		594,708		368,284
Net assets	14	766,240		549,073
Funds				
Restricted income funds		108,094		106,137
Unrestricted funds:				
General funds		426,429		203,816
Designated funds		231,717		239,120
		658,146		442,936
Total funds	15	766,240		549,073

These accounts are prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The notes at pages 10 to 18 form part of these accounts

Approved by the executive committee on 28 January 2022 and signed on its behalf by:

.....
Director and Trustee – M. Baxter

.....
Director and Trustee – C. Sterry

Company Number 3168775

SHEFFIELD MENCAP

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	YEAR END 31 MAR 21 £	YEAR END 31 MAR 20 £
Cash flows from operating activities:		
Net cash provided by operating activities	<u>184,780</u>	<u>35,414</u>
 Change in cash and cash equivalents in the year	184,780	35,414
Cash and cash equivalents brought forward	<u>328,126</u>	<u>292,712</u>
Cash and cash equivalents carried forward	<u>512,906</u>	<u>328,126</u>
 Cash and cash equivalents consists of:		
Cash at bank and in hand	<u>512,906</u>	<u>328,126</u>
 Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net income for the year	217,167	2,676
Adjustments for:		
Depreciation charges	9,257	10,630
Dividends and interest	-	-
Decrease in stock	69	38
(Increase) / decrease in debtors	(38,889)	4,879
(Decrease) / increase in creditors	<u>(2,824)</u>	<u>17,191</u>
Net cash provided by operating activities	<u><u>184,780</u></u>	<u><u>35,414</u></u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies**a) Basis of preparing the financial statements**

Sheffield Mencap is a company limited by guarantee, registered in England and Wales. 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 1 of these financial statements.

The financial statements have been prepared under the historical cost convention and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Sheffield Mencap meets the definition of a public benefit entity under FRS 102.

b) Going concern

The financial statements have been prepared on the going concern basis as the trustees believe that there are no material uncertainties

c) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The charity recognises termination benefits when it is demonstrably committed to either (i) terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or (ii) providing termination benefits as a result of an offer made to encourage voluntary redundancy

d) Income

Voluntary income, donations and grants are accounted for as receivable by the Charity, except when donors specify that donations and grants given to the Charity, must be used in future accounting periods. This income is deferred until these periods. The charity includes legacies in the SOFA when the legacy has been received or if, before receipt, it becomes reasonably certain that the legacy will be received and that the value of the incoming resources can be measured with sufficient reliability.

e) Expenditure

Expenditure is recognised when a liability is incurred.

Cost allocation - Certain expenditure is directly attributable to specific activities and has been included in those cost categories. A proportion of staff, establishment and other costs (management and administration expenditure) that is not directly attributable to individual projects/funds are allocated to the cost of running the project on a staff/time basis or on an agreed value with the fund provider

Pension costs - The charity pays contributions into personal pension schemes on behalf of certain employees.

f) Fixed Assets

Fixed assets are recorded at cost or, in the case where fixed assets were donated have been brought into account at their approximate market value by way of transfer from the fixed asset account to donations received. Additions to fixed assets consists of items purchased with a value of over £1,500 that are considered to have a useful economic life of more than one year. This threshold applies to single items only. If required by exceptional circumstances or by restrictions placed on funds, the threshold value may not be applied. Depreciation is charged on a reducing basis which is intended to write off the cost of the fixed assets over their estimated lives, which are reviewed, on an annual basis. The rates used for this purpose are:

Land and Buildings	2%
Fixture and Fittings	15%
Equipment	20%

g) Stock

Stock is included at the lower of cost and net realisable value.

h) Debtors

Trade and other debtors are recognised at the settlement amount due after any discount offered.

i) Creditors

Creditors are recognised when 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

j) Operating leases

All leases are considered to be 'operating leases' and the relevant annual rentals are charged wholly to the Statement of Financial Activities.

k) Fund accounting

Funds held by the charity are either:

restricted – these are funds that can only be used for a particular restricted purpose within the objects of the charity. They are incoming resources on which the donor has laid down conditions.

unrestricted general – incoming resources on which there is no restriction or designation.

designated fund – this has been set up to identify those unrestricted funds that are not free funds in that they represent the net book value of capital assets attributable to the Charity's own reserves or are general funds earmarked by the trustees for a particular purpose.

2 Donations, legacies & similar income

	YEAR END 31MAR 21	YEAR END 31MAR 21	YEAR END 31MAR 21	YEAR END 31MAR 20
	RESTRICTED	UNRESTRICTED	TOTAL	TOTAL
	£	£	£	£
General donations	43,700	137,678	181,378	107,307
Covid-19 support (incl Job Retention Scheme)	83,829	73,369	157,198	-
Legacies	-	63,319	63,319	16,653
	<u>127,529</u>	<u>274,366</u>	<u>401,895</u>	<u>123,960</u>

3 Charitable activities income

	YEAR END 31MAR 21	YEAR END 31MAR 21	YEAR END 31MAR 21	YEAR END 31MAR 20
	RESTRICTED	UNRESTRICTED	TOTAL	TOTAL
	£	£	£	£
Social activities & projects	40,754	25,016	65,770	100,620
Training & support projects	121,439	515,557	636,996	662,184
	<u>162,193</u>	<u>540,573</u>	<u>702,766</u>	<u>762,804</u>

4 Other trading activities

	YEAR END 31MAR 21	YEAR END 31MAR 21	YEAR END 31MAR 21	YEAR END 31MAR 20
	RESTRICTED	UNRESTRICTED	TOTAL	TOTAL
	£	£	£	£
Room hire & Rent	-	4,500	4,500	10,980
	<u>-</u>	<u>4,500</u>	<u>4,500</u>	<u>10,980</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

5 Total expenditure

	Fund-raising	Social activities & projects	Training & support projects	Governance	YEAR END 31 MAR 21 TOTAL	YEAR END 31MAR 20 TOTAL
	£	£	£	£	£	£
Activity expenses & materials	1,318	25,825	4,029	-	31,172	48,181
Specialist workers	-	150	-	-	150	2,950
Purchases (goods for resale)	-	79	-	-	79	7,281
Client transport costs	-	26	495	-	521	4,874
Staff costs	-	53,508	415,929	-	469,437	439,822
Employers NI	-	2,925	24,255	-	27,180	27,413
Staff pensions	-	1,099	13,476	-	14,575	12,876
Staff training	-	-	80	-	80	879
Staff travel & sundry expenses	-	1,929	82	-	2,011	1,534
Volunteer expenses	-	-	130	-	130	472
Communications	-	31	1,128	-	1,159	561
Stationery	-	335	2,684	-	3,019	3,556
Sundries	-	569	129	-	698	620
Legal & professional	-	1,150	1,150	-	2,300	-
Audit fees	-	-	-	3,750	3,750	3,675
Financial Accounts	-	-	-	1,170	1,170	2,642
Room hire	-	1,200	3,300	-	4,500	5,000
Property light & heat	-	1,549	-	-	1,549	230
Property repairs & refurbishments	-	39,569	36,242	-	75,811	-
Management & administration charges	-	27,220	158,111	-	185,331	166,448
Depreciation & profit/loss on asset disposals	-	1,854	-	-	1,854	2,223
Support cost allocation (see note 5a)	14,354	53,243	(8,353)	6,278	65,522	163,831
	<u>15,672</u>	<u>212,261</u>	<u>652,867</u>	<u>11,198</u>	<u>891,998</u>	<u>895,068</u>

5 Total expenditure cont.**5a** Support costs allocated to activities (allocation basis)

	Fund-raising	Social activities & projects	Training & support projects	Governance	YEAR END 31 MAR 21 TOTAL	YEAR END 31MAR 20 TOTAL
	£	£	£	£	£	£
Staff costs (staff numbers)	1,432	28,635	68,724	2,863	101,654	143,765
Employers NI (staff numbers)	88	1,765	4,236	176	6,265	6,227
Staff pensions (staff numbers)	130	2,591	6,218	259	9,198	7,559
Staff training (staff numbers)	10	203	486	20	719	4,694
Staff travel & sundry expenses (staff numbers)	1	10	25	1	37	691
Volunteer expenses (staff numbers)	18	360	863	36	1,277	736
Communications (staff numbers)	205	4,091	9,818	409	14,523	9,626
Stationery (staff numbers)	133	2,664	6,394	266	9,457	9,716
Advertising (staff numbers)	-	7	17	1	25	661
Repairs & renew als (floor area)	124	6,080	6,080	124	12,408	15,099
Sundries (staff numbers)	51	1,015	2,437	102	3,605	2,507
Subscriptions (usage)	-	4,224	4,225	-	8,449	7,137
Legal & professional (usage)	11,775	9,788	21,205	1,631	44,399	60,399
Property costs:						
- light & heat (floor area)	83	4,103	4,104	84	8,374	12,163
- water (floor area)	17	875	875	18	1,785	2,311
- repairs & maintenance (floor area)	102	4,988	4,987	102	10,179	28,343
- insurance (floor area)	111	5,437	5,437	111	11,096	10,238
Management & administration charges (actual)	-	(27,220)	(158,111)	-	(185,331)	(166,448)
Depreciation & asset disposals (usage)	74	3,627	3,627	75	7,403	8,407
	<u>14,354</u>	<u>53,243</u>	<u>(8,353)</u>	<u>6,278</u>	<u>65,522</u>	<u>163,831</u>

6 Net income for the year

This is stated after charging:

	YEAR END 31 MAR 21	YEAR END 31MAR 20
	£	£
Depreciation	9,257	10,630
Auditors' remuneration	3,750	3,675
Trustee indemnity insurance	442	442

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

Staff costs were as follows:

	YEAR END 31 MAR 21	YEAR END 31MAR 20
	£	£
Salaries and wages	571,091	583,587
Employer NI	33,445	33,640
Pensions	23,773	20,435
	<u>628,309</u>	<u>637,662</u>

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	31 MAR 21	31MAR 20
£60,001 - £70,000	1	0

No remuneration was paid nor expenses reimbursed to trustees during either year.

The key management personnel of the charity comprise the Trustees, the Chief Executive Officer and 2 Senior Managers. The total employee benefits of the key management personnel were £153,010 (2020 - £147,297)

	31 MAR 21	31MAR 20
Average number of employees during the year	47	52

8 Taxation

The charitable company is exempt from corporation tax on its charitable activities.

9 Tangible fixed assets

	Leasehold Land & Buildings £	Fixtures & Fittings £	Equipment £	Total £
Cost:				
Brought forward	225,224	79,465	78,638	383,327
Additions	-	-	-	-
Disposal	-	-	-	-
Carried forward	<u>225,224</u>	<u>79,465</u>	<u>78,638</u>	<u>383,327</u>
Depreciation:				
Brought forward	83,339	53,929	65,520	202,788
Charge for the year	2,838	3,936	2,483	9,257
On disposal	-	-	-	-
Carried forward	<u>86,177</u>	<u>57,865</u>	<u>68,003</u>	<u>212,045</u>
Net book values:				
At 31 March 2021	<u>139,047</u>	<u>21,600</u>	<u>10,635</u>	<u>171,282</u>
At 31 March 2020	<u>141,885</u>	<u>25,536</u>	<u>13,118</u>	<u>180,539</u>

10 Investments

	31 MAR 21 £	31MAR 20 £
Quoted investment at cost	<u>250</u>	<u>250</u>

The market value of the quoted investments at 31 March 2021 was £245 (2020 - £151)

11 Stock

	31 MAR 21 £	31MAR 20 £
Coffee Bar	20	89
Stationery	400	400
General	<u>200</u>	<u>200</u>
	<u>620</u>	<u>689</u>

12 Debtors and prepayments

	31 MAR 21	31 MAR 20
	£	£
Prepayments and accrued income	3,266	3,807
VAT	38,401	9,292
Other debtors	81,365	71,044
	<u>123,032</u>	<u>84,143</u>

13 Creditors: Amounts falling due within one year

	31 MAR 21	31 MAR 20
	£	£
Taxation and social security	14,101	18,715
Accruals and deferred income	27,749	25,959
	<u>41,850</u>	<u>44,674</u>
Deferred income movement	£	£
Balance at 1 April 2020	1,010	1,010
Amount released to incoming resources	(1,010)	(1,010)
Amount deferred in the period	1,010	1,010
Balance at 31 March 2021	<u>1,010</u>	<u>1,010</u>

Deferred income relates to amounts received in advance for trips taking place after the year end.

14 Analysis of net assets between funds:

	Restricted Funds £	General Funds £	Designated Funds £	Total Funds £
As at 31 March 2021				
Tangible fixed assets	9,565	-	161,717	171,282
Investments	-	250	-	250
Net current assets	98,529	426,179	70,000	594,708
Net assets at 31 March 2021	<u>108,094</u>	<u>426,429</u>	<u>231,717</u>	<u>766,240</u>
As at 31 March 2020				
Tangible fixed assets	11,419	-	169,120	180,539
Investments	-	250	-	250
Net current assets	94,718	203,566	70,000	368,284
Net assets at 31 March 2020	<u>106,137</u>	<u>203,816</u>	<u>239,120</u>	<u>549,073</u>

15 Movement in funds:**For the year ended 31 March 2021**

	At 1 Apr 20 £	Income £	Expenditure £	Transfers £	At 31 Mar 21 £
Restricted funds:					
Restricted donations	72,714	144,537	(152,676)	(2,580)	61,995
Sharing Caring Project	7,415	36,441	(26,898)	(8,364)	8,594
Out & About	-	200	(200)	-	-
Radio Project	2,583	7,445	(2,328)	(2,376)	5,324
Communicate Project	2,835	13,601	(5,488)	(3,420)	7,528
Children & Young People Fitness	-	2,500	(2,500)	-	-
Shine At Mencap Project	5,173	-	(3,549)	(1,440)	184
Carer's Outreach Project	15,417	84,998	(63,334)	(12,612)	24,469
	<u>106,137</u>	<u>289,722</u>	<u>(256,973)</u>	<u>(30,792)</u>	<u>108,094</u>
Unrestricted funds:					
General funds	203,816	819,443	(627,622)	30,792	426,429
Designated funds	239,120	-	(7,403)	-	231,717
	<u>442,936</u>	<u>819,443</u>	<u>(635,025)</u>	<u>30,792</u>	<u>658,146</u>
Total Funds	<u><u>549,073</u></u>	<u><u>1,109,165</u></u>	<u><u>(891,998)</u></u>	<u><u>-</u></u>	<u><u>766,240</u></u>

- The transfer from restricted funds relate to overhead expenses or services provided by the charity which are eligible expenditure for particular restricted grants.
- Purposes of restricted funds are described in the directors report.
- The designated fund comprises the net book value of fixed assets of £161,717 together with general funds earmarked by the trustees of £10,000 for building renovations, £10,000 for tender and bid writing and £50,000 for redundancy provisions.

For the year ended 31 March 2020

	At 1 Apr 19 £	Income £	Expenditure £	Transfers £	At 31 Mar 20 £
Restricted funds:					
Restricted donations	15,783	80,657	(20,858)	(2,868)	72,714
Sharing Caring Project	4,034	38,496	(26,751)	(8,364)	7,415
Radio Project	12,073	-	(7,270)	(2,220)	2,583
Communicate Project	2,751	10,775	(7,271)	(3,420)	2,835
Children & Young People Fitness	-	2,000	(2,000)	-	-
Shine At Mencap Project	16,026	-	(6,669)	(4,184)	5,173
Carer's Outreach Project	13,391	89,060	(74,939)	(12,095)	15,417
	<u>64,058</u>	<u>220,988</u>	<u>(145,758)</u>	<u>(33,151)</u>	<u>106,137</u>
Unrestricted funds:					
General funds	234,812	676,756	(740,903)	33,151	203,816
Designated funds	247,527	-	(8,407)	-	239,120
	<u>482,339</u>	<u>676,756</u>	<u>(749,310)</u>	<u>33,151</u>	<u>442,936</u>
Total Funds	<u><u>546,397</u></u>	<u><u>897,744</u></u>	<u><u>(895,068)</u></u>	<u><u>-</u></u>	<u><u>549,073</u></u>

16 Revenue commitments

At 31st March 2021, the charity had operating leases with total future minimum lease payments as follows:

	31 MAR 21	31 MAR 20
	£	£
Amount falling due:		
Within one year	8,251	8,251
In the second to fifth years	21,983	27,494
After more than five years	685	3,425

17 Related parties

There were no related party transactions requiring disclosure in either year.

18 A detailed breakdown of the 2020 Statement of Financial Activities between unrestricted and restricted funds is as follows.

	Restricted	Unrestricted	Total
	£	£	£
Income from:			
Donations, legacies & similar income	59,646	64,314	123,960
Charitable activities	161,342	601,462	762,804
Other trading activities	-	10,980	10,980
Total income	<u>220,988</u>	<u>676,756</u>	<u>897,744</u>
Expenditure on:			
Fund raising	-	46,822	46,822
Charitable activities:			
Social activities & projects	41,568	151,907	193,475
Training and support projects	104,190	537,113	641,303
Governance	-	13,468	13,468
Total expenditure	<u>145,758</u>	<u>749,310</u>	<u>895,068</u>
Net income / (expenditure) for the year	75,230	(72,554)	2,676
Transfer between funds	(33,151)	33,151	-
Net movement in funds	<u>42,079</u>	<u>(39,403)</u>	<u>2,676</u>