

Charity registration number 1142178

Company registration number 07525249 (England and Wales)

**TOWER HAMLETS MENCAP SOCIETY**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**



# TOWER HAMLETS MENCAP SOCIETY

## LEGAL AND ADMINISTRATIVE INFORMATION

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**Trustees** Mrs L Kennedy (Secretary)  
Mrs L Castle  
Mr D White

**Charity number** 1142178

**Company number** 07525249

**Registered office** 84 Leslie Road  
London  
E11 4HG

**Independent examiner** Lee, Dicketts & Co  
3 East Point  
High Street  
Seal  
Sevenoaks  
Kent  
TN15 0EG

**Bankers** Barclays Bank plc  
1 Churchill Place  
London  
E14 5HP

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# **TOWER HAMLETS MENCAP SOCIETY**

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# **TOWER HAMLETS MENCAP SOCIETY**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022**

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Society's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

### **Objectives and activities**

The Society's objects are to promote the care, treatment and education of children and adults with learning disabilities, by the provision of help and support for them and their families, dependents and carers, commensurate with their needs.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Society should undertake.

### **Achievements and performance**

Due to on-going Covid-19 restrictions for those at high risk and the fact that our new premises still has works to be undertaken we are currently communicating via telephone and virtual calls. We are continuing to follow MENCAP guidelines, GOV.UK and the NHS with regard to Covid-19. We made a decision to continue to provide a shopping service to our service users, parents/carers at no cost to themselves and to provide food to local foodbanks. We now have social media platforms up and running (Facebook, Instagram, Twitter) and we have received a number of messages asking for support including people out of the Tower Hamlets borough that no longer have local Mencap Societies to go to for support. This has resulted in us assisting service users to make the transition into independent living by supplying both fixtures and fittings suitable for the individuals use at no cost to themselves, signposting to the correct services as required and general welfare assistance when required.

We were given the opportunity of acquiring a garden space to be turned into a meeting place for our service users and we have spent both time and money to turn this into a tranquil, relaxing place for our services users use. We had been contacted by a number of old neighbours as there has been another problem with squatters holding a rave at our old building in Coborn Street which led to a number of arrests and hospitalisation. This led us to believe that we maybe being targeted as our old name and information were still on the front of the building and people not knowing that we were no longer based there. With Roman Road also having medium/high crime rate of burglary and antisocial behaviour we decided to continue with security as we previously had in place and this will remain until the New Kirtland Centre opens.

### **Financial review**

It is the policy of the Society that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between 3-6 months expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the societies current activities while consideration is given to ways in which additional funds may be raised. Due to the sale of our old building in Coborn Street, we now have significant unrestricted funds in the bank which will see us continue for well over the six months that we would like to maintain. Included in these funds are our annual Golf Tournament donations and a regular standing order from one of our supporters.

The combinations of these funds have helped us to fulfil the objectives and activities of our charity. We also continue to pay rent, insurance and utility bills for the New Kirtland Centre whilst continuing getting it ready for use.

The Board of Trustees has assessed the major risks to which the Society is exposed, and are satisfied that the systems are in place to mitigate exposure to the major risks. The trustees regularly monitor the risk exposure of the Society and action is taken to investigate and mitigate any risks identified.



## **TOWER HAMLETS MENCAP SOCIETY**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)** **FOR THE YEAR ENDED 31 MARCH 2022**

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Once building works have been completed and Covid-19 is no longer high risk to those clinically vulnerable, we hope to open as a daily community hub for those with a learning disability as well as for carers and parents. We hope to liaise with local businesses to obtain more funding as well as applying for relevant grants. We will be promoting ourselves in local colleges and schools. We will be arranging days out and holidays as well as fundraising events.

#### **Structure, governance and management**

The Society was originally registered as a charity on 4 January 1983 under registration number 286013. The Society adopted a charitable trust deed on 11 November 1982 as amended 26 June 2005.

On 10 February 2011 the Society registered as a company limited by guarantee and on 1 April 2011 the activities of the Society were transferred to the charity company under registration number 1142178. The Society has now adopted the Local Model Constitution of the Royal Mencap Society.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs L Kennedy (Secretary)  
Mrs L Castle  
Mr D White

The trustees are appointed by the Board of Trustees and serve for five years after which period they may put themselves forward for re-appointment.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The trustees' meetings are held quarterly and at such meetings the trustees agree the Board's strategy and areas of activity for the Society, including consideration of reserves and risk management policies and performance. The Board keeps the skill requirements for the trustee body under review and in the event that a trustee permanently retires or additional new trustees are required, the Board actively recruits the new trustee by advertisement or through a dialogue with associated bodies.

The Society is a member of the Royal Mencap Society (MENCAP). The Royal Mencap Society provides helpful information on good practice, changes in the law affecting charities and acts as an authoritative lobby on behalf of the MENCAP Societies with the government regulators.

The trustees' report was approved by the Board of Trustees.

#### **Mrs L Kennedy (Secretary)**

Trustee

Dated: 24 December 2022



# **TOWER HAMLETS MENCAP SOCIETY**

## **INDEPENDENT EXAMINER'S REPORT**

### **TO THE TRUSTEES OF TOWER HAMLETS MENCAP SOCIETY**

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We report to the trustees on our examination of the financial statements of Tower Hamlets MENCAP Society (the Society) for the year ended 31 March 2022.

#### **Responsibilities and basis of report**

As the trustees of the Society (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied ourselves that the financial statements of the Society are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, We report in respect of our examination of the Society's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out our examination we have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

We have completed our examination. We confirm that no matters have come to our attention in connection with the examination giving us cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the Society as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

We have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

#### **Lee, Dicketts & Co**

3 East Point  
High Street  
Seal  
Sevenoaks  
Kent  
TN15 0EG

Dated: 28 December 2022



# TOWER HAMLETS MENCAP SOCIETY

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

### Current financial year

		Unrestricted funds 2022 £	Total 2021 £
	Notes		
<b>Income and endowments from:</b>			
Donations and gifts	2	1,735	980
Investments	3	107	65
Other income	4	-	1,361,118
<b>Total income</b>		1,842	1,362,163
<b>Expenditure on:</b>			
Charitable activities	5	272,078	188,678
Other	10	-	389
<b>Total resources expended</b>		272,078	189,067
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		(270,236)	1,173,096
Fund balances at 1 April 2021		1,224,574	51,478
<b>Fund balances at 31 March 2022</b>		954,338	1,224,574

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

All income and expenditure derive from continuing activities.

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



# TOWER HAMLETS MENCAP SOCIETY

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

### Prior financial year

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes			
<b>Income and endowments from:</b>				
Donations and gifts	2	980	-	980
Investments	3	65	-	65
Other income	4	-	1,361,118	1,361,118
<b>Total income</b>		<b>1,045</b>	<b>1,361,118</b>	<b>1,362,163</b>
<b>Expenditure on:</b>				
Charitable activities	5	95,191	93,487	188,678
Other	10	389	-	389
<b>Total resources expended</b>		<b>95,580</b>	<b>93,487</b>	<b>189,067</b>
Gross transfers between funds		1,397,631	(1,397,631)	-
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<b>1,303,096</b>	<b>(130,000)</b>	<b>1,173,096</b>
Fund balances at 1 April 2020		(78,522)	130,000	51,478
<b>Fund balances at 31 March 2021</b>		<b>1,224,574</b>	<b>-</b>	<b>1,224,574</b>

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

All income and expenditure derive from continuing activities.

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



# TOWER HAMLETS MENCAP SOCIETY

## STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	11		5,617		-
<b>Current assets</b>					
Debtors	12	39,512		-	
Cash at bank and in hand		913,363		1,227,143	
		952,875		1,227,143	
<b>Creditors: amounts falling due within one year</b>	13	(4,154)		(2,569)	
Net current assets			948,721		1,224,574
<b>Total assets less current liabilities</b>			954,338		1,224,574
<b>Income funds</b>					
Unrestricted funds			954,338		1,224,574
			954,338		1,224,574

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022.

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

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

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

The financial statements were approved by the Trustees on 24 December 2022

Mrs L Kennedy (Secretary)

**Trustee**

**Company registration number 07525249**



# **TOWER HAMLETS MENCAP SOCIETY**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

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### **1 Accounting policies**

#### **Charity information**

Tower Hamlets MENCAP Society is a private company limited by guarantee incorporated in England and Wales. The registered office is , 84 Leslie Road, London, E11 4HG.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the Society's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The Society is a Public Benefit Entity as defined by FRS 102.

The Society has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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

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

#### **1.2 Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Charitable funds**

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

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

#### **1.4 Incoming resources**

Income is recognised when the Society is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Society has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

#### **1.5 Resources expended**

The accruals basis is applied to all expenditure.

Expenditure has been allocated according to the Statement of Recommended Practice "Accounting and Reporting by Charities" and is shown under the appropriate sub-heading. Items of expenditure which involve more than one charitable activity , are allocated appropriately between the charitable activities involved on the basis of estimates made by the charity's management.



# TOWER HAMLETS MENCAP SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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### 1 Accounting policies

(Continued)

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

Fixtures and fittings	15% on written down value
Computers	25% on written down value

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.7 Impairment of fixed assets

At each reporting end date, the Society reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Society is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.11 Leases

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

#### 1.12 Basic financial instruments

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any loss arising from impairment are recognised in the profit and loss account in other administrative expenses.



# TOWER HAMLETS MENCAP SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 2 Donations and gifts

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	1,735	980
	<u>          </u>	<u>          </u>

### 3 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Interest receivable	107	65
	<u>          </u>	<u>          </u>

### 4 Other income

	Total	Restricted funds
	2022	2021
	£	£
Net gain on disposal of tangible fixed assets	-	1,361,118
	<u>          </u>	<u>          </u>



# TOWER HAMLETS MENCAP SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 5 Charitable activities

	Revenue	Society	Gateway	Total	Revenue	Society	Gateway	Total
	2022	2022	2022	2022	2021	2021	2021	2021
	£	£	£	£	£	£	£	£
Depreciation and impairment	1,194	-	-	1,194	-	-	-	-
Establishment expenses	176,368	232	-	176,600	20,728	-	635	21,363
Ambulance and transport	-	-	-	-	-	-	267	267
Affiliation fees and insurances	686	-	-	686	-	-	-	-
Office expenses	-	-	-	-	120	-	-	120
Sundry expenses	205	-	-	205	54	-	-	54
Donations	250	-	-	250	-	-	-	-
Stationery	662	-	-	662	248	-	-	248
Members supplies	9,074	-	-	9,074	1,041	-	-	1,041
Independent living costs	9,122	-	-	9,122	-	-	-	-
Volunteers expenses	1,830	-	-	1,830	-	-	-	-
	199,391	232	-	199,623	22,191	-	902	23,093
Share of support costs (see note 7)	68,594	3	-	68,597	68,058	4	6	68,068
Share of governance costs (see note 7)	3,281	277	300	3,858	97,302	155	60	97,517
	271,266	512	300	272,078	187,551	159	968	188,678
<b>Analysis by fund</b>								
Unrestricted funds	271,266	512	300	272,078	94,064	159	968	95,191
Restricted funds	-	-	-	-	93,487	-	-	93,487



# TOWER HAMLETS MENCAP SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 6 Description of charitable activities

#### Revenue

The Revenue account is for the running of The Kirtland Centre.

#### Society

Tower Hamlets MENCAP Society is a registered company limited by guarantee. We are affiliated to the Royal National MENCAP Society.

#### Gateway

Tower Hamlets Society runs a Gateway Club, which is the leisure arm of National MENCAP for people with a learning disability.

### 7 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Staff costs	68,578	-	68,578	68,034	-	68,034
Bank charges	19	-	19	34	-	34
Audit fees	-	306	306	-	1,194	1,194
Accountancy	-	2,100	2,100	-	-	-
Legal and professional	-	1,452	1,452	-	96,323	96,323
	<u>68,597</u>	<u>3,858</u>	<u>72,455</u>	<u>68,068</u>	<u>97,517</u>	<u>165,585</u>
Analysed between						
Charitable activities	<u>68,597</u>	<u>3,858</u>	<u>72,455</u>	<u>68,068</u>	<u>97,517</u>	<u>165,585</u>

### 8 Trustees

None of the trustees (or any persons connected with them) were reimbursed expenses during the year.

### 9 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Administration and office staff	<u>4</u>	<u>5</u>



# TOWER HAMLETS MENCAP SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 9 Employees (Continued)

Employment costs	2022 £	2021 £
Wages and salaries	66,817	65,241
Social security costs	1,129	2,424
Other pension costs	632	369
	<u>68,578</u>	<u>68,034</u>

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

### 10 Other

	Total £ 2022	Unrestricted funds 2021
Net loss on disposal of tangible fixed assets	-	389
	<u>-</u>	<u>389</u>

### 11 Tangible fixed assets

	Fixtures and fittings £	Computers £	Total £
<b>Cost</b>			
Additions	5,091	1,720	6,811
At 31 March 2022	<u>5,091</u>	<u>1,720</u>	<u>6,811</u>
<b>Depreciation and impairment</b>			
Depreciation charged in the year	764	430	1,194
At 31 March 2022	<u>764</u>	<u>430</u>	<u>1,194</u>
<b>Carrying amount</b>			
At 31 March 2022	<u>4,327</u>	<u>1,290</u>	<u>5,617</u>



# TOWER HAMLETS MENCAP SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 12 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Prepayments and accrued income	39,512	-

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

	2022 £	2021 £
Other taxation and social security	-	698
Trade creditors	240	240
Other creditors	314	437
Accruals and deferred income	3,600	1,194
	4,154	2,569

### 14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds		
	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 1 April 2021 £	Incoming resources £	Balance at 31 March 2022 £
National Lottery Grant							
- Building	130,000	1,361,118	(93,487)	(1,397,631)	-	-	-

In a prior period the Society received a grant from the National Lottery of £130,000 for the purchase of the building. The building was been sold during 2021, realising a substantial gain on disposal. On the basis that there are no conditions assigned to the original grant other than the initial acquisition of the building, the balance of restricted funds was transferred to unrestricted funds for future use by the charity for charitable purposes.

### 15 Related party transactions

During the year total remuneration of £nil and expenses of £nil (2021 - Remuneration of £35,175 and expenses of £nil) was paid to Mrs R Hajjiannis who is related to Miss J Hajjiannis (who was a Trustee in 2021).

During the year total remuneration of £27,300 (2021: £15,925) was paid to N Kennedy and remuneration of £16,900 (2021: £9,858) was paid to R Kennedy who are related to L Kennedy (Trustee).



