

**THE REGISTRAR  
OF COMPANIES**

CARLISLE MENGAP LIMITED

FINANCIAL STATEMENTS

30 SEPTEMBER 2017

(A company limited by guarantee)



**ArmstrongWatson®**

Accountants, Business & Financial Advisers

**CARLISLE MENCAP LIMITED**  
**(A company limited by guarantee)**

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**CARLISLE MENCAP LIMITED**  
**(A company limited by guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

<b>Trustees</b>	Mrs C Bowditch, Chair Mrs G Ternent, Treasurer Miss E Harkness, Vice Chair Mrs J Harland (appointed 16 May 2017) Mrs T Hart (resigned 16 May 2017) Mr P Hindle (resigned 16 May 2017) Mrs J Nicholson Mrs C Thompson Mr S Bowditch Mrs A Fletcher (appointed 16 May 2017) Mr P Bradbrook (resigned 16 May 2017) Mr N Steel Mr N Braiden Mrs I Roberts-Green Miss S McBean
<b>Company registered number</b>	05595628
<b>Charity registered number</b>	1115348
<b>Registered office</b>	Unit J3 Duchess Avenue Kingmoor Park North Carlisle Cumbria CA6 4SN
<b>Company secretary</b>	Mrs S Gregory
<b>Independent auditors</b>	Armstrong Watson Audit Limited Chartered Accountants Fairview House Victoria Place Carlisle Cumbria CA1 1HP

**CARLISLE MENCAP LIMITED**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

**Advisers (continued)**

**Bankers**

HSBC Plc  
PO Box 5  
29 English Street  
Carlisle  
Cumbria  
CA3 8JW

CAF Bank Ltd  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent  
ME19 4JQ

Cumberland Building Society  
Cumberland House  
Castle Street  
Carlisle  
Cumbria  
CA3 8RX

**CARLISLE MENCAP LIMITED**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2017**

The Trustees present their annual report together with the audited financial statements of the company Carlisle Mencap Limited for the year 1 October 2016 to 30 September 2017. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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) as amended by Update Bulletin 1 (effective 1 January 2015).

**Objectives and Activities**

**a. POLICIES AND OBJECTIVES**

The organisation's policy is to improve the lives of people with learning disabilities in Cumbria by providing life long quality person centred support.

**b. STRATEGIES FOR ACHIEVING OBJECTIVES**

Strategies include:

1. The continual improvement of our existing services and the further extension of those services to new clients and new areas particularly across South Cumbria and North Allerdale.
2. The development of new complementary services for disabled people and their families - an example would be the family adviser service and the sports workers.
3. Working in collaboration with other organisations and consortia to increase our services and reach across a wider part of the county.
4. Develop fundraising and income generation from non statutory sources; a full time fundraiser is now in place to this end.

**c. ACTIVITIES FOR ACHIEVING OBJECTIVES**

Notable achievements have included:

- The completion of the fifth year of service at the Grace Little Children's Centre was a great achievement with the Centre much busier and more funding available from Cumbria County Council for overnight stays.
- The year has also seen continued growth in all children's services, especially in the areas of residential respite and community services. Due to the success of grant applications with Cumbria County Council, we are now established as a service provider across all of Cumbria with new services in Eden and South Cumbria. We now manage the well established children's respite homes at Hart Street, Ulverston and Huntley Avenue, Penrith as well as services in the south of the county. There are some issues around the funding of these services from Cumbria County Council, which were not clear during the application for the grant, however we are now responding to these issues with new plans.
- Continuing growth in outreach - we have continued to attract new clients and have extended the number of hours of support provided. Continual growth in Supported Living with an additional 3 bed house now being supported by the charity.
- Training is a high priority as we need to provide clients with a quality, safe experience.
- California House is now very busy with many new clients. Fundraising has been ongoing to raise the £150,000 required for a major refurbishment of the house - this work will begin in early summer 2018.
- The Independence Studio film making group which runs on Monday, Tuesday and Wednesday is now fully

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2017**

funded by the Heritage Lottery Fund and the Police and Crime Commissioner. We also received a large grant from the Home Office to make a film about hate crime. The staff have made a number of successful films, including a film on the history of learning disability in North Cumbria, and have been involved in national campaigns around improving health services.

- The Big Lottery funded Active Sundays is now in its third year and extremely successful.
- The Sports Development project has also been highly successful with 3 new sporting activities being developed - sport and healthy lifestyle are now major priorities for the charity.

The Trustees meet annually with senior managers for a strategic planning day to plan the year ahead - they look at likely risks and opportunities. This is in addition to their bi-monthly Trustee meeting which monitors activities and plans.

Planning priorities include:

- Celebrating our 50th anniversary in 2018 allows us to be involved in a large number of fundraising opportunities.
- Development of the Grace Little Centre - to include both residential and non residential activities.
- Develop the new county wide children's services, dealing with the funding issues and opportunities created by the new services.
- To develop early intervention work with families of children under 5 – funded by NHS.
- Development of community day services - this is a new area of work which will allow us to offer a new service to small groups of clients wanting to do community based activities. We now have a Cumbria County Contract to develop these services.
- Development of new ways of working to combat funding cuts and reduced opportunities; this will be led by the CEO.
- Encourage more clients to buy our services on direct payments, which will allow us to be more flexible and less dependent on contracts from Cumbria County Council.
- Seek to renew existing contracts and new ones by being fully involved in tenders offered within our area by Cumbria County Council and others.
- Develop new funding streams.

**Achievements and performance**

**a. REVIEW OF ACTIVITIES**

During 2016/17 the organisation has continued its core activities and developed some new services, these include:

**California House**

Residential respite care for adults with learning disabilities. The house has 5 guest bedrooms, 2 are fully accessible for those with profound physical disabilities. The house is open 365 days a year. This service is now funded on a spot purchase system. We are now extremely busy and planning to refurbish the house after a fundraising drive. This service has a good CQC rating.

**Community Support Adults**

We provide services for adults in the community. Services provided can be very varied - from helping someone to go shopping, through supporting people to do leisure activities, to spending entire days with clients supporting all of their daily activities. This service has a good CQC rating.

**CARLISLE MENCAP LIMITED**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2017**

**Supported Living**

We supply 24 hour support in the community for 5 clients in their own homes.

**Children's Services**

We have a range of services funded in a variety of ways, some of which we have been providing for in excess of 25 years.

**Grace Little Centre**

There has been continued growth in the use of the Centre for both community and residential activities. The Centre is used for training, parent's meetings and children's clubs as well as overnight stays. The service holds a good Ofsted rating.

**Residential Respite**

Hart Street, Ulverston and Huntley Avenue, Penrith, two very well established respite homes, were welcomed to Carlisle Mencap in 2017. The homes run full time with around 100 children accessing them, both homes hold good Ofsted ratings.

**Children's Community Support**

We support young people in the community whilst their parents take a break. We either take care of the children at home or take them out in to the community to do an activity. We have now extended this service to South Cumbria where we run the service in partnership with the Oaklea Trust for children under 8.

**Activators Club and Holiday Play Schemes**

We are commissioned by Health to provide short term non-residential care for disabled children. Activators club operates from 10am to 4pm on Saturdays and at the moment is based at Carlisle Youth Zone and the Grace Little Centre, providing a service for up to 14 children a week. The club also offers a play scheme during school holidays. The Activators club is successful and demand so high that children have to attend on a 3 weekly rota.

**Children's Holiday Breaks**

We have again received a generous grant from BBC Children in Need to organise five holiday breaks for young people.

**Short Breaks**

We now provide activities on Saturdays, Sundays, Mondays and Thursdays as well as school holiday activities. We now have weekend clubs and holiday clubs across North Allerdale. This service has been recommissioned and extended across South Cumbria to start in February 2017.

**Cumbria Autism Family Support Project**

Four part time support workers work supporting families with children on the autistic spectrum. The workers advise, educate and signpost. This service has now been recommissioned across the whole of Cumbria.

**Carlisle Active**

Carlisle Active continues with fell walking at weekends and is very popular. Active Sundays are funded by the Big Lottery and are extremely popular with up to 50 people attending throughout the year. Members have been involved in sports and art projects.

**Sports Development Service**

This is a new service designed to encourage members to keep fit. It began in May 2017 and is funded by Cumbria Community Foundation. It has been very successful supporting members to get involved in gym, tennis and football. Over 30 people attend a weekly activity based at the Carlisle Youth Zone.

**Holidays**

We provide two 4-day holidays a year for up to 40 adults in total. The holidaymakers are supported by volunteers. There is a part-time paid manager. This service has been provided for over 30 years.

**The Shop**

**CARLISLE MENCAP LIMITED**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2017**

We now only have a shop in Botchergate where we sell second hand goods.

**Doves Café**

This is a new enterprise running 2 days a week in partnership with the Church of Scotland.

**The Independence Studio**

This is a social enterprise based on film making and art which operates from the Grace Little Centre, three days a week.

**Family Advisor Service**

We have a family advisor service jointly funded by Eden MENCAP to provide information and advice to service users and their families.

**b. INVESTMENT POLICY AND PERFORMANCE**

The organisation adopts a cautious approach to investment and funds are held in savings accounts.

**Financial review**

**a. GOING CONCERN**

Due to the acquisition of a £1.588m LGPS liability during the year, the charity is now in an overall deficit of £216,893. The liability has been transferred along with TUPE staff as part of the two new Cumbria County Council contracts.

The trustees have reviewed going concern in light of this and as the liability will transfer back out of the charity with the TUPE staff should they cease the contract with the Cumbria County council, the charity would be back to an overall surplus. Cumbria County Council are also providing additional grant funding to contribute towards the additional LGPS costs associated with the new contracts.

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

**b. RESULTS FOR THE YEAR**

The results for the year show an excess of expenditure over income of £162,361. Overall funds carried forward amount to a deficit of £216,893 being restricted funds of £139,513 and deficit on unrestricted funds of £356,406.

The deficit on unrestricted funds is as a result of the inclusion of a LGPS liability of £1.588m at the point of undertaking two new Cumbria County Council contracts where staff were transferred via the TUPE regulations to the charity, with the charity taking the responsibilities and benefits of these staff.

At the year end date the actuarial valuation reported the liability to the charity, who are now a participating employer in the scheme, a deficit of £1.444m. Without this liability, the total funds would have amounted to £1,227,107. Should the contract cease in the future then all staff would transfer along with any liabilities at that date.

**c. RESERVES POLICY**

The policy of the society is to maintain enough reserves to continue operations for three months. Three months running costs are £450,000, which includes essential staffing to maintain services. housekeeping, rentals, insurances and registration costs.

Reserves are monitored by the trustees bi-monthly.



**CARLISLE MENCAP LIMITED**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2017**

**d. PRINCIPAL FUNDING**

The financial constraints indicated from national and local government make it difficult to plan services ahead, however, we have been pleased to generate a sound income for the year. Trustees chose to use funds from services to fund additional charitable activities. Cumbria County Council contracts are still the major funding source and because of uncertainty and expected constraints on local authority funding we continue to look at diversification of our income from other sources including direct fundraising and a variety of grants. We have employed a full time fundraiser to support income generation and prepare for our 50th anniversary into 2018 when we will be doing a major fundraising drive. The Trustees were delighted to be able to fund from current reserves our Family Advice Service, a joint project with Eden MENCAP.

**Structure, governance and management**

**a. CONSTITUTION**

The company is registered as a charitable company limited by guarantee.

The company is constituted under a Memorandum of Association and is a registered charity number 1115348.

The objects of the society are:

- the relief of people with a learning disability in particular by the provision of help and support for them and their families, dependents and carers, and to prevent learning disabilities for the public benefit and to advance religion amongst persons with learning disability;
- To provide and assist in the provision of facilities for the recreation or other leisure time occupation for people who have the need thereof by reason of learning disability with the object of improving their conditions of life.

**b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES**

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

**c. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES**

Trustees are inducted and given training in their role by the Chief Officer. All take part in child protection training. There is an annual away day where they get together to explore and understand their role.

**d. ORGANISATIONAL STRUCTURE AND DECISION MAKING**

The Trustees meet bi-monthly to discuss policy and strategy. There is an additional finance and sub committee which meets as and when required to discuss some matters in further depth. The CEO is line managed by the Chair of the Trustees. The CEO has the day to day running of the organisation – she is supported by an Operations Manager and a further 5 service managers who manage the staff teams.

**e. RISK MANAGEMENT**

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

**CARLISLE MENCAP LIMITED**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2017**

**f. PUBLIC BENEFIT**

The trustees have considered the guidance issued by the Charity Commission in respect of public benefit and confirmed their adherence to this guidance through the activities and operations of the charity.

**Plans for future periods**

**a. FUTURE DEVELOPMENTS**

The activities for the upcoming year will involve developing the new children's contracts seeking additional supported living services and developing California House. The house is being extended and refurbished. This will allow us to gain new clients for the respite service and start a new day service in the house. During 2018/19 we will develop a new business plan which will seek to secure additional funding and look at stream lining and improving ways of working.

**TRUSTEES' RESPONSIBILITIES STATEMENT**

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

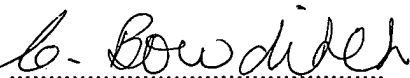
**DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This report was approved by the Trustees, on

and signed on their behalf by:



**Mrs C Bowditch**  
**Chair**

29/6/18

CHRISTINE BOWDITCH

**CARLISLE MENCAP LIMITED**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARLISLE MENCAP LIMITED**

**OPINION**

We have audited the financial statements of Carlisle Mencap Limited (the 'charitable company') for the year ended 30 September 2017 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2017 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 Charities Act 2011.

**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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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.

**USE OF OUR REPORT**

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

**MATERIAL UNCERTAINTY RELATED TO GOING CONCERN**

We draw attention to note 1.4 in the financial statements, which indicates that the acquisition of the £1.588m LGPS liability during the year may cast significant doubt on the charitable company's ability to continue as a going concern. As stated in note 1.4, these events or conditions, along with the other matters as set forth in the note 1.4 indicate that a material uncertainty exists that may cast significant doubt on the charitable company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

**CARLISLE MENCAP LIMITED**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARLISLE MENCAP LIMITED**

**OTHER INFORMATION**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and 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 where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; 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, 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.

**CARLISLE MENCAP LIMITED**  
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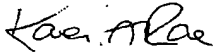
**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARLISLE MENCAP LIMITED**

**AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.



**Karen A Rae FCCA**  
**For and on behalf of**  
**Armstrong Watson Audit Limited**  
Chartered Accountants  
Statutory Auditors  
Carlisle

Date: 29 June 2018

Armstrong Watson Audit Limited is eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**CARLISLE MENCAP LIMITED**  
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**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
<b>INCOME FROM:</b>					
Donations and legacies	2	23,562	139,693	163,255	151,503
Charitable activities	3	1,390,099	909,333	2,299,432	1,350,971
Other trading activities		20,009	-	20,009	15,165
Investments	4	573	-	573	970
<b>TOTAL INCOME</b>		<b>1,434,243</b>	<b>1,049,026</b>	<b>2,483,269</b>	<b>1,518,609</b>
<b>EXPENDITURE ON:</b>					
Raising funds		47,300	-	47,300	53,862
Charitable activities		1,598,372	999,958	2,598,330	1,511,157
<b>TOTAL EXPENDITURE</b>	7	<b>1,645,672</b>	<b>999,958</b>	<b>2,645,630</b>	<b>1,565,019</b>
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>					
		(211,429)	49,068	(162,361)	(46,410)
Deficit acquired on defined benefit pension scheme		(1,588,000)	-	(1,588,000)	-
Actuarial gains on defined benefit pension schemes	19	253,000	-	253,000	-
<b>NET MOVEMENT IN FUNDS</b>		<b>(1,546,429)</b>	<b>49,068</b>	<b>(1,497,361)</b>	<b>(46,410)</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		1,190,023	90,445	1,280,468	1,326,878
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>(356,406)</b>	<b>139,513</b>	<b>(216,893)</b>	<b>1,280,468</b>

The notes on pages 15 to 32 form part of these financial statements.

**CARLISLE MENCAP LIMITED**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 05595628**

**BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2017**

	Note	£	2017 £	£	2016 £
<b>FIXED ASSETS</b>					
Tangible assets	12		767,127		786,421
<b>CURRENT ASSETS</b>					
Debtors	13	327,952		360,562	
Cash at bank and in hand		381,262		240,621	
		<u>709,214</u>		<u>601,183</u>	
<b>CREDITORS:</b> amounts falling due within one year	14	(249,234)		(107,136)	
<b>NET CURRENT ASSETS</b>			<u>459,980</u>		<u>494,047</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>1,227,107</u>		<u>1,280,468</u>
Defined benefit pension scheme liability	19	(1,444,000)			
<b>NET (LIABILITIES)/ASSETS INCLUDING PENSION SCHEME LIABILITIES</b>			<u>(216,893)</u>		<u>1,280,468</u>
<b>CHARITY FUNDS</b>					
Restricted funds	15		139,513		90,445
Unrestricted funds:					
Unrestricted funds excluding pension liability		1,087,594		1,190,023	
Pension reserve		<u>(1,444,000)</u>			
Total unrestricted funds			<u>(356,406)</u>		<u>1,190,023</u>
<b>TOTAL (DEFICIT)/FUNDS</b>			<u>(216,893)</u>		<u>1,280,468</u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 144 of the Charities Act 2011.

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

The financial statements were approved and authorised for issue by the Trustees on \_\_\_\_\_ and signed on their behalf, by:

  
**Mrs C Bowditch, Chair**

The notes on pages 15 to 32 form part of these financial statements.

**CARLISLE MENCAP LIMITED**  
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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2017**

	Note	2017 £	2016 £
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	17	<u>273,152</u>	<u>(53,346)</u>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		(572)	(970)
Purchase of tangible fixed assets		(17,939)	(4,996)
Total benefits paid in defined benefit pension scheme		<u>(114,000)</u>	<u>-</u>
<b>Net cash used in investing activities</b>		<u>(132,511)</u>	<u>(5,966)</u>
<b>Change in cash and cash equivalents in the year</b>		<b>140,641</b>	<b>(59,312)</b>
Cash and cash equivalents brought forward		<u>240,621</u>	<u>299,933</u>
<b>Cash and cash equivalents carried forward</b>	18	<u><u>381,262</u></u>	<u><u>240,621</u></u>

The notes on pages 15 to 32 form part of these financial statements.



**CARLISLE MENCAP LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2017**

**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

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.

Carlisle Mencap Limited 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.

**1.2 Reconciliation with previous Generally Accepted Accounting Practice**

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required.

**1.3 Company status**

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

**1.4 Going concern**

At the balance sheet date the net assets of the charity were £216,893 in deficit. This is due to the Charity acquiring a LGPS liability of £1.588m at the point of undertaking two new Cumbria County Council contracts where staff were transferred via the TUPE regulations to the charity, with the charity taking the responsibilities and benefits of these staff.

At the year end date the actuarial valuation reported the liability to the charity, who are now a participating employer in the scheme, a deficit of £1.444m. Without this liability, the total funds would have amounted to £1,227,107. Should the contract cease in the future then all staff would transfer along with any liabilities at that date.

**CARLISLE MENCAP LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2017**

**1. ACCOUNTING POLICIES (continued)**

**1.5 Income**

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**1.6 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

All expenditure is inclusive of irrecoverable VAT.

**1.7 Tangible fixed assets and depreciation**

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

**CARLISLE MENCAP LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2017**

**1. ACCOUNTING POLICIES (continued)**

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Leasehold property	-	2% straight line
Motor vehicles	-	25% reducing balance
Fixtures, fittings and equipment	-	25% reducing balance

**1.8 Interest receivable**

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

**1.9 Operating leases**

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

**1.10 Debtors**

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

**1.11 Cash at Bank and in hand**

Cash at bank and 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.

**1.12 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.13 Financial instruments**

The company 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.

**1.14 Pensions**

The company operates a defined benefits pension scheme and the pension charge is based on a full actuarial valuation dated 30 September 2017.

**CARLISLE MENCAP LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

**1. ACCOUNTING POLICIES (continued)**

The company contributes towards the individual personal pension schemes for employees. The annual contributions payable are charged to the Statement of Financial Activities.

**1.15 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**2. INCOME FROM DONATIONS AND LEGACIES**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations	23,162	71	23,233	17,970
Grants	400	139,622	140,022	133,533
	<hr/>	<hr/>	<hr/>	<hr/>
Total donations and legacies	23,562	139,693	163,255	151,503
	<hr/>	<hr/>	<hr/>	<hr/>
Total 2016	18,158	133,345	151,503	
	<hr/>	<hr/>	<hr/>	

**3. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Charitable activities	1,390,099	909,333	2,299,432	1,350,971
	<hr/>	<hr/>	<hr/>	<hr/>
Total 2016	1,350,971	-	1,350,971	
	<hr/>	<hr/>	<hr/>	

**CARLISLE MENCAP LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

**4. INVESTMENT INCOME**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Interest receivable	573	-	573	970
<i>Total 2016</i>	970	-	970	

**5. DIRECT COSTS**

	Shop costs £	Charitable activities £	Total 2017 £	Total 2016 £
Actuarial pension income	-	29,000	29,000	-
Administration expenses	-	8,942	8,942	659
Maintenance and cleaning	436	26,394	26,830	22,239
Insurance	628	10,155	10,783	10,517
Premises expenses	25,964	10,740	36,704	37,408
Motor and travel	1,115	23,895	25,010	21,610
Legal & professional fees	-	2,936	2,936	10,990
Telephone	-	2,495	2,495	1,020
Printing, stationery, postage & advertising	700	701	1,401	918
Training	-	4,320	4,320	4,922
IT costs	-	1,599	1,599	881
Project costs	-	136,203	136,203	94,459
Other expenses	-	15,507	15,507	3,773
Loss on disposal of fixed assets	-	303	303	-
Wages and salaries	10,549	1,540,162	1,550,711	892,398
National insurance	-	127,950	127,950	69,277
Pension cost	-	195,721	195,721	5,172
Depreciation	-	17,739	17,739	16,745
	<b>39,392</b>	<b>2,154,762</b>	<b>2,194,154</b>	<b>1,192,988</b>
<i>Total 2016</i>	47,894	1,145,094	1,192,988	

**CARLISLE MENCAP LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

**6. SUPPORT COSTS**

	Costs of generating voluntary income £	Shop costs £	Charitable activities £	Total 2017 £	Total 2016 £
Administration expenses	-	-	4,110	4,110	4,033
Maintenance and cleaning	-	-	4,641	4,641	245
Insurance	-	-	4,321	4,321	5,209
Premises expenses	-	-	22,259	22,259	22,827
Motor and travel	-	935	13,023	13,958	10,325
Legal & professional fees	-	-	33,601	33,601	29,290
Telephone	222	222	21,744	22,188	16,802
Printing, stationery, postage & advertising	76	76	10,750	10,902	14,027
Training	-	-	14,016	14,016	17,777
IT costs	-	133	13,200	13,333	5,884
Other expenses	46	46	4,222	4,314	2,840
Auditors remuneration	-	-	8,750	8,750	5,600
Wages and salaries	2,461	3,691	269,741	275,893	214,447
Depreciation	-	-	19,190	19,190	22,725
	<u>2,805</u>	<u>5,103</u>	<u>443,568</u>	<u>451,476</u>	<u>372,031</u>
<i>Total 2016</i>	<u>2,152</u>	<u>3,816</u>	<u>366,063</u>	<u>372,031</u>	

**7. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE**

	Staff costs 2017 £	Depreciation 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Expenditure on raising voluntary income	2,461	-	344	2,805	2,152
Expenditure on fundraising trading	14,240	-	14,685	28,925	51,710
<b>Costs of raising funds</b>	<u>16,701</u>	<u>-</u>	<u>15,029</u>	<u>31,730</u>	<u>53,862</u>
Charitable activities	2,133,574	36,929	427,827	2,598,330	1,511,157
	<u>2,150,275</u>	<u>36,929</u>	<u>442,856</u>	<u>2,630,060</u>	<u>1,565,019</u>
<i>Total 2016</i>	<u>1,181,294</u>	<u>39,470</u>	<u>344,255</u>	<u>1,565,019</u>	

**CARLISLE MENCAP LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2017**

**8. NET INCOME/(EXPENDITURE)**

This is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets:		
- owned by the charity	<u>36,929</u>	<u>39,471</u>

During the year, no Trustees received any remuneration (2016 - £NIL).

During the year, no Trustees received any benefits in kind (2016 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2016 - £NIL).

**9. AUDITORS' REMUNERATION**

The auditors' remuneration amounts to an audit fee of £8,750 (2016 - £5,600). Fees in relation to the preparation of the statutory accounts amount to £1,750 (2016 - £1,550) and are included in legal and professional fees.

**CARLISLE MENCAP LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

**10. STAFF COSTS**

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	1,826,604	1,106,845
Social security costs	127,950	69,277
Other pension costs (Note 19)	195,721	5,172
	<u>2,150,275</u>	<u>1,181,294</u>

The average number of persons employed by the company during the year was as follows:

	2017 No.	2016 No.
Management and administration	11	13
Shop	2	2
Activities in furtherance of charitable objectives	113	86
	<u>126</u>	<u>101</u>

No employee received remuneration amounting to more than £60,000 in either year.

During the year, there were 3 key management personnel (2016 - 2) and remuneration totalled £124,640 (2016 - £86,219).

**11. OTHER FINANCE INCOME**

	2017 £	2016 £
Interest on pension scheme liabilities	<u>(29,000)</u>	<u>-</u>



**CARLISLE MENCAP LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

**12. TANGIBLE FIXED ASSETS**

	Freehold property £	Leasehold property £	Motor vehicles £	Fixtures, fittings and equipment £	Total £
<b>Cost</b>					
At 1 October 2016	167,101	644,185	56,695	188,654	1,056,635
Additions	-	-	-	17,937	17,937
Disposals	-	-	-	(3,022)	(3,022)
At 30 September 2017	<u>167,101</u>	<u>644,185</u>	<u>56,695</u>	<u>203,569</u>	<u>1,071,550</u>
<b>Depreciation</b>					
At 1 October 2016	40,104	55,889	38,136	136,085	270,214
Charge for the year	3,342	12,884	4,803	15,900	36,929
On disposals	-	-	-	(2,720)	(2,720)
At 30 September 2017	<u>43,446</u>	<u>68,773</u>	<u>42,939</u>	<u>149,265</u>	<u>304,423</u>
<b>Net book value</b>					
At 30 September 2017	<u>123,655</u>	<u>575,412</u>	<u>13,756</u>	<u>54,304</u>	<u>767,127</u>
At 30 September 2016	<u>126,997</u>	<u>588,296</u>	<u>18,559</u>	<u>52,569</u>	<u>786,421</u>

**13. DEBTORS**

	2017 £	2016 £
Trade debtors	221,498	187,763
Prepayments and accrued income	106,454	172,799
	<u>327,952</u>	<u>360,562</u>

**CARLISLE MENCAP LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

**14. CREDITORS: Amounts falling due within one year**

	2017 £	2016 £
Trade creditors	23,695	26,516
Other taxation and social security	50,278	19,814
Other creditors	46,593	7,343
Accruals and deferred income	128,668	53,463
	<u>249,234</u>	<u>107,136</u>

**15. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 October 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 30 September 2017 £
<b>Designated funds</b>						
California House development	-	-	-	22,959	-	22,959
<b>General funds</b>						
General Fund	1,190,023	1,434,243	(1,536,672)	(22,959)	-	1,064,635
Pension reserve	-	-	(109,000)	-	(1,335,000)	(1,444,000)
	<u>1,190,023</u>	<u>1,434,243</u>	<u>(1,645,672)</u>	<u>(22,959)</u>	<u>(1,335,000)</u>	<u>(379,365)</u>
Total Unrestricted funds	<u>1,190,023</u>	<u>1,434,243</u>	<u>(1,645,672)</u>	<u>-</u>	<u>(1,335,000)</u>	<u>(356,406)</u>

**CARLISLE MENCAP LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

**15. STATEMENT OF FUNDS (continued)**

**Restricted funds**

Carlisle Active (Northern Rock)	20,912	-	(6,970)	-	-	13,942
Cumbria County Council - Childrens Services	21,104	71	(3,945)	-	-	17,230
People's Millions	1,248	-	-	-	-	1,248
Cumbria County Council - Community Grants Fund	586	-	-	-	-	586
BBC Children in Need	7	-	(7)	-	-	-
Heritage Lottery Fund	13,699	721	(14,420)	-	-	-
Cumbria County Council - Community Grant	839	-	(237)	-	-	602
Police & Crime Commissioner	3,335	-	(3,335)	-	-	-
The Hadfield Trust	5,000	-	-	-	-	5,000
Sellafield	9	-	-	-	-	9
Children in Need	20,706	-	(20,706)	-	-	-
Finn Family Fund	3,000	-	(3,000)	-	-	-
Sports Development	-	10,054	(6,656)	-	-	3,398
NHS - Don't Miss Out	-	1,000	(1,000)	-	-	-
Home Office - Hate Crime Project	-	27,688	(22,308)	-	-	5,380
Direct Rail - Football Grant	-	1,001	(1,001)	-	-	-
Big lottery - Adult Active Sundays	-	61,157	(61,157)	-	-	-
NHS - Saturday club and playscheme	-	38,000	(10,297)	-	-	27,703
North Cumbria children's short breaks and autism	-	454,667	(422,459)	-	-	32,208
South Cumbria children's short breaks and autism	-	454,667	(422,460)	-	-	32,207
	<u>90,445</u>	<u>1,049,026</u>	<u>(999,958)</u>	<u>-</u>	<u>-</u>	<u>139,513</u>
Total of funds	<u>1,280,468</u>	<u>2,483,269</u>	<u>(2,645,630)</u>	<u>-</u>	<u>(1,335,000)</u>	<u>(216,893)</u>

During the year the Trustees designated £22,959 of general funds for the California House development, set to take place in 2018.

Carlisle Active has previously received funding from Northern Rock. This was to be used for projects aimed at providing leisure activities for adults with learning disabilities.

Cumbria County Council Children's Services have agreed to fund various items in relation to the Grace Little Centre, including the purchase of a new minibus.

People's Millions is Big Lottery Funding for the Independence Studio – a film making studio for adults with disabilities.

Cumbria County Council Community Grants are provided to fund children's play schemes.

Big Lottery Fund has provided funding towards activities for Adult Active Sundays.

BBC Children in Need have provided funding for five weekends away for forty two young people.

**CARLISLE MENCAP LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

**15. STATEMENT OF FUNDS (continued)**

The Police and Crime Commissioner and Direct Rail Services have provided funding to enable service users to produce two educational DVDs around hate crime. The balance of the grant was received in October 2015.

The Mayor's charity provided funding for a family support worker.

Heritage Lottery Fund provided funding for an independence studio to promote the history and heritage of learning disabilities in North Cumbria.

Cumbria County Council - Community Grant provided funding for IT equipment at California House.

Police & Crime Commissioner provided funding to provide a sexual assault and abuse DVD by the Independence Studio.

The Hadfield Trust provided funding to refurbish a bathroom at California House.

Sellafield provided funding to support families with autistic children in West Cumbria.

Children in Need provided funding towards residential breaks for children and young people who have physical and learning disabilities in Carlisle.

Finn Family Fund has provided funding for the Go Getters club in Wigton.

**STATEMENT OF FUNDS - PRIOR YEAR**

	<i>Balance at 1 October 2015 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 30 September 2016 £</i>
<b>General funds</b>				
General Fund	1,246,075	1,385,264	(1,441,316)	1,190,023
<b>Restricted funds</b>				
Carlisle Active (Northern Rock)	27,068	-	(6,156)	20,912
Cumbria County Council - Childrens Services	26,968	-	(5,864)	21,104
People's Millions	13,607	-	(12,359)	1,248
Cumbria County Council - Community Grants Fund	1,137	-	(551)	586
BBC Children in Need	6,990	-	(6,983)	7
Heritage Lottery Fund	-	30,700	(17,001)	13,699
Cumbria County Council - Community Grant	-	1,000	(161)	839
Police & Crime Commissioner	(800)	8,800	(4,665)	3,335
The Hadfield Trust	-	5,000	-	5,000
Sellafield	-	4,000	(3,991)	9
Children in Need	-	20,706	-	20,706
Finn Family Fund	-	3,000	-	3,000
	<u>74,970</u>	<u>73,206</u>	<u>(57,731)</u>	<u>90,445</u>
Total of funds	<u>1,321,045</u>	<u>1,458,470</u>	<u>(1,499,047)</u>	<u>1,280,468</u>

**CARLISLE MENCAP LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

**SUMMARY OF FUNDS - CURRENT YEAR**

	Balance at 1 October 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 30 September 2017 £
Designated funds	-	-	-	22,959	-	22,959
General funds	1,190,023	1,434,243	(1,645,672)	(22,959)	(1,335,000)	(379,365)
	<u>1,190,023</u>	<u>1,434,243</u>	<u>(1,645,672)</u>	<u>-</u>	<u>(1,335,000)</u>	<u>(356,406)</u>
Restricted funds	90,445	1,049,026	(999,958)	-	-	139,513
	<u>1,280,468</u>	<u>2,483,269</u>	<u>(2,645,630)</u>	<u>-</u>	<u>(1,335,000)</u>	<u>(216,893)</u>

**SUMMARY OF FUNDS - PRIOR YEAR**

	Balance at 1 October 2015 £	Income £	Expenditure £	Balance at 30 September 2016 £
General funds	1,246,075	1,385,264	(1,441,316)	1,190,023
Restricted funds	74,970	73,206	(57,731)	90,445
	<u>1,321,045</u>	<u>1,458,470</u>	<u>(1,499,047)</u>	<u>1,280,468</u>

**16. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
Tangible fixed assets	754,581	12,546	767,127
Current assets	374,246	334,967	709,213
Creditors due within one year	(41,233)	(208,000)	(249,233)
Defined Benefit Pension Scheme Liability	(1,444,000)	-	(1,444,000)
	<u>(356,406)</u>	<u>139,513</u>	<u>(216,893)</u>

**CARLISLE MENCAP LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

**16. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	<i>Unrestricted funds</i>	<i>Restricted funds</i>	<i>Total funds</i>
	2016	2016	2016
	£	£	£
Tangible fixed assets	764,124	22,297	786,421
Current assets	542,677	58,506	601,183
Creditors due within one year	(116,778)	9,642	(107,136)
	<u>1,190,023</u>	<u>90,445</u>	<u>1,280,468</u>

**17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2017 £	2016 £
Net expenditure for the year (as per Statement of Financial Activities)	(162,361)	(46,410)
<b>Adjustment for:</b>		
Depreciation charges	36,930	39,470
Gains on investments	573	970
P&L costs for defined benefit pension scheme	223,000	-
Loss on the sale of fixed assets	303	-
Decrease/(increase) in debtors	32,610	(88,751)
Increase in creditors	142,097	41,375
<b>Net cash provided by/(used in) operating activities</b>	<u>273,152</u>	<u>(53,346)</u>

**18. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2017 £	2016 £
Cash in hand	381,262	240,621
<b>Total</b>	<u>381,262</u>	<u>240,621</u>

**CARLISLE MENCAP LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2017**

**19. PENSION COMMITMENTS**

The charitable company contributes towards the employees' personal pension schemes. Total contributions payable by the company amounted to £119,721 (2016 - £5,172). Contributions outstanding at the year end totalled £1,593 (2016 - £876).

As from 01 February 2017, the charitable company also contributed into the Cumbria Local Government Pension Scheme, in a multi-employer defined benefit scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The employers contributions are affected by a surplus or deficit in the scheme. The pension cost charge represents contributions payable by the company to the fund and amounted to £113,158 (2016 - £Nil).

The charity operates a Defined benefit pension scheme.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages) :

	<b>2017</b>	<b>2016</b>
Discount rate at 30 September	<b>2.70 %</b>	2.90 %
Expected return on scheme assets at 30 September	<b>2.20 %</b>	2.50 %
Future salary increases	<b>3.70 %</b>	3.70 %
Future pension increases	<b>2.20 %</b>	2.50 %

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**NOTES TO THE FINANCIAL STATEMENTS  
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**19. PENSION COMMITMENTS (continued)**

The assets in the scheme and the expected rates of return were:

	Fair value at 30 September 2017 £
Equities	1,870,000
Debt instruments	916,000
Property	359,000
Cash/liquidity	229,000
Other	446,000
Total market value of assets	<u>3,820,000</u>

The actual return on scheme assets was £148,000 (2016 - £Nil).

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2017 £	2016 £
Net interest cost	(29,000)	-
Current service cost	(76,000)	-
Administration costs	(4,000)	-
Total	<u>(109,000)</u>	<u>-</u>

Movements in the present value of the defined benefit obligation were as follows:

	2017 £	2016 £
Upon conversion	5,047,000	-
Interest cost	98,000	-
Actuarial gains	(253,000)	-
Current service costs	190,000	-
Benefits paid	34,000	-
Closing defined benefit obligation	<u>5,116,000</u>	<u>-</u>



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**19. PENSION COMMITMENTS (continued)**

Changes in the fair value of scheme assets were as follows:

	2017 £	2016 £
Upon conversion	3,459,000	-
Interest income	69,000	-
Administration expenses	(4,000)	-
Contributions by employer	114,000	-
Benefits paid	34,000	-
	<u>3,672,000</u>	<u>-</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £253,000 (2016 - £NIL).

The charity expects to contribute £320,000 to its Defined benefit pension scheme in 2018. The charity will receive £62,000 grant funding from Cumbria County Council to go toward these costs..

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2017	2016
European equities	48.90 %	- %
Cash	6.00 %	- %
European bonds	17.70 %	- %
North American bonds	6.30 %	- %
Property	9.40 %	- %
Other	11.70 %	- %

**CARLISLE MENCAP LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

**19. PENSION COMMITMENTS (continued)**

Amounts for the current period are as follows:

Defined benefit pension schemes

	2017 £
Defined benefit obligation	(5,116,000)
Scheme assets	3,672,000
Deficit	(1,444,000)
Experience adjustments on scheme liabilities	253,000

**20. OPERATING LEASE COMMITMENTS**

At 30 September 2017 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2017 £	2016 £
<b>Amounts payable:</b>		
Within 1 year	35,808	36,519
Between 1 and 5 years	95,613	105,574
After more than 5 years	46,484	65,077
Total	177,905	207,170

**21. RELATED PARTY TRANSACTIONS**

During the year 2 trustees (2016 - 4) were service users of the charity. There were no other related party transactions during the year.

**22. FIRST TIME ADOPTION OF FRS 102**

It is the first year that the company has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 30 September 2016 and the date of transition to FRS 102 and SORP 2015 was therefore 1 October 2015. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

The policies applied under the company's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.