

CARLISLE MENCAP LIMITED
FINANCIAL STATEMENTS
30 SEPTEMBER 2016

(A company limited by guarantee)



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 2016**

Trustees	Mrs C Bowditch, Chair Mrs G Ternent, Treasurer Miss E Harkness Mrs J Harland (resigned 2 March 2016) Mrs T Hart Mr P Hindle, Vice Chair Mrs J Nicholson Mrs C Thompson Mr S Bowditch Miss J Johnston (resigned 21 April 2016) Mr P Bradbrook Mr N Steel Mr N Braiden Mrs I Roberts-Green Mr L Lawler (resigned 21 April 2016) Miss S McBean (appointed 21 April 2016)
Company registered number	05595628
Charity registered number	1115348
Registered office	Unit J3 Duchess Avenue Kingmoor Park North Carlisle Cumbria CA6 4SN
Company secretary	Mrs S Gregory
Independent auditors	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 2016

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 2016

The Trustees present their annual report together with the audited financial statements of Carlisle Mencap Limited for the year 1 October 2015 to 30 September 2016.

Objectives and Activities

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.

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.

ACTIVITIES FOR ACHIEVING OBJECTIVES

Notable achievements have included:

- The completion of the fourth 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 a continuous growth in all children's services, especially in the areas of community support and holiday and leisure activities. 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 including becoming the managers of 2 new children's respite homes.
- Continuing growth in outreach - we have continued to attract new clients and extend the number of hours of support.
- Training is a high priority as we need to provide clients with a quality, safe experience.
- California House is now very busy with our new manager bringing in many new clients. We have worked with an architect to develop plans for a major refurbishment of the house.
- The Independence Studio film making group which runs on Monday, Tuesday and Wednesday is now fully funded by the heritage lottery fund and the Police and Crime commissioner. They have made a number of successful films – including a film on sexual abuse which won a national award.
- The Big Lottery funded Active Sundays are now in their second year and extremely successful.

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 trustees meeting which monitors activities and plans.

CARLISLE MENCAP LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2016

Planning priorities include:

- Development of the Grace Little Centre - to include both residential and non residential activities.
- Develop the new county wide children's services.
- Development of community days 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.
- Development of new ways of working to combat funding cuts and reduced opportunities; this will be led by our newly appointed business manager.
- 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 seek new ones by being fully involved in tenders offered in our area by Cumbria County Council and others.
- Develop new funding streams.

Achievements and performance

REVIEW OF ACTIVITIES

During 2015/16 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.

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.

Supported Living

We supply 24 hour support in the community for 7 clients. This work has grown out of the community support service - clients stay with us as a care provider rather than moving on to new providers when they leave the family home. We are developing a service for three young men to begin April 2017.

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. This will develop further in 2017 as we establish short breaks services in South Cumbria and take over the management of Children's respite homes in Penrith and Ulverston.

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.

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 Newtown Road School 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 now so successful and demand so high that children have to attend on a 3 weekly rota.

CARLISLE MENCAP LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2016

Children's Holiday Breaks

We have again received a generous grant from BBC Children in Need to organise 5 holiday breaks for young people.

Short Breaks

We now provide activities on Saturday, Sunday, Monday and Thursday 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

4 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.

Holidays

We provide 2, 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

We now have 2 shops, one in St Cuthbert's Lane and one in Botchergate where we not only sell second hand goods but items created by people with learning disabilities. We have reluctantly decided to close the St Cuthbert's Lane service due to lack of footfall in that street leading to poor income.

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 adviser service jointly funded by Eden MENCAP to provide information and advice to service users and their families. The Mayor of Carlisle raised funds for this service in 2015.

INVESTMENT POLICY AND PERFORMANCE

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

Financial review

GOING CONCERN

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.

RESULTS FOR THE YEAR

The results for the year show an excess of expenditure over income of £46,410. Overall funds carried forward amount to £1,280,468 being restricted funds of £90,445 and unrestricted funds of £1,190,023.

CARLISLE MENCAP LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2016

RESERVES POLICY

The policy of the society is to maintain enough reserves to maintain continued operations for 3 months. Reserves are monitored by the trustees bi-monthly. The trustees have the precaution of having more than 3 months required at the moment to make sure we have a secure financial base for the take over of the 2 children's respite centres in Penrith and Ulverston.

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

CONSTITUTION

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

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.

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.

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.

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.

CARLISLE MENCAP LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2016

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.

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

FUTURE DEVELOPMENTS

The main activity for the upcoming year will involve developing the new children's contracts and additional supported living services.

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:

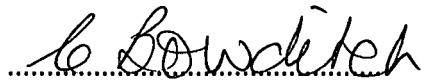
- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable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

CARLISLE MENCAP LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2016

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 29/3/17 and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'C Bowditch', written over a dotted line.

Mrs C Bowditch
Chair

CARLISLE MENCAP LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARLISLE MENCAP LIMITED

We have audited the financial statements of Carlisle Mencap Limited for the year ended 30 September 2016 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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 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 members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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.

The Trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 144 of the Charities Act 2011 and report to you in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2016 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 applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities Act 2011 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
- the company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



Jean Carroll
For and on behalf of
Armstrong Watson Audit Limited
Chartered Accountants
Statutory Auditors
Carlisle
Date: 29 March 2017

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 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME FROM:					
Donations and legacies	2	18,158	133,345	151,503	129,418
Charitable activities	3	1,350,971	-	1,350,971	1,258,054
Other trading activities		15,165	-	15,165	21,521
Investments	4	970	-	970	1,615
TOTAL INCOME		1,385,264	133,345	1,518,609	1,410,608
EXPENDITURE ON:					
Raising funds		53,862	-	53,862	46,397
Charitable activities		1,387,454	123,703	1,511,157	1,422,716
TOTAL EXPENDITURE	7	1,441,316	123,703	1,565,019	1,469,113
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES					
		(56,052)	9,642	(46,410)	(58,505)
NET MOVEMENT IN FUNDS		(56,052)	9,642	(46,410)	(58,505)
RECONCILIATION OF FUNDS:					
Total funds brought forward		1,246,075	80,803	1,326,878	1,385,383
TOTAL FUNDS CARRIED FORWARD		1,190,023	90,445	1,280,468	1,326,878

The notes on pages 13 to 23 form part of these financial statements.

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

BALANCE SHEET
AS AT 30 SEPTEMBER 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	11		786,421		820,896
CURRENT ASSETS					
Debtors	12	360,562		271,810	
Cash at bank and in hand		240,621		299,933	
		<u>601,183</u>		<u>571,743</u>	
CREDITORS: amounts falling due within one year	13	(107,136)		(65,761)	
NET CURRENT ASSETS			<u>494,047</u>		<u>505,982</u>
NET ASSETS			<u><u>1,280,468</u></u>		<u><u>1,326,878</u></u>
CHARITY FUNDS					
Restricted funds	14		90,445		80,803
Unrestricted funds	14		<u>1,190,023</u>		<u>1,246,075</u>
TOTAL FUNDS			<u><u>1,280,468</u></u>		<u><u>1,326,878</u></u>

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 have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Trustees on 29 March 2017 and signed on their behalf, by:


Mrs C Bowditch, Chair

The notes on pages 13 to 23 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 2016

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 for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 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.

1.3 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.

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.

1.4 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.

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.

CARLISLE MENCAP LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

1. ACCOUNTING POLICIES (continued)

1.5 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. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

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

All resources expended are inclusive of irrecoverable VAT.

1.6 Tangible fixed assets and depreciation

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

1.7 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.

1.8 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.

1.9 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.

1.10 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.

CARLISLE MENCAP LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

1. ACCOUNTING POLICIES (continued)

1.11 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.

1.12 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.

1.13 Pensions

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

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	17,970	-	17,970	25,014
Grants	188	133,345	133,533	104,404
	<hr/>	<hr/>	<hr/>	<hr/>
Total donations and legacies	18,158	133,345	151,503	129,418
	<hr/>	<hr/>	<hr/>	<hr/>

In 2015, of the total income from donations and legacies, £8,091 was to unrestricted funds and £121,327 was to restricted funds.

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Charitable activities	1,350,971	-	1,350,971	1,258,054
	<hr/>	<hr/>	<hr/>	<hr/>

In 2015, of the total income from charitable activities, £1,247,501 was to unrestricted funds and £10,553 was to restricted funds.

CARLISLE MENCAP LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

4. INVESTMENT INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Interest receivable	970	-	970	1,615

In 2015, of the total investment income, £1,615 was to unrestricted funds and £ NIL was to restricted funds.

5. DIRECT COSTS

	Shop costs £	Charitable activities £	Total 2016 £	Total 2015 £
Administration expenses	-	659	659	958
Maintenance and cleaning	1,571	20,668	22,239	30,359
Insurance	871	9,646	10,517	13,779
Premises expenses	27,737	9,671	37,408	35,631
Motor and travel	2,520	19,090	21,610	25,880
Legal & professional fees	229	10,761	10,990	4,866
Telephone	-	1,020	1,020	1,063
Printing, stationery, postage & advertising	-	918	918	1,466
Training	-	4,922	4,922	588
IT costs	60	821	881	39
Project costs	-	94,459	94,459	97,125
Other expenses	40	3,733	3,773	761
Loss on disposal of fixed assets	-	-	-	264
Wages and salaries	14,866	877,532	892,398	813,918
National insurance	-	69,277	69,277	61,275
Pension cost	-	5,172	5,172	4,199
Depreciation	-	16,745	16,745	37,042
	47,894	1,145,094	1,192,988	1,129,213

In 2015, the company incurred the following Direct costs:

£1,088,259 in respect of Charitable activities and £40,954 in respect of Shop costs.

CARLISLE MENCAP LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

6. SUPPORT COSTS

	Costs of generating voluntary income £	Shop costs £	Charitable activities £	Total 2016 £	Total 2015 £
Administration expenses	-	-	4,033	4,033	3,531
Maintenance and cleaning	-	-	245	245	1,555
Insurance	-	-	5,209	5,209	3,805
Premises expenses	-	-	22,827	22,827	20,796
Motor and travel	-	673	9,652	10,325	11,483
Legal & professional fees	-	-	29,290	29,290	33,175
Telephone	168	168	16,466	16,802	12,831
Printing, stationery, postage & advertising	101	101	13,825	14,027	14,482
Training	-	-	17,777	17,777	18,292
IT costs	-	59	5,825	5,884	16,762
Other expenses	19	19	2,802	2,840	2,823
Auditors remuneration	-	-	5,600	5,600	4,950
Wages and salaries	1,864	2,796	209,787	214,447	187,305
Depreciation	-	-	22,725	22,725	8,111
	<u>2,152</u>	<u>3,816</u>	<u>366,063</u>	<u>372,031</u>	<u>339,901</u>

During the year ended 30 September 2016, the company incurred the following Governance costs:

£5,600 (2015 - £4,950) included within the table above in respect of Charitable activities.

In 2015, the company incurred the following Support costs:

£329,508 in respect of Charitable activities, £3,546 in respect of Shop costs and £1,897 in respect of Costs of generating voluntary income.

7. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2016 £	Depreciation 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Expenditure on raising voluntary income	1,864	-	288	2,152	1,897
Expenditure on fundraising trading	17,662	-	34,048	51,710	44,500
Costs of generating funds	<u>19,526</u>	<u>-</u>	<u>34,336</u>	<u>53,862</u>	<u>46,397</u>
Charitable activities	1,161,768	39,470	309,919	1,511,157	1,422,716
	<u>1,181,294</u>	<u>39,470</u>	<u>344,255</u>	<u>1,565,019</u>	<u>1,469,113</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

8. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016	2015
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	39,471	45,153
Pension costs	5,172	4,199
	<u> </u>	<u> </u>

During the year, no Trustee received any remuneration (2015 - £NIL).

During the year, no Trustee received any reimbursement of expenses (2015 - £NIL).

9. AUDITORS' REMUNERATION

The auditors' remuneration amounts to an audit fee of £5,600 (2015 - £4,950). Fees in relation to the preparation of the statutory accounts amount to £1,550 (2015 - £1,500) and are included in legal and professional fees.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

10. STAFF COSTS

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	1,106,845	1,001,223
Social security costs	69,277	61,275
Other pension costs	5,172	4,199
	<u>1,181,294</u>	<u>1,066,697</u>

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

	2016 No.	2015 No.
Management and administration	13	11
Shop	2	2
Activities in furtherance of charitable objectives	86	85
	<u>101</u>	<u>98</u>

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

11. TANGIBLE FIXED ASSETS

	Freehold property £	Leasehold property £	Motor vehicles £	Fixtures, fittings and equipment £	Total £
Cost					
At 1 October 2015	167,101	644,185	56,695	183,658	1,051,639
Additions	-	-	-	4,996	4,996
At 30 September 2016	167,101	644,185	56,695	188,654	1,056,635
Depreciation					
At 1 October 2015	36,761	43,006	32,017	118,959	230,743
Charge for the year	3,343	12,883	6,119	17,126	39,471
At 30 September 2016	40,104	55,889	38,136	136,085	270,214
Net book value					
At 30 September 2016	126,997	588,296	18,559	52,569	786,421
At 30 September 2015	130,340	601,179	24,678	64,699	820,896

12. DEBTORS

	2016 £	2015 £
Trade debtors	187,764	160,637
Other debtors	192	215
Prepayments and accrued income	172,606	110,958
	<u>360,562</u>	<u>271,810</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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13. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	26,516	16,334
Other taxation and social security	19,814	-
Other creditors	7,343	6,571
Accruals and deferred income	53,463	42,856
	<u>107,136</u>	<u>65,761</u>

14. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditure £	Carried Forward £
Unrestricted funds				
General Fund	1,246,075	1,385,264	(1,441,316)	1,190,023
Restricted funds				
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
Big Lottery Fund - Reaching Communities	-	60,139	(60,139)	-
BBC Children in Need	6,990	-	(6,983)	7
Police & Crime Commissioner	(800)	800	-	-
The Mayor's Charity	5,833	-	(5,833)	-
Heritage Lottery Fund	-	30,700	(17,001)	13,699
Cumbria County Council - Community Grant	-	1,000	(161)	839
Police & Crime Commissioner	-	8,000	(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>80,803</u>	<u>133,345</u>	<u>(123,703)</u>	<u>90,445</u>
Total of funds	<u>1,326,878</u>	<u>1,518,609</u>	<u>(1,565,019)</u>	<u>1,280,468</u>

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 to provide activities for adult active sundays.

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**NOTES TO THE FINANCIAL STATEMENTS
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14. STATEMENT OF FUNDS (continued)

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

The Police and Crime Commissioner and Direct Rail Services have provided funding to enable service users to produce 2 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 to provide residential breaks to children and young people who have physical and learning disabilities in Carlisle.

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

SUMMARY OF FUNDS

	Brought Forward £	Income £	Expenditure £	Carried Forward £
General funds	1,246,075	1,385,264	(1,441,316)	1,190,023
Restricted funds	80,803	133,345	(123,703)	90,445
	1,326,878	1,518,609	(1,565,019)	1,280,468

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	764,124	22,297	786,421	820,896
Current assets	542,677	58,506	601,183	571,743
Creditors due within one year	(107,136)	-	(107,136)	(65,761)
	1,190,023	90,445	1,280,468	1,326,878

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NOTES TO THE FINANCIAL STATEMENTS
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16. PENSION COMMITMENTS

The company contributes towards the employees' personal pension schemes. Total contributions payable by the company amounted to £5,172 (2015 - £4,199). Contributions outstanding at the year end totalled £876 (2015 - £NIL).

17. OPERATING LEASE COMMITMENTS

At 30 September 2016 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2016 £	2015 £
Within 1 year	36,519	36,519
Between 1 and 5 years	105,574	121,993
After more than 5 years	65,077	83,671
Total	<u>207,170</u>	<u>242,183</u>

18. RELATED PARTY TRANSACTIONS

During the year 4 trustees (2015 - 3) were service users of the charity.