

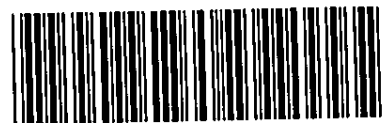
READING MENCAP
(A company limited by guarantee)

**REPORT OF THE TRUSTEES
AND FINANCIAL STATEMENTS**

For the period ended 31 March 2008

TARGET CONSULTING LIMITED
Registered Auditors
Chartered Accountants
6th Floor, Reading Bridge House
Reading Bridge
Reading
RG1 8LS

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COMPANIES HOUSE

READING MENCAP

FINANCIAL STATEMENTS

For the period ended 31 March 2008

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LEGAL AND ADMINISTRATIVE INFORMATION For the period ended 31 March 2008

STATUS

The charitable company was established under memorandum and articles of association incorporated 24 October 2006

Registered as a charity 08 March 2007

CHARITY NUMBER: 1118287

COMPANY NUMBER: 05976118 (England and Wales)

**REGISTERED OFFICE and
PRINCIPAL OFFICE:** 21 Alexandra Road
Reading
Berkshire
RG1 5PE

TRUSTEES and DIRECTORS:	K. Apps	Appointed	18 June 2008
	P. Buckle	Appointed	15 November 2007
	D. Card	Appointed	06 March 2008
	C. Cassidy	Appointed	18 June 2008
	C. Cross	Appointed	15 November 2007
	A. Jones	Appointed	15 November 2007
	K. Shephard	Appointed	24 October 2006
	J. Stent	Appointed	24 October 2006
	B. Takyar	Appointed	24 October 2008
	K. Wright	Appointed	15 November 2007
H. Young	Appointed	16 May 2007	

The trustees/directors of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. At the Balance Sheet date there were eleven trustees each guaranteeing to contribute £1

REPORTING ACCOUNTANTS. Target Consulting Limited
Chartered Accountants
8th Floor, Reading Bridge House
Reading Bridge
Reading
RG1 8LS

BANKERS: Lloyds TSB Bank
1-2 Market Place
Broad Street
Reading
Berks.
RG1 2EQ

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REPORT OF THE TRUSTEES

For the period ended 31 March 2008

The trustees present their report along with the financial statements of the charitable company for the period from 24 October 2006 to 31 March 2008, as required under Part VI of the Charities Act 1993. This report is also the Directors' Report required by section 234 of the Companies Act 1985

MISSION STATEMENT

Reading Mencap as a local charitable company aims to provide help and support for local people with a learning disability, together with help and support for their families and carers.

The charitable company was established under a Memorandum of Association, which established the objectives and powers of the charitable company, and is governed under its Articles of Association

ORGANISATION

At the end of March 2007 the original charity was closed down. From the 1st April 2007 the activities of the original charity were transferred to this incorporated charity which continues to trade as Reading Mencap. Reading Mencap continues to be affiliated to the Royal Society of Mentally Handicapped Children and Adults

MAIN OBJECTIVES FOR 2007/2008

To remain adequately financed and resourced to continue to provide help and support to our members, by way of clubs, information and support from our welfare team

SECONDARY OBJECTIVES FOR 2007/2008

- 1 To provide a new surface to the children's play area in line with Ofsted recommendations
- 2 Continue to offer a range of clubs/activities to our members
- 3 To instigate new ways of fundraising.
- 4 To continue to improve the financial position of the charitable company

PERFORMANCE AGAINST OBJECTIVES FOR 2007/2008

AGAINST MAIN OBJECTIVE

We have continued to run our weekly clubs (Monday, Tuesday, Friday, Saturday, 21 and Bubbles Clubs) as well as our annual holiday clubs at Easter and in the summer

PERFORMANCE AGAINST SECONDARY OBJECTIVES FOR 2007/2008

- 1 We have raised the necessary funds and the work to resurface the hard standing play area has been completed
- 2 In spite of lack of grants towards the 21 steps club we have managed to continue to run this club successfully throughout the period. The Drama club continued throughout 2007, using the carried forward 'unspent' grant
- 3 Various fund raising initiatives have taken place during the period, including attending the Reading Mayor's market, holding our annual raffle and holding a Christmas fayre at Addington's School
- 4 We continue to seek best value from all our suppliers. Although our bank now charges us, we do get our interest tax free

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REPORT OF THE TRUSTEES For the period ended 31 March 2008 (Cont'd)

RISK MANAGEMENT

The trustees have assessed the risks facing the charitable company and have put systems in place to mitigate the risks

RESERVES POLICY

The Trustees consider it prudent that unrestricted reserves should be sufficient to avoid the necessity of realising fixed assets held for the charitable company's use and to cover between three and six months of resources expended. These free reserves, net of fixed assets, currently stand at around £57,606, which falls within the stated range

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the trust as at the balance sheet date and of its incoming resources and applications of resources, including income and expenditure, for the financial year. In preparing those financial statements, the trustees should follow best practice and:-

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue on that basis

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The trustees 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

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities and with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP) 2007

Approved by the Board of Trustees on  2008 and signed on their behalf by:-

.. 17/7/08 ..

**ACCOUNTANTS' REPORT TO THE MEMBERS
ON THE UNAUDITED FINANCIAL STATEMENTS OF**

READING MENCAP

We report on the financial statements for the period ended 31 March 2008 set out on pages 5 to 12

This report is made solely to the charitable company's directors/trustees, as a body, in accordance with Section 43 Charities Act 1993. Our work has been undertaken so that we might state to the charitable company's directors/trustees those matters we are required to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our work or for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS/TRUSTEES AND REPORTING ACCOUNTANTS

As described on page 3, the directors/trustees are responsible for the preparation of the financial statements and they consider that the charitable company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

BASIS OF OPINION

Our work was conducted in accordance with the Statements of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial statements with the accounting records kept by the charitable company, and making such limited enquiries of the directors/trustees of the charitable company as we considered necessary for the purpose of this report. These procedures provided only the assurance expressed in our opinion.

OPINION

In our opinion

- a) the financial statements are in agreement with the accounting records kept by the charitable company under section 221 of the Companies Act 1985, and
 - (i) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - (ii) the charitable company satisfied the conditions for exemption from an audit of the financial statements for the period specified in Section 249A(4) of the Act, as modified by Section 249A(5) and did not, at any time during the period, fall within any of the categories of companies not entitled to the exemptions specified in Section 249B(1).


Target Consulting Limited
Reporting Accountant

6th Floor, Reading Bridge House
Reading Bridge
RG1 8LS

Dated:

24.07.2008

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STATEMENT OF FINANCIAL ACTIVITIES (Incorporating the Income and Expenditure Account)

For the period ended 31 March 2008

	Notes	Restricted Funds £	Unrestricted Funds £	Designated Funds £	Total Funds 2008 £
INCOMING RESOURCES					
<i>Incoming resources from generated funds</i>					
Donations		-	39,315	-	39,315
Activities for generating funds	3	-	3,363	-	3,363
Bank interest		-	2,022	-	2,022
<i>Incoming resources from charitable activities</i>					
	2	8,230	100,604	-	108,834
Total Incoming Resources		<u>8,230</u>	<u>145,304</u>	<u>-</u>	<u>153,534</u>
RESOURCES EXPENDED					
<i>Charitable expenditure:-</i>					
Direct costs		25,394	126,540	-	151,934
Governance costs		-	-	-	-
Total Resources Expended	4	<u>25,394</u>	<u>126,540</u>	<u>-</u>	<u>151,934</u>
Net movement in funds for the period		(17,164)	18,764	-	1,600
Transfer from unincorporated charity		25,918	76,641	-	102,559
Transfer between funds		2,293	(2,293)	-	-
Total funds brought forward		-	-	-	-
Total Funds carried forward		<u>11,047</u>	<u>93,112</u>	<u>-</u>	<u>104,159</u>

The notes on pages 7 to 12 form part of these financial statements

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BALANCE SHEET AT 31 MARCH 2008

	Notes	2008 £	£
FIXED ASSETS			
Tangible assets	5		96,553
CURRENT ASSETS			
Debtors	6	5,880	
Cash at bank and in hand		55,787	
		<u>61,667</u>	
CREDITORS:			
Amounts falling due within one year	7	(4,061)	
NET CURRENT ASSETS			<u>57,606</u>
Net Assets less Current Liabilities			<u>154,159</u>
CREDITORS:			
Amounts falling due after more than one year	8	(50,000)	
		<u>104,159</u>	
REPRESENTED BY:			
FUNDS			
Unrestricted			93,112
Restricted			11,047
TOTAL FUNDS	9		<u>104,159</u>

For the financial period ended 31 March 2008, the charitable company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985 and no notice has been deposited with the charitable company under section 249B(2) of that Act requiring an audit to be carried out

The trustees acknowledge their responsibilities for -

(i) ensuring the charitable company keeps accounting records which comply with section 221 of the Companies Act 1985, and

(i) preparing financial statements which give a true and fair view of the state of affairs of the charitable company at the end of the financial period and of its incoming resources and applications of resources for that period, in accordance with the requirements of section 226 of the Companies Act 1985, and which otherwise comply with the requirements of that Act relating to accounts so far as they are applicable to the charitable company

For and on behalf of the board of trustees

V. E. Shepherd

The notes on pages 7 to 12 form part of these financial statements

READING MENCAP

NOTES TO THE FINANCIAL STATEMENTS For the period ended 31 March 2008

1 ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements

a) Basis of accounting

The Financial Statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investments at market value, and comply with the Companies Act 1985. The financial statements have been prepared in accordance with the "Accounting and Reporting by Charities: Statement of Recommended Practice" published in March 2005 and Financial Reporting Standard for Smaller Entities (effective January 2007)

b) Incoming Resources

■ Charitable trading activities

Income from trading activities is included in the period that the activity takes place.

■ Donations and grants

Income from donations and grants, including capital grants, is included in incoming resources when these are receivable, except as follows:-

- when donors specify that the donations and grants given to the charitable company must be used in future accounting periods, the income is deferred until those periods
- when donors impose conditions which have to be fulfilled before the charitable company becomes entitled to such income, the income is deferred and is not included in incoming resources until the preconditions for use have been met

When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

c) Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributed to one of the functional categories of resources expended in the Statement of Financial Activities. The charitable company is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT

d) Depreciation

Equipment is capitalised when it has a useful life in excess of one year and costs over £500. Depreciation is calculated so as to write-off the cost of an asset, less its estimated residual value, over the useful economic life of the asset, as follows -

Freehold property	Over 50 years on straight-line method
Furniture	Over 10 years on straight-line method
Office equipment	Over 4 years on straight-line method
Play equipment	Over 5 years on straight-line method
Motor vehicles	Over 4 years on straight-line method

e) Pensions

The charitable company operates a defined contribution pension scheme. Contributions payable for the period are charged in the statement of financial activities

f) Taxation

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

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NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 March 2008

1 g) Fund Accounting

Funds held by the charitable company are either -

- **Unrestricted funds** - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees
- **Designated funds** - these are funds which set aside by the trustees out of unrestricted general funds for specific future purposes or projects
- **Restricted funds** - these are funds that can only be used for particular restricted purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes

Further explanation of the nature and purpose of each fund is set out in note 9

2 INCOMING RESOURCES FROM ACTIVITIES IN FURTHERANCE OF THE CHARITY'S OBJECTS

	Restricted Funds £	Unrestricted General Funds £	Designated Funds £	Total 31/03/2008 £
Mencap cards	-	4,241	-	4,241
Subscriptions	-	2,530	-	2,530
Grants	8,230	38,046	-	46,276
Transport	-	25,344	-	25,944
Rental income	-	21,065	-	21,065
Other income	-	8,778	-	8,778
	<u>8,230</u>	<u>100,604</u>	<u>-</u>	<u>108,834</u>

3 INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

	Unrestricted General Funds £	Designated Funds £	Total 31/03/2008 £
Fundraising	<u>3,363</u>	<u>-</u>	<u>3,363</u>

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NOTES TO THE FINANCIAL STATEMENTS For the period ended 31 March 2008

4 TOTAL RESOURCES EXPENDED

	Direct Costs £	Governance Costs £	Total 2008 £
Salary costs	73,665	-	73,665
Premises expenses	6,483	-	6,483
Travelling and motor expenses	6,913	-	6,913
Club expenditure	1,562	-	1,562
Expenses re rental income	1,802	-	1,802
Welfare	1,938	-	1,938
Play Scheme expenses	3,791	-	3,791
Carer Respite Breaks	5,566	-	5,566
Mencap cards	2,210	-	2,210
Printing, postage and telephone	6,156	-	6,156
Professional fees	5,586	-	5,586
Bank charges	337	-	337
Depreciation	7,451	-	7,451
Sundry expenses	6,763	-	6,763
21 Club expenses	18,852	-	18,852
Drama club expenses	2,859	-	2,859
	<u>151,934</u>	<u>-</u>	<u>151,934</u>

2008
£

The aggregate payroll costs were:-

Salaries and wages	87,007
Social Security costs	4,139
	<u>91,146</u>

No employee earned more than £60,000 p a

None of the trustees received any remuneration or were reimbursed any expenses for carrying out their duties as trustees, however J Stent and C Cross were paid employees of the charity in the year

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NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 March 2008

5 FIXED ASSETS

	Land & Buildings £	Equipment & Furniture £	Play Equipment £	Motor Vehicles £	Total £
Cost					
As at 24 October 2006					-
Transfer from unincorporated charity	90,322	14,156	937	28,022	133,437
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
As at 31 March 2008	90,322	14,156	937	28,022	133,437
Depreciation					
As at 24 October 2006					-
Transfer of unincorporated charity	6,955	8,249	937	13,292	29,433
Charge for the period	1,391	2,377	-	3,683	7,451
Disposals	-	-	-	-	-
As at 31 March 2008	8,346	10,626	937	16,975	36,884
Net Book Value					
At 31 March 2008	81,976	3,530	-	11,047	96,553

See note 8 for details of legal charge held over the property by Reading Borough Council

	2008 £
6 DEBTORS:	
Amounts falling due within one year	
Prepayments and other debtors	5,880
	5,880
7 CREDITORS:	
Amounts due within one year	
Other taxes and social security costs	1,731
Accruals	2,330
	4,061

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NOTES TO THE FINANCIAL STATEMENTS For the period ended 31 March 2008

2008
£

8 CREDITORS: Amounts falling due after one year

Reading Borough Council	50,000
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Reading Borough Council provided the above funding to enable the original purchase of the freehold of 21 Alexandra Road.

Reading Borough Council hold a legal charge over the property and are potentially entitled to the full market value sale proceeds should Reading Mencap ever sell the property.

9 FUND ANALYSIS

FUND ANALYSIS		Movement in Resources				
	Note	Transfer of Unincorporated £	Transfers £	Incoming Resources £	Resources Expended £	Balance at 31/03/2008 £
Unrestricted						
General		76,641	(4,063)	145,304	(126,540)	91,342
<i>Designated</i>						
Mini-bus	a	-	1,770	-	-	1,770
Total General Funds		<u>76,641</u>	<u>(2,293)</u>	<u>145,304</u>	<u>(126,540)</u>	<u>93,112</u>
Restricted						
Mini-bus	a	14,730		-	(3,683)	11,047
Berkshire Community Foundation	b	1,770	(1,770)		-	-
Drama	c	2,333	526	-	(2,859)	-
21 Club	d	7,085	3,537	8,230	(18,852)	-
		<u>25,918</u>	<u>2,293</u>	<u>8,230</u>	<u>(25,394)</u>	<u>11,047</u>

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NOTES TO THE FINANCIAL STATEMENTS For the period ended 31 March 2008

9 FUND ANALYSIS (cont'd)

- a The minibus funds were used for the purchase of a new minibus (GX55 EFD)
- b The charitable company received grants from the Berkshire Community Foundation Local Network Fund for Children
- c The charitable company received a grant to fund Drama Clubs
- d Grants are received to enable the running of the "21 Club" weekly meetings for adults who at present do not attend any other day centre

10 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed Assets £	Net Current Assets £	Creditors > 1 year £	Total £
Restricted				
Minibus Fund	11,047	-	-	11,047
Berkshire Community Foundation	-	-	-	-
Drama Club	-	-	-	-
21 Club	-	-	-	-
	<u>11,047</u>	<u>-</u>	<u>-</u>	<u>11,047</u>
Unrestricted				
General	85,506	55,836	(50,000)	91,342
Designated	-	1,770	-	1,770
	<u>85,506</u>	<u>57,606</u>	<u>(50,000)</u>	<u>93,112</u>
Total	<u><u>96,553</u></u>	<u><u>57,606</u></u>	<u><u>(50,000)</u></u>	<u><u>104,159</u></u>