

Company Number 05976118
Charity Number 1118287

**READING MENCAP
(A company limited by guarantee)**

**REPORT OF THE TRUSTEES
AND FINANCIAL STATEMENTS**

For the year ended 31 March 2011

**G. R. SKINNER
Accountant and Tax Adviser
124 Windsor Road
Maidenhead
Berkshire
SL6 2DW**

THURSDAY



A75

AYQL4XYI

29/09/2011

206

COMPANIES HOUSE

READING MENCAP
FINANCIAL STATEMENTS
For the year ended 31 March 2011

CONTENTS

	Pages
Legal and Administrative Details	1
Report of the Trustees	2
Accountants Report	4
Statement of Financial Activities	5
Balance Sheet	6
Notes to the Financial Statements	7-12

READING MENCAP
LEGAL AND ADMINISTRATIVE INFORMATION
For the year ended 31 March 2011

STATUS

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

Registered as a charity 8 March 2007

CHARITY NUMBER	1118287
COMPANY NUMBER	05976117 (England and Wales)
REGISTERED OFFICE and PRINCIPAL OFFICE	21 Alexandra Road Reading Berkshire RG1 5PE

TRUSTEES and DIRECTORS	K Apps L MacDonald (Appointed 20 01 2011) D Card (Resigned 20 01 2011) C Cassidy S Hunt (Appointed 20 01 2011) K Shephard K Skilton nee Wright H Young D Sharpe (Appointed 20 01 2011)
-----------------------------------	--

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 eight trustees each guaranteeing to contribute £1

REPORTING ACCOUNTANT	G R Skinner Accountant and Tax Adviser Braemar House 124 Windsor Road Maidenhead Berkshire SL6 2DW
-----------------------------	--

BANKERS	Lloyds TSB Bank 1-2 Market Place Broad Street Reading Berkshire RG1 2EQ
----------------	--

READING MENCAP

REPORT OF THE TRUSTEES For the year ended 31 March 2011

The trustees present their report along with the financial statements of the charitable company for the year ended 31 March 2011, as required under Part VI of the Charities Act 1993. This report is also the Director's Report required by section 386 of the Companies Act 2006.

MISSION STATEMENT

Reading Mencap as a local charity aims to provide help and support for local people, both adults and children, with a learning disability, together with help and support for their families and carers.

ORGANIZATION

From 1 April 2007 Reading Mencap became an incorporated company.

Reading Mencap continues to be affiliated to the Royal Society of Mentally Handicapped Children and Adults.

AIMS AND PUBLIC BENEFIT

The relief of members of the public with a learning difficulty, in particular by

- the provision of help and support for them and their families, dependants and carers
- to provide or assist in the provision of facilities for the recreation or other leisure time occupation for people who have need thereof by reason of learning disability, with the object of improving their conditions of life.

PERFORMANCE 2010/2011

Aims and Public Benefit

- 1 We have continued to run our weekly clubs (Monday, Tuesday, Friday, Saturday and Bubbles Clubs) as well as our annual "fun day" holiday clubs at Easter and summer. These clubs provide recreational facilities for people with Learning Disabilities from babies through to adults.
- 2 We offer short breaks and support groups for carers.
- 3 Other activities are offered such as the monthly Coffee club for adults and the monthly Discos.
- 4 We continue to have an active Welfare Team of two members, offering home visits, advice and support to parents and carers. We also continue our active Siblings Group.

Other Objectives

- 1 We have maintained our financial reserves level throughout the year.
- 2 Various fund raising initiatives have taken place during the year, including attending Village Fetes and holding an annual raffle. Tin shakes have proved very successful.
- 3 We continue to seek best value from our suppliers.

OBJECTIVES FOR 2011/2012

- 1 To remain adequately financed and resourced to continue to provide and expand our help and support to our members, by way of clubs, information and support from our welfare team.
- 2 To improve the state of the Children's outdoor play equipment and play area.
- 3 Continue to offer a range of clubs/activities to our members.
- 4 To maintain the financial position of the company during the ongoing financial climate (where, for instance, donations/grants may be less likely) - and to look to continue to improve the financial position as the general financial environment improves.

READING MENCAP

REPORT OF THE TRUSTEES For the year ended 31 March 2011 (Cont/d)

RISK MANAGEMENT

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

RESERVES POLICY

The Trustees consider it prudent that unrestricted reserves should be sufficient to avoid the necessity of realizing fixed assets held for the charitable company's use and to cover between three and six months of resources expended. These net current assets currently stand at around £54,893, 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 application 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 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 2006. 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 15 of the Companies Act 2006 relating to small companies.

Approved by the Board of Trustees on 20th May 2011 and signed on their behalf by



Leslie Macdonald, Chair of Trustees

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

READING MENCAP

I report on the financial statements for the year ended 31 March 2011 set out on pages 5 to 12

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

RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND REPORTING ACCOUNTANT

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


BASIS OF OPINION

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

OPINION

In my opinion:

- a) the financial statements are in agreement with the accounting records kept by the charitable company under Section 386 of the Companies Act 2006, and
 - (i) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in Section 396 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 480 of the Act.


G R Skinner
Accountant and Tax Adviser
Independent Examiner

Braemar House
124 Windsor Road
Windsor
Berkshire
SL6 2DW

Dated

31/05/11

READING MENCAP

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

For the year ended 31 March 2011

	Notes	Restricted Funds £	Unrestricted Funds £	Designated Funds £	Total Funds 2011 £	Total Funds 2010 £
INCOMING RESOURCES						
<i>Incoming resources from generated funds</i>						
Donations		-	6,123	-	6,123	5,408
Activities for generating funds	3	-	7,325	-	7,325	6,818
Bank interest		-	54	-	54	42
<i>Incoming resources from charitable activities</i>						
	2	-	64,522	-	64,522	79,525
		-	78,024	-	78,024	91,793
RESOURCES EXPENDED						
<i>Costs of generating funds</i>						
		-	367	-	367	270
<i>Charitable expenditure</i>						
Direct costs	4	1554	77,101	-	78,655	90,748
Governance costs	4	-		-	500	500
Total Resources Expended		1554	77,968	-	79,522	91,518
Net movement in funds for period		(1,554)	56		(1,498)	275
Transfer between funds		-	-	-	-	-
Total funds brought forward		6,215	80,870	1,770	88,855	88,580
Total funds carried forward		4,661	80,926	1,770	87,357	88,855

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

READING MENCAP
BALANCE SHEET AT 31 MARCH 2011

		2011		2010	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	6		82,464		85,525
CURRENT ASSETS					
Debtors	7	2,337		-	
Cash at bank and in hand		53,075		54,557	
		-----		-----	
		55,412		54,557	
CREDITORS					
Amounts falling due within one year	8	519		1,227	
		-----		-----	
NET CURRENT ASSETS			54,893		53,330
			-----		-----
Total Assets less Current Liabilities			137,357		138,855
CREDITORS					
Amounts falling due after more than one year	9		50,000		50,000
			-----		-----
			87,357		88,855
			=====		=====
REPRESENTED BY					
FUNDS					
Unrestricted			82,696		82,640
Restricted			4,661		6,215
			-----		-----
TOTAL FUNDS	10		87,357		88,855
			=====		=====

For the financial period ended 31 March 2011, the charitable company is entitled to exemption from the requirement to have an audit under the provisions of s 477(1) of the Companies Act 2006 and no notice has been deposited with the charitable company under s 476 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 s 386 of the Companies Act 2006 and
- (ii) 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 s 396 of the Companies Act 2006, 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



Leslie Macdonald, Chair of Trustees

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

READING MENCAP

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2011

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 2006. The financial statements have been prepared in accordance with the "Accounting and Reporting by Charities: Statement of Recommended Practice"

(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 preconditions 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 recognized 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

- * Costs of generating funds represent the costs of fundraising
- * Charitable activities comprise activities undertaken to further the purposes of the charity
- * Governance costs represent the costs of the management of the charity and complying with constitutional and statutory requirements

(d) Depreciation

Equipment is capitalized 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 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	25% reducing balance basis

READING MENCAP

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2011

(e) **Taxation**

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

(f) **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 are 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 10

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

	Restricted Funds	Unrestricted General Funds	Designated Funds	Total 2011	Total 2010
	£	£	£	£	£
Mencap cards	-	-	-	-	35
Subscriptions	-	2,038	-	2,038	1,434
Grants	-	37,914	-	37,914	41,406
Transport	-	-	-	-	8,307
Rental income	-	18,760	-	18,760	21,715
Other income	-	5,810	-	5,810	6,628
	-----	-----	-----	-----	-----
	-	64,522	-	64,522	79,525
	=====	=====	=====	=====	=====

3 INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

	Unrestricted General Funds	Designated Funds	Total 2011	Total 2010
	£	£	£	£
Fundraising	7,325	-	7,325	6,818
	=====	=====	=====	=====

READING MENCAP

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2011

4 TOTAL RESOURCES EXPENDED

	Direct Costs £	Governance Costs £	Total 2011 £	Total 2010 £
Salary costs	49,155	-	49,155	61,384
Premises expenses	6,537	-	6,537	8,960
Travelling and motor expenses	2,445	-	2,445	2,135
Club expenditure	95	-	95	549
Expenses re rental income	1,834	-	1,834	13
Welfare	1,140	-	1,140	1,559
Play Scheme expenses	670	-	670	424
Carer Respite Breaks	3,407	-	3,407	3,020
Mencap cards	-	-	-	-
Printing, postage and telephone	3,263	-	3,263	2,817
Professional fees	2,394	-	2,394	3,256
Bank charges	343	-	343	616
Depreciation	3,061	-	3,061	4,870
Sundry expenses	4,811	-	4,811	1,645
21 Club expenses	-	-	-	-
	-----	-----	-----	-----
	79,155		79,155	91,248
	=====	=====	=====	=====

The aggregate payroll costs were:-

	2011 £	2010 £
Salaries and wages	44,560	58,932
Social Security costs	4,885	2,452
	-----	-----
	49,445	61,384
	=====	=====

The average number of employees during the year was 10

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

5 NET INCOMING RESOURCES

This is stated after charging

	2011 £	2010 £
Depreciation	3,061	4,870
Independent examiners fee	500	500

READING MENCAP

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2011

6 FIXED ASSETS

	Land & Buildings £	Equipment & Furniture £	Play Equipment £	Motor Vehicles £	Total £
Cost					
At 1 April 2010	90,322	14,156	937	28,022	133,437
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
As at 31 March 2011	90,322	14,156	937	28,022	133,437
Depreciation					
At 1 April 2010	11,128	14,040	937	21,807	47,912
Charge for the period	1,391	116	-	1,554	3,061
Disposals	-	-	-	-	-
As at 31 March 2011	12,519	14,156	937	23,361	50,973
Net Book Value					
At 31 March 2011	77,803	nil	nil	4,661	82,464
At 31 March 2010	79,194	116	nil	6,215	85,525

The market value of the freehold land and buildings is in excess of the carrying value. The trustees do not believe it practical or useful to obtain a valuation especially in light of the legal charge held over the property by Reading Borough Council as explained in note 9.

	2011 £	2010 £
7 DEBTORS		
Amounts falling due within one year		
Prepayments	2,337	nil
	2,337	nil
8 CREDITORS		
Amounts due within one year		
Other taxes and social security costs	111	827
Accruals	408	400
	519	1,227

READING MENCAP

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2011

		2011 £	2010 £
9	CREDITORS Amounts falling due after one year		
	Reading Borough Council	50,000 =====	50,000 =====

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 sales proceeds should Reading Mencap ever sell the property

10 FUND ANALYSIS

Movement in Resources

	Note	Balance at 01/04/2010	Transfers	Incoming Resources	Resources Expended	Balance at 31/03/2011
Unrestricted						
General		80,870	-	78,024	(77,968)	80,926
Designated						
Mini-bus	a	1,770	-	-	-	1,770
		-----	-----	-----	-----	-----
Total General Funds		82,640	-	78,024	(77,968)	82,696
		=====	=====	=====	=====	=====
Restricted						
Mini-bus		6,215	-	-	(1,554)	4,661
		-----	-----	-----	-----	-----
		6,215	-	-	(1,554)	4,661
		=====	=====	=====	=====	=====

10 FUND ANALYSIS (cont/d)

a These represent funds which have been set aside for a new minibus in the future

READING MENCAP

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2011

11 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed Assets £	Net Current Assets £	Creditors >1 year £	Total £
Restricted				
Mini-bus fund	4,661	-	-	4,661
	-----	-----	-----	-----
	4,661	-	-	4,661
Unrestricted				
General	77,803	53,123	(50,000)	80,926
Designated	-	1,770		1,770
	-----	-----	-----	-----
	77,803	54,893	(50,000)	82,696
Total	-----	-----	-----	-----
	82,464	54,893	(50,000)	87,357
	=====	=====	=====	=====