

Company Number 05976118

Charity Number 1118287

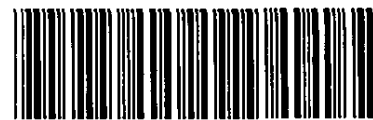
READING MENCAP
(A company limited by guarantee)

**REPORT OF THE TRUSTEES
AND FINANCIAL STATEMENTS**

For the year ended 31 March 2010

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

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FINANCIAL STATEMENTS
For the year ended 31 March 2010

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LEGAL AND ADMINISTRATIVE INFORMATION **For the year ended 31 March 2010**

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 P Buckle (Resigned 02 03 2010) D Card C Cassidy A Jones K Shephard K Wright H Young

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 seven 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

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REPORT OF THE TRUSTEES
For the year ended 31 March 2010

The trustees present their report along with the financial statements of the charitable company for the year ended 31 March 2010, 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 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 2009/2010

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 holiday clubs at Easter and summer. These clubs provide recreational facilities for people with Learning Disabilities from babies through to adults.
- 2 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 the Reading Mayor's market and holding our annual raffle. Tin shakes have been re-instigated, and proved very successful.
- 3 We continue to seek best value from our suppliers.

OBJECTIVES FOR 2010/2011

- 1 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.
- 2 To improve the state of the Children's outdoor play equipment.
- 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.

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REPORT OF THE TRUSTEES For the year ended 31 March 2010 (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 realising 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 £53,330, 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 5th July 2010 and signed on their behalf by



Keith Shephard (Treasurer)

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

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I report on the financial statements for the year ended 31 March 2010 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 ... 31/07/2010

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

For the year ended 31 March 2010

	Notes	Restricted Funds £	Unrestricted Funds £	Designated Funds £	Total Funds 2010 £	Total Funds 2009 £
INCOMING RESOURCES						
<i>Incoming resources from generated funds</i>						
Donations		-	5,408	-	5,408	5,476
Activities for generating funds	3	-	6,818	-	6,818	4,970
Bank interest		-	42	-	42	1,046
<i>Incoming resources from charitable activities</i>						
	2	-	79,525	-	79,525	108,427
		-	91,793	-	91,793	119,919
RESOURCES EXPENDED						
<i>Costs of generating funds</i>						
		-	270	-	270	1,070
<i>Charitable expenditure</i>						
Direct costs	4	2,070	88,678	-	90,748	132,783
Governance costs	4	-	500	-	500	1,645
Total Resources Expended		2,070	89,448	-	91,518	135,498
Net movement in funds for period		(2,070)	2,345		275	(15,579)
Transfer between funds		-	-	-	-	-
Total funds brought forward		8,285	78,525	1,770	88,580	104,159
Total funds carried forward		6,215	80,870	1,770	88,855	88,580

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

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BALANCE SHEET AT 31 MARCH 2010

	Notes	2010 £	2009 £
FIXED ASSETS			
Tangible assets	6	85,525	90,395
CURRENT ASSETS			
Debtors	7	-	4,646
Cash at bank and in hand		54,557	53,391
		<u>54,557</u>	<u>58,037</u>
CREDITORS			
Amounts falling due within one year	8	1,227	9,852
		<u>1,227</u>	<u>9,852</u>
NET CURRENT ASSETS		53,330	48,185
Total Assets less Current Liabilities		<u>138,855</u>	<u>138,580</u>
CREDITORS			
Amounts falling due after more than one year	9	50,000	50,000
		<u>50,000</u>	<u>50,000</u>
REPRESENTED BY			
FUNDS			
Unrestricted		82,640	80,295
Restricted		6,215	8,285
TOTAL FUNDS	10	<u>88,855</u>	<u>88,580</u>

For the financial period ended 31 March 2010, 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

K. E. Shephard. 03/07/10

Keith Shephard

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

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NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2010

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 represents the costs of fundraising
- * Charitable activities comprise activities undertaken to further the purposes of the charity
- * Governance costs represents 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

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NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2010

(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 2010	Total 2009
	£	£	£	£	£
Mencap cards	-	35	-	35	1,174
Subscriptions	-	1,434	-	1,434	1,833
Grants	-	41,406	-	41,406	52,355
Transport	-	8,307	-	8,307	26,851
Rental income	-	21,715	-	21,715	18,725
Other income	-	6,628	-	6,628	7,489
	-----	-----	-----	-----	-----
	-	79,525	-	79,525	108,427
	=====	=====	=====	=====	=====

3 INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

	Unrestricted General Funds	Designated Funds	Total 2010	Total 2009
	£	£	£	£
Fundraising	6,818	-	6,818	4,970
	=====	=====	=====	=====

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NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2010

4 TOTAL RESOURCES EXPENDED

	Direct Costs £	Governance Costs £	Total 2010 £	Total 2009 £
Salary costs	61,384	-	61,384	68,924
Premises expenses	8,960	-	8,960	5,842
Travelling and motor expenses	2,135	-	2,135	10,922
Club expenditure	549	-	549	1,886
Expenses re rental income	13	-	13	784
Welfare	1,559	-	1,559	840
Play Scheme expenses	424	-	424	2,863
Carer Respite Breaks	3,020	-	3,020	4,333
Mencap cards	-	-	-	161
Printing, postage and telephone	2,817	-	2,817	2,993
Professional fees	2,756	500	3,256	5,324
Bank charges	616	-	616	554
Depreciation	4,870	-	4,870	6,158
Sundry expenses	1,645	-	1,645	2,429
21 Club expenses	-	-	-	20,413
	<u>90,748</u>	<u>500</u>	<u>91,248</u>	<u>134,428</u>

The aggregate payroll costs were:-

	2010 £	2009 £
Salaries and wages	58,932	84,924
Social Security costs	2,452	4,076
	<u>61,384</u>	<u>89,000</u>

The average number of employees during the year were 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

	2010 £	2009 £
Depreciation	4,870	6,158
Independent examiners fee	500	1,645

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NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2010

6 FIXED ASSETS

	Land & Buildings £	Equipment & Furniture £	Play Equipment £	Motor Vehicles £	Total £
Cost					
At 1 April 2009	90,322	14,156	937	28,022	133,437
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
	-----	-----	-----	-----	-----
As at 31 March 2010	<u>90,322</u>	<u>14,156</u>	<u>937</u>	<u>28,022</u>	<u>133,437</u>
Depreciation					
At 1 April 2009	9,737	12,631	937	19,737	43,042
Charge for the period	1,391	1,409	-	2,070	4,870
Disposals	-	-	-	-	-
	-----	-----	-----	-----	-----
As at 31 March 2010	<u>11,128</u>	<u>14,040</u>	<u>937</u>	<u>21,807</u>	<u>47,912</u>
Net Book Value					
At 31 March 2010	<u>79,194</u>	<u>116</u>	<u>nil</u>	<u>6,215</u>	<u>85,525</u>
At 31 March 2009	<u>80,585</u>	<u>1,525</u>	<u>nil</u>	<u>8,285</u>	<u>90,395</u>

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.

	2010 £	2009 £
7 DEBTORS		
Amounts falling due within one year		
	nil	4,646
	-----	-----
	<u>nil</u>	<u>4,646</u>
8 CREDITORS		
Amounts due within one year		
Other taxes and social security costs	827	2,594
Accruals	400	7,258
	-----	-----
	<u>1,227</u>	<u>9,852</u>

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NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2010

		2010 £	2009 £
9	CREDITORS		
	Amounts falling due after one year		
	Reading Borough Council	<u>50,000</u>	<u>50,000</u>

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 01/04/2009	Transfers	Incoming Resources	Resources Expended	Balance at 31/03/2010
Unrestricted						
General		78,525	-	91,793	(89,448)	80,870
Designated						
Mini-bus	a	1,770	-	-	-	1,770
Total General Funds		<u>80,295</u>	<u>-</u>	<u>91,793</u>	<u>(89,448)</u>	<u>82,640</u>
Restricted						
Mini-bus		8,285	-	-	(2,070)	6,215
		<u>8,285</u>	<u>-</u>	<u>-</u>	<u>(2,070)</u>	<u>6,215</u>

10 FUND ANALYSIS (cont/d)

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

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NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2010

11 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed Assets £	Net Current Assets £	Creditors >1 year £	Total £
Restricted				
Mini-bus fund	6,215	-	-	6,215
	<u>6,215</u>	<u>-</u>	<u>-</u>	<u>6,215</u>
Unrestricted				
General	79,310	51,560	(50,000)	80,870
Designated	-	1,770		1,770
	<u>79,310</u>	<u>53,330</u>	<u>(50,000)</u>	<u>82,640</u>
Total	<u>85,525</u>	<u>53,330</u>	<u>(50,000)</u>	<u>88,855</u>