

# Braintree District Mencap Society

Annual Report and Financial Statements  
for the Year Ended 30 September 2018

# Braintree District Mencap Society

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# **Braintree District Mencap Society**

## **Reference and Administrative Details**

### **Trustees**

L Mead  
B Joyce  
G Quealy  
L May (resigned 11 April 2018)  
M Moore  
L Jefferis  
J K Brown (resigned 14 November 2018)  
M Webb  
S Agra (resigned 14 November 2018)  
D Moore  
S Smith (resigned 13 May 2018)  
C Quealy (appointed 14 November 2018)

### **Principal Office**

Charles Leeks House  
7 Coggeshall Road  
Braintree  
Essex  
CM7 9DB

### **Charity Registration Number**

237956

### **Independent Examiner**

Lisa Greenwood FCCA  
Lambert Chapman LLP  
3 Warners Mill  
Silks Way  
Braintree  
Essex  
CM7 3GB

# **Braintree District Mencap Society**

## **Trustees' Report**

The trustees present the annual report together with the financial statements of the charity for the year ended 30 September 2018.

### **Objectives and activities**

#### ***Objects and aims***

Objects and aims of the charity:

The provision of help and support for people with learning disabilities and for 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.

As set down in the current constitution, which is under review.

#### ***Public benefit***

The charity's aims are to assist people with learning disabilities and their families. The trustees are satisfied that the organisation is acting to further public benefit.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### ***Grant making policies***

Braintree District Mencap Society did not make any grants this year.

### **Achievements and performance**

This information is within the Annual Report.

### **Financial review**

It has been a difficult year for fundraising, although we are not alone in this, we have also had some unforeseen expenses. However, our income has covered our costs and left us with a positive balance in the bank.

Currently 'The Big Lottery' and 'Children in Need' provide substantial funding towards our costs, without them things would be difficult.

#### ***Policy on reserves***

The Trustees consider that reserves of three months average expenditure plus provisions for redundancy payments (provided they arise from thrift and without detriment to activities) are prudent in order to give an element of protection to our Society.

The following reserves have been agreed: £50,000 will be kept in reserve.

### **Plans for future periods**

#### ***Activities planned to achieve aims***

Braintree District Mencap Society have put processes in motion to convert to a Charity Incorporated Organisation during 2019.

### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of the assets held by the charity.

# Braintree District Mencap Society

## Trustees' Report

### Structure, governance and management

#### *Nature of governing document*

Braintree District Mencap Society is a charity registered with the Charity Commission and is governed by its constitution.

#### *Recruitment and appointment of trustees*

Composition and procedure for appointment

Unless otherwise decided by the members at a General Meeting the maximum number of members of the Executive Committee shall be thirty.

The Executive Committee shall consist of the following persons any of whom may have learning disabilities:

- the Honorary Officers of the Society
- 16 members of the Society who shall be elected at an Annual General Meeting and
- co-opted members (who may but need not be members of the Society) being persons having a special interest in and qualifications for furthering the work of the Society

As set down in the current constitution which is under review.

#### *Organisational structure*

Braintree District Mencap Society is a membership organisation who select an Executive Committee from their membership at their AGM each year. The Executive Committee is responsible for seeing the safe, lawful and operative running of the organisation and employ staff to enable them to achieve this effectively.

#### *Major risks and management of those risks*

##### *Financial Risk*

Reducing health and social care budgets means that there is a greater reliance on charities Braintree District Mencap Society is to be clear about the range and level of services that it can provide whilst maintaining quality standards through the development of a clear, costed business plan written with the people who use the services of Braintree Mencap and their carers, trustees and staff.

##### *Social Risk*

Within the national media there has been more scrutiny of charities, the salaries they pay, their safeguarding procedures and the behaviour of their staff. Braintree District Mencap Society must be ready and able to demonstrate how it meets the very highest of standards in both the services that it provides and in the behaviour of its staff and volunteers.

##### *External risks*

Braintree District Mencap Society needs to maintain strong partnership links to be able to influence and articulate need and be well placed to speak up alongside people with a learning disability to have appropriate services delivered.

Braintree District Mencap Society is to ensure that it develops and maintains an active, strong and influential place within local partnerships.

The annual report was approved by the trustees of the charity on ..... and signed on its behalf by:

.....  
G Quealy  
Trustee

## **Braintree District Mencap Society**

### **Statement of Trustees' Responsibilities**

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities 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 charity and of the incoming resources and application of resources of the charity 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 judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on ..... and signed on its behalf by:

.....  
G Quealy  
Trustee

## **Braintree District Mencap Society**

### **Independent Examiner's Report to the trustees of Braintree District Mencap Society**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 30 September 2018 which are set out on pages 6 to 16.

#### **Respective responsibilities of trustees and examiner**

As the charity's trustees of Braintree District Mencap Society you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Braintree District Mencap Society's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

#### **Independent examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of Braintree District Mencap Society as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....  
Lisa Greenwood FCCA  
Lambert Chapman LLP  
3 Warners Mill  
Silks Way  
Braintree  
Essex  
CM7 3GB

Date:.....

## Braintree District Mencap Society

### Statement of Financial Activities for the Year Ended 30 September 2018

	Note	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
<b>Income and Endowments from:</b>					
Donations and legacies	2	25,551	-	25,551	12,506
Charitable activities	3	67,429	81,025	148,454	155,394
Investment income	4	138	-	138	280
Total income		<u>93,118</u>	<u>81,025</u>	<u>174,143</u>	<u>168,180</u>
<b>Expenditure on:</b>					
Raising funds	5	(455)	-	(455)	(1,023)
Charitable activities	6	(114,243)	(74,670)	(188,913)	(173,281)
Other expenditure	7	(8,757)	-	(8,757)	-
Total expenditure		<u>(123,455)</u>	<u>(74,670)</u>	<u>(198,125)</u>	<u>(174,304)</u>
Net (expenditure)/income		(30,337)	6,355	(23,982)	(6,124)
Gross transfers between funds		<u>17,127</u>	<u>(17,127)</u>	-	-
Net movement in funds		(13,210)	(10,772)	(23,982)	(6,124)
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>330,589</u>	<u>59,022</u>	<u>389,611</u>	<u>395,735</u>
Total funds carried forward	18	<u><u>317,379</u></u>	<u><u>48,250</u></u>	<u><u>365,629</u></u>	<u><u>389,611</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2017 is shown in note 18.



**Braintree District Mencap Society**  
**(Registration number: 237956)**  
**Balance Sheet as at 30 September 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	14	235,138	242,917
<b>Current assets</b>			
Debtors	15	2,742	2,454
Investments	16	76,018	75,920
Cash at bank and in hand		<u>54,159</u>	<u>70,912</u>
		132,919	149,286
<b>Creditors: Amounts falling due within one year</b>	17	<u>(2,428)</u>	<u>(2,592)</u>
<b>Net current assets</b>		<u>130,491</u>	<u>146,694</u>
<b>Net assets</b>		<u>365,629</u>	<u>389,611</u>
<b>Funds of the charity:</b>			
<b>Restricted funds</b>		48,250	73,347
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>317,379</u>	<u>316,264</u>
<b>Total funds</b>	18	<u>365,629</u>	<u>389,611</u>

The financial statements on pages 6 to 16 were approved by the trustees, and authorised for issue on .....  
and signed on their behalf by:

.....  
G Quealy  
Trustee

# Braintree District Mencap Society

## Notes to the Financial Statements for the Year Ended 30 September 2018

### 1 Accounting policies

#### Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

#### Basis of preparation

Braintree District Mencap Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

#### Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

#### Reclassification of comparative amounts

During the preparation of the accounts for the year ended 30 September 2018, we have been working with our new accountants in order to ensure that the fund balances are correctly reported. Upon a review of the brought forward balances, it was identified that some funds had been set up as restricted funds when, in fact, there were no restrictions on the monies provided. The brought forward fund balances have been corrected via a transfer to unrestricted funds during the year and the Trustees are satisfied that the fund balances going forwards are accurate.

#### Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

#### *Donations and legacies*

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

#### *Investment income*

Investment income is recognised on a receivable basis.

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

#### *Charitable activities*

Income from charitable activities includes both monies received from the charity's day to day activities and income from performance-related grants which have conditions that specify the provision of particular services to be provided by the charity. Income is recognised once the charity has entitlement, the income is probable and can be measured reliably.

# Braintree District Mencap Society

## Notes to the Financial Statements for the Year Ended 30 September 2018

### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for an accruals basis and has been classified under headings that aggregate all costs related to the category.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of Trustee meetings and the cost of any legal advice to Trustees on governance or constitutional matters.

### ***Raising funds***

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements.

### **Taxation**

The charity is potentially exempt from taxation to the extent that such income or gains are applied exclusively to charitable purposes.

### **Tangible fixed assets**

Individual fixed assets costing £100 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Office equipment	20% Straight line method
Motor Vehicles	20% Straight line method
Land and buildings	2% Straight line method

### **Current asset investments**

Current asset investments are included at the lower of cost and net realisable value / market value.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand.

## Braintree District Mencap Society

### Notes to the Financial Statements for the Year Ended 30 September 2018

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### 2 Income from donations and legacies

	<b>Unrestricted funds</b>	<b>Total 2018</b>	<b>Total 2017</b>
	<b>General £</b>	<b>£</b>	<b>£</b>
Donations and legacies;			
Donations from individuals	23,053	23,053	12,506
Subscriptions	2,498	2,498	-
	25,551	25,551	12,506

#### 3 Income from charitable activities

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total 2018</b>	<b>Total 2017</b>
	<b>General £</b>	<b>£</b>	<b>£</b>	<b>£</b>
Income from charitable activities	67,429	-	67,429	80,399
Other income	-	-	-	423
Grants and funding	-	81,025	81,025	74,572
	67,429	81,025	148,454	155,394

#### 4 Investment income

	<b>Unrestricted funds</b>	<b>Total 2018</b>	<b>Total 2017</b>
	<b>General £</b>	<b>£</b>	<b>£</b>
Interest receivable and similar income;			
Interest receivable on bank deposits	138	138	280
	138	138	280

# Braintree District Mencap Society

## Notes to the Financial Statements for the Year Ended 30 September 2018

### 5 Expenditure on raising funds

#### a) Costs of generating donations and legacies

		<b>Unrestricted funds</b>	<b>Total 2018</b>	<b>Total 2017</b>
	<b>Note</b>	<b>General £</b>	<b>£</b>	<b>£</b>
Fundraising costs		<u>455</u>	<u>455</u>	<u>1,023</u>

## Braintree District Mencap Society

### Notes to the Financial Statements for the Year Ended 30 September 2018

#### 6 Expenditure on charitable activities

	Note	Unrestricted funds		Total 2018 £	Total 2017 £
		General £	Restricted funds £		
Wages and salaries		68,105	48,735	116,840	115,045
Repairs and renewals		3,731	3,065	6,796	923
Sundry expenses		1,562	668	2,230	1,436
Insurance		2,347	1,831	4,178	3,965
Administration expenses		6,023	2,335	8,358	18,253
Rent, utilities and premises expenses		6,276	3,576	9,852	5,919
Motor vehicles expenses		1,379	1,129	2,508	1,988
Professional fees		-	5,700	5,700	-
Expenses related to activities		17,731	7,631	25,362	16,911
Travel and subsistence		1,548	-	1,548	1,248
Advertising		995	-	995	-
Bank charges		60	-	60	-
Staff expenses		-	-	-	3,266
Governance costs	8	4,486	-	4,486	4,327
		114,243	74,670	188,913	173,281

£114,243 (2017 - £133,726) of the above expenditure was attributable to unrestricted funds and £74,670 (2017 - £39,555) to restricted funds.

#### 7 Other expenditure

	Unrestricted funds		Total 2017 £
	General £	Total 2018 £	
Depreciation, amortisation and other similar costs	8,757	8,757	-
	8,757	8,757	-

# Braintree District Mencap Society

## Notes to the Financial Statements for the Year Ended 30 September 2018

### 8 Analysis of governance and support costs

#### Governance costs

	Unrestricted funds	Total 2018	Total 2017
	General £	£	£
Independent examiner fees			
Examination of the financial statements	1,452	1,452	2,929
Legal fees	805	805	1,398
Bookkeeping and accountancy services	2,229	2,229	-
	<u>4,486</u>	<u>4,486</u>	<u>4,327</u>

### 9 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2018 £	2017 £
Depreciation of fixed assets	<u>8,757</u>	<u>-</u>

### 10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year. No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

### 11 Staff costs

The aggregate payroll costs were as follows:

	2018 £	2017 £
<b>Staff costs during the year were:</b>		
Wages and salaries	<u>116,840</u>	<u>115,045</u>

No employee received emoluments of more than £60,000 during the year

### 12 Independent examiner's remuneration

	2018 £	2017 £
Examination of the financial statements	<u>1,452</u>	<u>2,929</u>

### 13 Taxation

The charity is a registered charity and is therefore potentially exempt from taxation.

## Braintree District Mencap Society

### Notes to the Financial Statements for the Year Ended 30 September 2018

#### 14 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 October 2017	235,000	1,604	19,794	256,398
Additions	-	978	-	978
At 30 September 2018	235,000	2,582	19,794	257,376
<b>Depreciation</b>				
At 1 October 2017	-	1,604	11,877	13,481
Charge for the year	4,700	98	3,959	8,757
At 30 September 2018	4,700	1,702	15,836	22,238
<b>Net book value</b>				
At 30 September 2018	230,300	880	3,958	235,138
At 30 September 2017	235,000	-	7,917	242,917

#### 15 Debtors

	2018 £	2017 £
Prepayments	2,742	2,454

#### 16 Current asset investments

	2018 £	2017 £
Cash deposits	76,018	75,920

#### 17 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	60	-
Other taxation and social security	1,061	2,011
Other creditors	161	-
Accruals	1,146	581
	2,428	2,592



## Braintree District Mencap Society

### Notes to the Financial Statements for the Year Ended 30 September 2018

#### 18 Funds

	Balance at 1 October 2017 £	Incoming resources £	Resources expended £	Transfers £	Balance at 30 September 2018 £
<b>Unrestricted funds</b>					
<i>General</i>					
Unrestricted funds	316,264	93,118	(123,455)	17,127	303,054
<i>Designated</i>					
Sensory Room	14,325	-	-	-	14,325
<b>Total unrestricted funds</b>	<u>330,589</u>	<u>93,118</u>	<u>(123,455)</u>	<u>17,127</u>	<u>317,379</u>
<b>Restricted funds</b>					
Essex Community fund	4,796	6,249	(3,986)	-	7,059
Children in need	23,088	32,586	(23,813)	-	31,861
Lottery funding	14,011	42,190	(46,871)	-	9,330
Awards for all	6,911	-	-	(6,911)	-
Jules Thorn	800	-	-	(800)	-
Cutter Trust	500	-	-	(500)	-
Gadsby Wicks	500	-	-	(500)	-
Bosier Hinton	1,496	-	-	(1,496)	-
Friends of Braintree	1,000	-	-	(1,000)	-
PJK CT	4,000	-	-	(4,000)	-
BDC Leisure Grant	620	-	-	(620)	-
Other under £500	1,300	-	-	(1,300)	-
<b>Total restricted funds</b>	<u>59,022</u>	<u>81,025</u>	<u>(74,670)</u>	<u>(17,127)</u>	<u>48,250</u>
<b>Total funds</b>	<u><u>389,611</u></u>	<u><u>174,143</u></u>	<u><u>(198,125)</u></u>	<u><u>-</u></u>	<u><u>365,629</u></u>

#### Purpose of Restricted Funds

- 1. Essex Community Fund** - A grant of £6,249 to enable the running of a respite and activity summer play-scheme for children with learning disabilities.
- 2. Children in Need** - A two year grant to fund 4 weekly Saturday play-scheme sessions engaging 46 disabled children and young people in Braintree.
- 3. Lottery Funding** - A grant to enable Braintree District Mencap Society to run leisure classes, including life skills, photography, dance, pottery and textiles, swimming and furniture upcycling to people with learning disabilities.
- 4. Sensory Room** - To enable the purchase, provision and delivery of equipment, support and other resources towards delivery of a full sensory experience where required.

## Braintree District Mencap Society

### Notes to the Financial Statements for the Year Ended 30 September 2018

#### 19 Analysis of net assets between funds

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total funds</b>
	<b>General £</b>	<b>£</b>	<b>£</b>
Tangible fixed assets	235,138	-	235,138
Current assets	84,669	48,250	132,919
Current liabilities	(2,428)	-	(2,428)
Total net assets	<u>317,379</u>	<u>48,250</u>	<u>365,629</u>

#### 20 Related party transactions

There were no related party transactions in the year.