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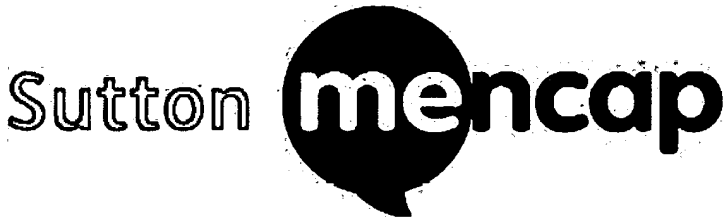

Sutton Mencap Charity Company

Annual Report and Financial Statements
For the year ended 31 March 2018

Charity number: 1080514
Company number: 03915936

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Sutton Mencap Charity Company

Annual Report and Financial Statements
Year ended 31 March 2018

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Sutton Mencap Charity Company

Company information

Trustee Board

Chairman:	Mavis Peart OBE
Vice-Chairman:	Clare Fionda
Treasurer:	Paul Solomon
Trustee:	Titilayo Dairo
Trustee:	Kevin Dillon
Trustee:	Ross Feeney
Trustee:	Michele Humphreys
Trustee:	Alison Lepetit
Trustee:	Edwina Morris
Trustee:	Michelle Perrett
Trustee:	David Schad (to August 2017)
Company Secretary:	David Hobday

Members of the Trustee Board are the directors of the company.

The trustee board suffered a sad loss when David Schad, a long standing trustee since 2006, passed away in August 2017.

Company Status
The company is a company limited by guarantee, not having a share capital and is registered in England and Wales.

Registered company number: 03915936

Registered charity number: 1080514

Registered Office:
8 Stanley Park Road
Wallington
SM6 0EU

Bankers
CAF Bank
Kings Hill
West Mailing
Kent
ME19 4TA

Solicitors
WH Mathews & Co
11 & 13 Grove Road
Sutton
SM1 1DS

Independent Examiner
Kevin Fisher
Myrus Smith
Norman House
8 Burnell Road
Sutton
SM1 4BW

Sutton Mencap Charity Company

Report of the Trustees
Year ended 31 March 2018

Structure, Governance and Management

Governing document
Sutton Mencap Charity Company is a charity registered with the Charity Commission and a Company Limited by Guarantee. The Charity Company was registered on 28 January 2000 and uses Sutton Mencap as its working name. The company was set up under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Appointment of trustees
The Trustee Board for the Company is made up of a maximum of 12 members: the honorary officers plus up to 8 members. Honorary officers and members are elected at an Annual General Meeting. The Trustee Board may also co-opt members to fill skills gaps, provided that the number of co-opted members does not make up more than one-third of the Trustee Board's membership.

Trustee recruitment
Trustee recruitment is carried out according to policies which are reviewed on a regular basis. Potential trustees are invited to observe a trustee meeting and then interviewed by the Chair and another trustee.

Trustee induction and training
New trustees participate in an induction programme led by the Director. They are invited to meet with key staff in the organisation and visit a range of services and are provided with an induction pack containing the Memorandum and Articles of Association, latest annual report and financial statements, strategic plan and key policies and procedures. Trustees participate in internal and external training, including an annual away day.

Organisational structure
The Trustee Board governs the charity and meets 8 times a year. The Trustee Board appoints a Director to manage the day-to-day operations of the charity. The Director attends Trustee Board meetings and advises and reports to the Trustees.

Risk management and control
The Trustee Board has a formal risk management strategy which enables them to identify and mitigate the major risks to which the charity is exposed. The strategy consists of:

- an annual review of the risks which the charity may have to face;
- the establishment of systems and procedures to mitigate those risks;
- the implementation of procedures designed to report on and minimise any potential impact on the charity should any of those risks materialise.

The principle risks, and actions taken to mitigate them are grouped under the following headings:

Governance
Procedures are in place to monitor the success of recruitment and the mix of skills and life experiences trustees bring to the organisation. Effective decision making is monitored through the adoption and delivery of strategic plans.

Finance
Trustees consider management accounts, cash flow, and unpaid debts on a quarterly basis. Trustees have in place a fundraising strategy and set and monitor annual targets for fundraising from a range of different sources. Trustees ensure the charity operates effective financial controls to mitigate the potential for fraud or error.

Staffing and volunteering
Trustees receive regular reports on staffing levels and staff recruitment. Trustees ensure the charity operates clear policies on staff recruitment, management and training, disciplinary and grievance procedures, as well as operational policies and procedures.

Legal compliance
Trustees ensure the charity has a range of up to date policies in place and seeks external advice and expertise where required to ensure legal compliance.

Service delivery
Trustees receive regular reports from staff on service delivery issues. They also monitor service user feedback and compliance with contract and grant requirements from funders. Trustees allocate resources for quality assurance systems and staff training, including resources devoted to meet safeguarding responsibilities.

Buildings, plant and equipment
Trustees consider premises requirements and compliance with the building lease. Trustees allocate resources for building and equipment maintenance and monitor expenditure.

External relationships and environment
Trustees ensure the charity maintains appropriate relationships with key local and national bodies and keeps abreast of changes in local and national policy which could have an impact on the charity.

Objectives
The Trustees are working to deliver their strategic plan, the key elements of which are set out below.

Vision and strategic priorities
Sutton Mencap believes that all people with a learning disability should be able to lead fulfilling lives and achieve their aspirations and potential.

Sutton Mencap's overall aim is to improve the lives of children and adults with a learning disability and their carers by:
- Reducing isolation and developing networks;
- Improving life skills, promoting independence and enabling choice and control;
- Supporting parents and carers; and
- Raising awareness of needs and promoting inclusion.

Sutton Mencap Charity Company

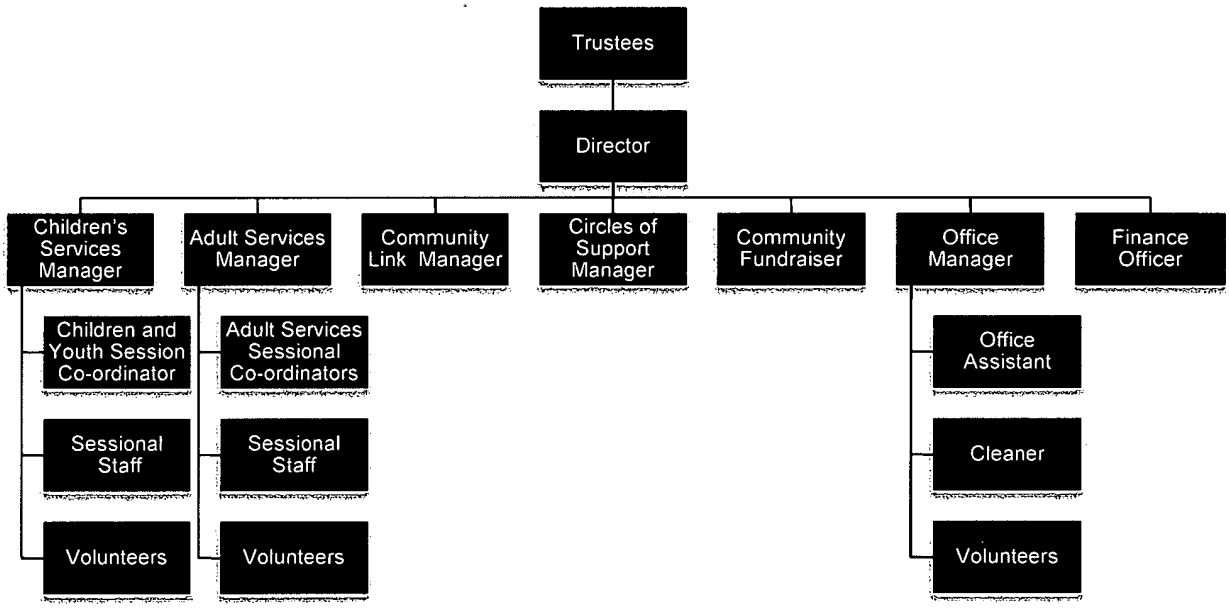
Business objectives

- Ensure the continued delivery of high quality services for children, young people and adults and their carers.
- Develop new services which will enable us to meet the needs of more people.
- Implement our fundraising strategy to ensure we have sufficient resources to carry out our work.
- Maximise the use of new technology by service users and carers.
- Provide our staff with opportunities for greater involvement and strengthen communication across the staff team.
- Maximise the use of our ICT equipment in management and administration and setting and measuring outcomes.
- Ensure our premises remain suitable for delivering high quality services.
- Ensure we play a key role in developments which have an impact on people with a learning disability and their carers in Sutton.
- Maintain tight budget controls and ensure the appropriate use of resources.

These strategic priorities are used to set the quality improvement programme for the organisation. Trustees monitor progress toward delivering this programme on a quarterly basis.

Trustees have begun to develop a new strategic plan to run from 2019.

Organisation structure



The trustees have an established system for setting pay and remuneration for key management personnel which takes account of salary levels for similar local charities as well as existing posts within the organisation. Salary levels are reviewed annually and take account of comparative local and national trends as well as the financial performance of the organisation.

Developments, activities and achievements during the year

Services for children and young people
Sutton Mencap continued to deliver a programme high quality services to children and young people aged 6 to 19 via a contract with the London Borough of Sutton. The services, which are registered with OFSTED, consist of groups that run after school, on Saturdays and during school holidays. During the year, we delivered 857 hours of group sessions, with a mean attendance of between 10 and 11 children or young people per session.

As at 31st March 2018 we had 79 children and young people using our services. The majority of these (61%) are children and young people with high or very high support needs. Nearly all of the groups are running at capacity and we continued to operate a waiting list during the year.

Outcomes for children and young people are monitored using a framework developed jointly with the London Borough of Sutton. This framework aims to capture outcomes for individual children and young people across a range of measures, such as social skills, confidence, staying safe, trying out new experiences, exercising choice and managing their own behaviour.

Our assessments give us a picture of the progress we are making with each child or young person over a period of time. Overall we tend to see small but significant improvements across all the outcome areas, with particular achievements in relation to social skills around joining in and having fun. We recognise that individual progress is as a result of joined up efforts with others, in particular parents and schools, and we place a great deal of importance on working in partnership to achieve shared outcomes.

Further analysis of outcome areas also gives us a picture of the changing mix of children and young people attending our services. In particular, more of the children and young people referred to us have higher levels of challenging behaviour than was previously the case. We are pleased to report that we continue to offer a high quality service to meet this increasing level of need and we recognise the skill and dedication of our staff team in enabling us to maintain such high standards.

We continued to provide our in-house mandatory training programme which includes areas such as safeguarding, disability awareness, health and safety, equality and diversity, administration of medication, food hygiene and personal care. We also provide staff with training in Team Teach, a specialist programme in behaviour management, as well as providing staff with the opportunity to study for NVQs in childcare and management.

During the year, it became increasingly clear that the level of income being generated for the services was insufficient to cover the full service costs. This was largely due to the changes in the level of need for service users, exacerbated by our being tied to a pricing structure which had been set in 2014. Trustees therefore agreed a course of action with the aim of putting services on a sustainable footing. Firstly we conducted a review of services with the support of the Cranfield Trust's Strive project, which provided a volunteer consultant to help us determine a future model of delivery. We also began discussions with the council on how to ensure the service can be maintained. We also set about fundraising to help us through this

review period, and were very grateful for the support of the Garfield Weston Foundation who awarded us £10,000 following a successful funding application.

We continue to offer a wide range of activities across all our groups, including trips out and commissioning other agencies to provide services at our premises. We were very grateful to BBC Children in Need for funding to continue offering these activities. We were also delighted to hear that our application to the Co-op Local Community Fund had been successful. This will provide further funds for activities during summer 2018.

Services for adults
Sutton Mencap continued to offer a wide programme of services and activities for adults which were used by over 200 people during the year.

Services are group-based and are funded through a mix of grant funding and service user contributions. We were grateful for the support of The Henry Smith Charity for funding towards the costs of managing the services.

Community day activities service
Our community day activities service continued to provide support for around 10 clients each day. The clients attend for up to 3 days per week and take part in a range of activities both at our premises and in the local community. Services are paid for by clients using their direct payments.

The service is very popular and we are greatly aware of the need to increase capacity to meet additional demand. We therefore began work on a significant expansion from April 2018, with the expectation that the service will double in size during the coming year.

Breakaways respite services
Breakaways is a set of services which are aimed specifically at adults who live with their parents or family carers. Around 40 families make use of Breakaways, attending in-house groups on a Friday night or Saturday day time, or coming on one of our monthly weekends away. Most of the funding for the service comes from clients' direct payments, but we were also grateful to the Sutton Community Fund and the Gary Kessner Charitable Trust for their grants towards the additional costs of the Friday and Saturday in-house services.

Adult social and leisure groups
We continued to run a number of groups for adults which provide opportunities for social contact and learning.

Our two evening leisure groups, Groupies and High Fliers, met every two weeks. Numbers for both groups increased during the year and we now have around 25 at Groupies and 15 at High Fliers. We are very grateful to the Mrs Smith and Mount Trust for their grant towards the costs of running the groups.

Our Art Café group continued to meet every Tuesday morning with around 15 people attending each session, some with the support of carers. For a number of years the group has benefited from a substantial donation from a local supporter to whom we are very grateful.

We also continued our two popular groups focussed on healthy living and eating. Our Zest group met weekly at a local leisure centre. The group combines workshops on healthy living with a dance and exercise class. We regularly have over 40 people attending the sessions, with many accompanied by their carers. During the year we had funding from the Toyota Fund for a Better Tomorrow and the Morrisons Foundation. We are very grateful to both funders for their support.

We also continued to run our cookery classes. These provide a 10 week programme for up to 8 people, helping them learn about food preparation and healthy eating. Many thanks to Sherwood Park School for providing accommodation for the service.

One-off events and activities
We also continued to provide a number of one-off parties and events during the year, including a Halloween Disco, Christmas party and a celebration of Chinese New Year.

Community Link
Our Community Link service entered its 3rd year of funding from the City Bridge Trust. The service worked with adults with mild learning disabilities and/ or autism, who are able to get out and about independently or with a bit of support from others. It provided help to small groups of people to set up social groups in community spaces, or to join in with mainstream activities.

The City Bridge Trust funded the service for 3 years and also provided funds for an external evaluation of the project which was carried out in the autumn of 2017. This showed how the service had successfully supported over 100 people during its 3 years of funding. The service had also supported the development of a wide range of new activities, and had made strong links with a large number of community venues, sports clubs and other community groups.

Sadly we were unable to secure funding to continue the service from April 2018. That said, we have made arrangements to continue most of the activities that were set up and are hopeful that the service will continue to have lasting benefits for the people it has supported. We also believe that this has been a very effective model for providing support and we will continue to seek funding to support this way of working.

Circles of Support
Our circles of support service began in 2016 with funding from the James Trust. It helps adults with a learning disability to set up a circle of people to help them plan, make choices and accomplish personal goals in life.

11 new circles were established during the year, with a further 11 still running from the previous year. The circles have supported people with a wide range of issues, from developing social networks and friendships to supporting people to improve their housing arrangements.

The service also developed and ran a programme of courses on sex and relationships. The programme worked with 9 of our service users over a period of time, with issues including understanding emotions, making and maintaining friendships, falling in and out of love, understanding our bodies, appropriate behaviours, consent, safe sex and sexuality.

Hospital visiting scheme
Our hospital visiting grant scheme was launched at the beginning of the year. The scheme allows us to provide small grants to pay for the costs of care and support for people with a learning disability when they go into hospital. This means they maintain contact with familiar paid carers on admission to hospital, which helps minimise distress. The scheme made 4 grants during the year. It has been funded by a generous local donor and is expected to run for a period of 10 years.

Partnership work
We recognise that working in partnership with other local organisations from the voluntary, public and private sectors is essential in meeting our aim of making a difference to the lives of people with a learning disability.

Working with others, we developed and delivered a number of partnership projects during the year, as follows:

Sutton Adult Support Network
This built on a previous campaign which looked at how to improve the quality of support provided to people with a learning disability. In particular we were keen to look at how we can develop networks and friendships between people with a learning disability who are supported by staff from different organisations, and how we can increase awareness of activities for people with a learning disability.

The adult support network brought together managers and support workers from different organisations, together with the people they support. The meetings aimed to develop links and share information amongst support workers.

We also identified a specific gap around awareness of targeted health services for people with a learning disability. We therefore organised a partnership conference in November 2017, bringing together other voluntary organisations, council and NHS commissioners, health service providers, parents and carers and people with a learning disability to promote awareness of local services.

The adult support network was funded with a grant from the London Borough of Sutton's Neighbourhood Grants fund.

Promoting awareness of autism
Working with Sutton Parents Forum and the local branch of the National Autistic Society, we helped to organise a local event for National Autism Awareness Week in March 2018. The event, called Let's Talk About Autism, was aimed at people from local partner agencies and the wider community who had an interest in improving their understanding of autism.

Networking and representation
Sutton Mencap continued to participate in a number of local partnerships where this furthers the organisation's aims and strategic priorities. These include partnership boards with local public sector bodies and voluntary sector-led networks. A particular focus of this work during 2017-18 was to support the development and implementation of a new learning disability strategy in Sutton.

We are also affiliated to the Royal Mencap Society and work with them to strengthen links between local and national strategies through our membership of the Mencap

Me20 network and the Your Network online forum. Sutton Mencap also meets quarterly with neighbouring local Mencap organisations to network and share information on good practice. We also participated in national Learning Disability Week, an annual event each June which aims to raise awareness of learning disability issues.

Community Fundraising
Partnerships also play a huge role when it comes to community fundraising. We were delighted to be chosen as the charity of the year for Cheam and Sutton Rotary and are very grateful to them for all their fundraising efforts, which will continue through to Summer 2018.

Trustees, staff, volunteers, service users and supporters also play a major role in fundraising activities, with events and activities including Gardener's Question Time, participation in the Nuts Challenge, the Christmas Grotto and many other one off fundraising events.

Volunteer involvement
Volunteers play a significant role at Sutton Mencap, helping with service delivery, assisting in administrative and office tasks and carrying out fundraising activities. Many volunteer with us on a regular basis, whilst others may come for just a few weeks, or to support a particular one-off activity. Together we estimate that they contributed around 1,700 hours of support to the organisation during 2017/18 and we are very grateful to them.

Strengthening our infrastructure
Sutton Mencap recognises the importance of having a strong back-office systems which support the organisation's mission. We continued to invest in strengthened ICT systems, notably a new online staff scheduling and time sheets system, a new system and the development of a new in-house payroll service. Taken together these 3 systems have improved our efficiency and reduced costs. They will also strengthen our ability to meet the new General Data Protection Requirement (GDPR) being introduced in May 2018.

We also finalised our internal assessment for PQASSO a quality standard programme aimed specifically at voluntary organisations. We feel that our systems are sufficiently robust, and have arranged for external accreditation to take place in May 2018.

Review of the governing document
Trustees seek to review the governance arrangements from time to time and in line with good practice carried out a review of the Memorandum and Articles of Association. Proposed changes to the governing document, which include revisions to the charitable objects, were agreed with the Charity Commission in March 2018. We will be seeking the agreement of members at the next AGM.

Future plans
We will continue to provide our range of high quality services for people with a learning disability in Sutton. Trustees will also be focussing on the following strategic goals:

- With members approval, finalising the changes to the governing document.
- Completing the external accreditation of PQASSO.

- Completing the implementation of the new General Data Protection Regulation.
- Participating in the expected recommissioning of services for children and young people and ensuring the service is placed on a sustainable footing.
- Expanding our adult day services, enabling us to support more people.
- Exploring the opportunity to develop new services around campaigning, community development and advocacy.
- Agreeing a new strategic plan to set the direction of the charity over the coming years.

Financial Review
Our income continues to grow, and 2018 showed a 3.7% increase on the previous year and resulted in another record year for Sutton Mencap as total income for the year ended 31 March was £676,995. However, total costs were £706,102 resulting in a shortfall of £29,107 for the year. This was expected and is wholly caused by a £60k loss on children' services off set by savings and increased income.

We benefitted from a grant from the Garfield Weston Foundation of £10,000 and a further contribution, also of £10,000, for the Wakelen Conservatory Fund. Overall grants received were £9,000 down on last year as we lost the benefit of the BBC Children in Need grant. Fund raising was better resulting from a full year of a dedicated fund raiser although corresponding costs under this heading were also up.

Costs incurred on charitable activities in 2018 were up £44,370 on the previous year. Staff costs, including training, account for 72% of these and overall were higher by 4% on last year. This is accounted for by increased activity as we continue to provide more services for our users, and full employment in a number key positions. Maintenance costs for Stanley Park Road were in line with last year as we continue to monitor and control all expenditure.

We did not expend any money on capital items and fixed assets are lower year on year by the application of depreciation charges.

Cash is invested in short and medium term bank deposits. The year started with £197,629 in the various bank accounts and ended at £188,449 resulting in a net outflow of £9,180. The Accounting Standard requires the production of a Cash flow Statement and this has been included in the annual report.

The Balance Sheet remains healthy despite the adverse impact of the shortfall arising in 2018. The current level of funds, although seriously depleted, still provide a confidence to our clients, staff and trustees that we will be able continue to provide services, we trust, for many years to come. Suffice to say under this heading, Sutton Mencap's finances are currently in good shape but we still do need to recover to 2014 levels. This is achievable and following positive discussions with Sutton Council we have successfully implemented a revised pricing structure which reflects the costs of the service. This will enable us to continue to provide the high level of children's services and is effective from 1 April 2018.

Looking ahead
We are budgeting for a surplus in the region of £12,000 for 2018/2019. This will go some way to build up our depleted funds, and allow us to continue to provide our usual standard of high level of service to those who can benefit from what we can offer.

Reserves policy
Sutton Mencap requires an appropriate level of reserves to enable it to achieve the following objectives:

- Primarily, to ensure that Sutton Mencap is able to survive unexpected set-backs, including short term funding issues, and problems arising from internal or external causes.
- To provide the option of developing new services or expand current ones in line with the changing needs of the community.

Trustees consider it prudent for Sutton Mencap to hold a level of reserves to meet its primary objective equivalent to 3 months' average expenditure, excluding fixed-term, grant-funded activities. Trustees have also set a target of 6 months expenditure to enable them meet the second objective of developing or expending services.

Public benefit
Charity law requires that the Board of Trustees pay due regard to the public benefit guidance published by the Charity Commission and have a duty to achieve the purposes of the charitable company. In setting the charity's objectives, planning its activities and reviewing all proposed activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The Trustees review and approve the annual budget and periodically review the financial performance and reports of the company to ensure that it is operating in a manner consistent with achieving its purposes. In addition the Trustees are of the opinion that the policies and procedures in place are sufficiently robust to ensure that the company achieves its purpose.

Sutton Mencap Charity Company

Responsibilities of the Trustee Board

The trustees are also directors of Sutton Mencap for the purposes of company law are responsible for preparing the Trustees Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires that the Trustees prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for that period. In preparing those financial statements the Board of Trustees is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 charitable company will continue in operation.

The Board of Trustees is responsible for keeping adequate accounting records that 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.

Approved by the Trustees and signed on their behalf by:-

Chairman [print name] M. Peart. MAVIS PEART. Date 10/10/18

Trustee [print name] MICHAEL PEART Date 22/10/18

Sutton Mencap Charity Company

Independent Examiner's Report to the Trustees of Sutton Mencap Charity Company

I report to the charity trustees on my examination of the accounts of the company for the year ended 31st March 2018 which are set out on pages 16 to 26.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I a member of Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no 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 the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.

K C Fisher

.....

K C Fisher FCA
c/o Myrus Smith
Chartered Accountants
Norman House, 8 Burnell Road,
Sutton, Surrey. SM1 4BW

Date: 10-10-2018

Sutton Mencap Charity Company

Statement of Financial Activities and Income & Expenditure Report
For the year to 31 March 2018

	Note	Restricted Funds £	Unrestricted Funds £	2018 Total £	2017 Total £
Income and endowments					
Donations and legacies	3	10,000	9,131	19,131	11,608
Other trading activities	4	-	22,133	22,133	13,174
Investment income	5	-	1,593	1,593	2,081
Income from charitable activities					
Grants and fees	6	121,050	-	121,050	129,994
LB Sutton Short Breaks contract		-	280,275	280,275	274,260
Client contributions		-	232,813	232,813	221,635
Total income and endowments		**131,050**	**545,945**	**676,995**	**652,752**
Expenditure					
Expenditure on raising funds		-	22,501	22,501	14,284
Expenditure on charitable activities	7	128,849	554,752	683,601	639,231
Total expenditure		**128,849**	**577,253**	**706,102**	**653,515**
Net income/ (expenditure)		**2,201**	**(31,308)**	**(29,107)**	**(763)**
Transfers between funds		-	-	-	-
Net movement in funds		**2,201**	**(31,308)**	**(29,107)**	**(763)**
Reconciliation of funds					
Total funds brought forward		30,880	179,359	210,239	211,002
Total funds carried forward		**33,081**	**148,051**	**181,132**	**210,239**

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

Sutton Mencap Charity Company

Balance Sheet at 31 March 2018
Company Registration Number 03915936

	Note	2018 £	2017 £
Fixed Assets			
Tangible Fixed Assets	12	21,855	28,379
Current Assets			
Debtors	13	65,819	79,691
Investments		85,000	85,000
Cash at Bank and in hand		103,449	112,629
		254,268	277,320
Liabilities:			
Creditors	14	94,991	95,460
Net Current Assets		159,277	181,860
Total Assets less Current Liabilities		**181,132**	**210,239**
Funds			
Unrestricted Fund	16	135,051	166,359
Designated Fund	16	13,000	13,000
Restricted Funds	16	33,081	30,880
		181,132	**210,239**

For the year ended 31 March 2018 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.
No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.
The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of the accounts.
These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Trustees on

Signed on behalf of the Trustees

Chair M. Pearce.

[print name] MAVIS PEART
Date 20/10/2018

Trustee

[print name] PAUL SOLOMON
Date 10/10/2018

Sutton Mencap Charity Company

Statement of cash flows
For the year to 31 March 2018

	Note	Total funds March 2018 £	Total funds March 2017 £
Net Cash used in operating activities	19	(10,772)	29,253
Cash flows from investing activities			
Interest income		1,593	2,081
Purchase of tangible fixed assets		-	-
Return of investment funds capital		-	-
Net cash provided by (used in) investing activities		1,593	2,187
Cash flows from financing activities		-	-
Increase (decrease) in cash and cash equivalents in the year		(9,180)	31,334
Cash and cash equivalents at the beginning of the year		112,629	81,295
Total cash and cash equivalents at the end of the year		103,449	112,629

Notes to the financial statements for the year ended 31 March 2018

1) Accounting Policies

Basis of preparation and assessment of going concern
The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Charity constitutes a public benefit entity as defined by FRS 102.

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

Reconciliation with previous Generally Accepted Accounting Practice
In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. No restatements were required.

Income recognition
Items of income are recognised in the financial statements when all of the following criteria are met:

- the charity has entitlement to the funds;
- any performance conditions have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

Expenditure recognition
Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount can be measured reliably. Expenditure is classified under the following headings:

- Costs of raising funds which comprises those costs associated with attracting general donations.
- Expenditure on charitable activities which comprises the costs of running various activities and services for the charity's beneficiaries.

Expenditure includes those costs of a direct nature which can be allocated to specific activity. It also includes indirect costs, including governance costs that do not relate to a specific activity but are necessary to support them. Support costs are apportioned to each activity on the basis of the number our hours of service provided and staff time.

Fund accounting
Unrestricted general funds are those which are freely available for the use in furtherance of the objects of the charity and which have not been designated for specific purposes.

Designated funds are unrestricted funds set aside by the trustees for specific purposes.

Restricted funds are funds which can only be used in accordance with specific restrictions imposed by the donor or which have been raised for a particular purpose.

Sutton Mencap Charity Company

Notes to the financial statements for the year ended 31 March 2018 (continued)

1) Accounting Policies (continued)

Depreciation
Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives as per note 12.

Pension scheme
The charity operates a defined contribution pension scheme. Contributions payable to the scheme are charged to the Statement of Financial Activities in the period to which they relate.

2) Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £1.

3) Donations and Legacies

	Restricted	Unrestricted	2018 Total	2017 Total
	£	£	£	£
Donations	-	9,131	9,131	11,608
Legacies	10,000	-	10,000	-
	10,000	**9,131**	**19,131**	**11,608**

4) Other trading activities

	Restricted	Unrestricted	2018 Total	2017 Total
	£	£	£	£
Rent received	-	5,190	5,190	5,125
Fundraising events	-	16,227	16,227	7,153
Fees and earned income	-	716	716	896
Miscellaneous income	-	-	-	-
		22,133	**22,133**	**13,174**

5) Investment income

	Restricted	Unrestricted	2018 Total	2017 Total
	£	£	£	£
Interest received	-	1,593	1,593	2,081
	-	**1,593**	**1,593**	**2,081**

Notes to the financial statements for the year ended 31 March 2018 (continued)

6) Grants received

	Restricted	Unrestricted	2018 Total	2017 Total
The James Trust	46,668	-	46,668	46,668
City Bridge Trust	36,000	-	36,000	33,000
The Garfield Weston Foundation	10,000	-	10,000	-
The Henry Smith Charity	8,363	-	8,363	16,600
Mrs Smith & Mount Trust	4,795	-	4,795	-
Gary Kesner Trust	3,000	-	3,000	3,000
Hospital Visitor Project	3,000	-	3,000	500
Sutton Community Fund – PQASSO	2,808	-	2,808	-
Sutton Community Fund – Services	2,773	-	2,773	2,733
The Morrisons Foundation	2,643	-	2,643	0
Lloyds Community Grant	1,000	-	1,000	0
BBC Children In Need	-	-	-	16,693
Toyota Charitable Trust	-	-	-	1,800
LBS Neighbourhood Grants - Support Network	-	-	-	550
Zurich Community Trust	-	-	-	515
The Arts Council	-	-	-	435
The Mercers Company	-	-	-	3,750
The Screwfix Foundation	-	-	-	3,750
	121,050	**-**	**121,050**	**129,994**

7) Charitable activities

	Restricted	Unrestricted	2018 Total	2017 Total
	£	£	£	£
Staff costs (excluding fundraising and governance)	60,637	443,733	504,370	454,726
Transport costs	534	5,732	6,266	5,981
Equipment costs	641	5,846	6,487	13,602
Training costs	750	9,465	10,215	4,562
Depreciation	1,597	4,927	6,524	6,851
Governance costs	-	8,416	8,416	9,069
Other costs	25,404	115,919	141,323	144,440
Support costs	39,286	(39,286)	-	-
	128,849	**554,752**	**683,601**	**639,231**

Notes to the financial statements for the year ended 31 March 2018 (continued)

8) Staff Costs

	2018	2017
	£	£
Wages & Salaries	489,765	433,542
Employer's National Insurance	29,503	26,823
Staff Pension Costs	11,930	11,513
Holiday pay accrual	431	3,139
Employment allowance	(3,000)	(3,000)
	528,629	**472,017**

Increased staff costs result from vacancies in posts in 2016/17, plus some additional sessional costs in 2017/18 due to increased activity.

Total employee benefits for key management personnel amounted to £118,775 (2017: £114,586)

No employee earned £60,000 per annum or more.

No trustee received remuneration during the year.

The average number of full-time equivalent employees were:	2018	2017
Director	1	1
Administration and finance	2	2
Children and young people's services	9	9
Adult services	6	6
Community Link	0.6	0.6
Circles of Support	0.6	0.6

9) Net income/ expenditure for the year

This is stated after charging

	2018	2017
	£	£
Depreciation	6,525	6,851
Independent examination fee	2,760	2,760
	9,285	**9,611**

10)Trustees Emoluments & Expenses

No Trustees received emoluments or expenses during the year. Training course and trustee event expenses amounting to £251 (2017 - £475) were paid on behalf of 11 trustees.

11)Taxation

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

Notes to the financial statements for the year ended 31 March 2018 (continued)

12)Tangible fixed assets

	Leasehold Property	Furniture Fittings Fixtures	Office Equipment	Motor Vehicle	Garden	Total
	£	£	£	£	£	£
Cost						
At 1 April 2017 and at 31 March 2018	**469,699**	**37,744**	**16,615**	**22,500**	**14,484**	**561,041**
Depreciation						
At 1 April 2017	452,287	32,147	16,615	18,580	13,032	532,661
Charge for the year	3,163	933	0	980	1,449	6,525
At 31 March 2018	**455,450**	**33,080**	**16,615**	**19,560**	**14,481**	**539,186**
Net Book Value						
At 31 March 2018	**14,250**	**4,664**	**0**	**2,941**	**0**	**21,855**
At 31 March 2017	**17,411**	**5,597**	**0**	**3,920**	**1,452**	**28,379**
Depreciation rates	15 years straight line Lease period	25% reducing balance	25% reducing balance	25% reducing balance	10 years straight line	

The boiler has been depreciated over the remaining period of the lease: 11 years on a straight line basis.

13)Debtors

	2018	2017
	£	£
Prepayments	8,239	7,970
Debtors	60,580	74,721
Less: provision for bad debts	(3,000)	(3,000)
	65,819	**79,691**

Notes to the financial statements for the year ended 31 March 2018 (continued)

14)Creditors - Amounts falling due within one year

	2018	2017
	£	£
Accruals	31,983	27,589
Holiday pay accrual	13,458	13,027
Deferred income	33,558	43,362
Creditors	6,628	11,482
Payroll creditors	9,364	-
	94,991	**95,460**

15)Obligations under lease

At the 31 March 2018 the charity was committed to making the following lease payments under non-cancellable leases

	Photocopier	Franking Machine	Land and Buildings	Photocopier	Franking Machine	Land and Buildings
	2018	2018	2018	2017	2017	2017
	£	£	£	£	£	£
Within one year	678	615	20,000	1,810	-	20,000
Between one and five years	-	2,821	75,000	2,488	-	95,000
Total	**678**	**3,436**	**95,000**	**4,298**	**-**	**115,000**

The trustees of Sutton Mencap have entered into a lease of 8 Stanley Park Road for 25 years from 25 December 1997 at the current rental of £20,000 per annum. Rental is funded via a grant from the London Borough of Sutton.

16)Movement in funds

	Balance as at 1.4.17	Income	Expenditure	Transfers	Balance as at 31.3.18
	£	£	£	£	£
Unrestricted funds					
General fund	166,359	545,945	(577,253)	-	135,051
Redundancy fund	13,000	-	-	-	13,000
Total unrestricted funds	**179,359**	**545,945**	**(577,253)**		**148,051**

Notes to the financial statements for the year ended 31 March 2018 (continued)

16) Movement in funds (continued)

	Balance as at 1.4.17	Income	Expenditure	Transfers	Balance as at 31.3.18
Restricted funds					
The James Trust	10,875	46,668	(43,705)	-	13,838
City Bridge Trust	3,102	36,000	(37,473)	-	1,629
Wakelen Conservatory Fund	1,250	10,000	(1,387)	-	9,863
The Garfield Weston Foundation	0	10,000	(10,000)	-	0
Henry Smith Charity	0	8,363	(8,363)	-	0
Mrs Smith and Mount Trust	0	4,795	(4,795)	-	0
Gary Kessner Trust	0	3,000	(3,000)	-	0
Hospital Visitor project	0	3,000	(1,718)	-	1,282
Sutton Community Fund - PQASSO	0	2,808	(2,808)	-	0
Sutton Community Fund - services	0	2,773	(2,773)	-	0
Morrissons Foundation	0	2,643	(2,643)	-	0
Lloyds Community Grant	0	1,000	(1,000)	-	0
BBC Children In Need	4,824	-	(4,824)	-	0
Toyota Charitable Trust	750	-	(750)	-	0
LBS Adult Support Network	464	-	(464)	-	0
Sensory Room	9,615	-	(3,146)	-	6,469
Total restricted funds	**30,880**	**131,050**	**(128,849)**	**-**	**33,081**
Total funds	**210,239**	**676,995**	**(706,102)**	**-**	**181,132**

17)Analysis of net assets between funds

	Restricted funds	Unrestricted funds	Total funds
	£	£	£
Tangible fixed assets	7,986	13,869	21,855
Net current assets	25,095	134,182	159,277
	33,081	148,051	181,132

Funds are used for the provision of services and for works to the property that is used in the provision of these services.

18)Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £11,930 (2017: £11,513).

At 31 March 2018 £1,782 of contributions were payable and included in creditors. (2017 £0)

Notes to the financial statements for the year ended 31 March 2018 (continued)

19) Reconciliation of net movement in funds to net cash flow from operating activities

	2018 £	2017 £
Net movement in funds	(29,107)	(763)
Add back depreciation charge	6,525	6,851
Deduct interest income shown in investing activities	(1,593)	(2,081)
Decrease/ (increase) in debtors	13,872	1,348
Increase/ (decrease) in creditors	(469)	23,898
Net cash used in operating activities	(10,772)	29,253