

HOUNSLOW WEST MENCAP LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

Registered Charity No. 1045130

Company No. 3007539

Haines Watts
Aissela
46 High Street
Esher
Surrey
KT10 9QY

HOUNSLOW WEST MENCAP LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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HOUNSLOW WEST MENCAP LIMITED
OFFICERS AND PROFESSIONAL ADVISORS

Directors/Trustees

D A Taylor (director and trustee)
W Coveney (director and trustee)
J Howliston (director and trustee)
L. Collins (director and trustee)

Hon. Treasurer

D A Taylor

Registered Office

Aissela
46 High Street
Esher
Surrey
KT10 9QY

Charity Number

1045130

Company Number

3007539

**Accountants and
Independent Examiners**

Haines Watts
Aissela
46 High Street
Esher
Surrey
KT10 9QY

Bankers

Caf Bank Limited
Kings Hill
West Malling
Kent
ME19 4JQ

The trustees, some of whom are also the directors of the company for the purposes of the Companies Act, present their annual report and the financial statements for the year ended 31 March 2021.

Structure, Governance and Management

Status

The charity's governing instrument is the company's Memorandum & Articles of Association.

The charity is managed by its trustees, who are also company directors, through its Executive Committee. The Executive Committee shall not be more than twelve members. At the end of each annual general meeting all Executive Committee members shall retire from office but they may be re-elected or re-appointed.

The charity is also a company limited by the guarantee of its members, it has no share capital. The liability of each member in the event of winding-up is limited to a maximum £1.

Risk Management

The trustees have examined the major risks which the charity faces and seek to control these risks to mitigate any impact that they may have on the charity.

Objectives and Activities

The principal charity objective is to promote the care, treatment and education of mentally handicapped children and adults in the Hounslow area of Greater London and to secure for mentally handicapped people, provision commensurate with their needs. The Trustees have had regard to the Charities Commission's guidance on public benefit.

During the year the charity was supported by grants and rental subsidy by the London Borough of Hounslow.

Achievements and performance

The charity has continued to successfully further its charitable objectives during the year. The trustees will continue to strive to maintain the service provided to meet the increasing needs of the service users.

Financial Review

The trustees consider the financial position at the year-end to be satisfactory. There was a net loss of £20,937 for the year ended 31 March 2021, this loss was attributable to lost income for the full year as the centre had to remain closed in response to government guideline due to the Covid 19 pandemic as well as one off expenditure for rental increase arrears agreed with London Borough of Hounslow Council on renewal of the lease. The centre has since reopened to a limited number of clients in September 2021 due to the change in government guidelines.

Reserves Policy

The charity's policy is to hold unrestricted reserves sufficient to cover six months operational expenditure. The reserves throughout the year and at the year end remain in line with this policy.

The reserves include a designated property reserve £35,000 which is necessary as a provision against potentially substantial maintenance costs.

Directors/Trustees' responsibilities statement

The trustees (who are also directors of Hounslow West Mencap Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for the year. 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 judgments 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;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are 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.

HOUNSLOW WEST MENCAP LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Small Company Exemptions

This report has been prepared in accordance with the provisions applicable to charities subject to the companies regime within Part 15 of the Companies Act.

Signed on Behalf of the Trustees

Approved by the trustees on _____

D A Taylor
Director and Trustee

I report to the charity trustees on my examination of the accounts of the company for the year ended 31st March 2021 which are set out on pages 4 to 8.

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

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.

**Haines Watts
Chartered Accountants**

Aissela
46 High Street
Esher
Surrey
KT10 9QY

Date:

HOUNSLOW WEST MENCAP LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestrict ed Funds £	Year to 2021 £	Year to 2020 £
Income:				
Local Authority Grants		116,656	116,656	116,656
Fund Raising		-	-	132
Other Income		-	-	48,500
Investment Income		51	51	168
Total income		<u>116,707</u>	<u>116,707</u>	<u>165,456</u>
Expenditure on:				
Charitable activities	6	137,643	137,643	167,303
Total expenditure		<u>137,643</u>	<u>137,643</u>	<u>167,303</u>
Net income/(expenditure) and net movement in funds		<u>(20,936)</u>	<u>(20,936)</u>	<u>(1,847)</u>
Reconciliation of funds:				
Total funds brought forward		111,443	111,443	113,290
Total funds carried forward		<u>90,507</u>	<u>90,507</u>	<u>111,443</u>

All of the results derive from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 7 to 10 form part of these financial statements.

HOUNSLOW WEST MENCAP LIMITED

BALANCE SHEET FOR THE YEAR ENDED 31 MARCH 2021

	Not e	2021		2020	
		£	£	£	£
Fixed assets:	10		-		2,507
Tangible assets					
Current assets:					
Debtors	11	1,144		5,683	
Cash at bank and in hand		106,080		109,891	
		<u>107,224</u>		<u>115,574</u>	
Creditors:					
Amounts falling due within one year	12	<u>(16,717)</u>		<u>(6,638)</u>	
Net current assets			<u>90,507</u>		<u>108,936</u>
Total assets less current liabilities			90,507		111,443
Net assets			<u>90,507</u>		<u>111,443</u>
Funds					
Unrestricted funds					
- General	13	51,766		72,702	
- Designated	13	38,741		38,741	
Total funds carried forward			<u>90,507</u>		<u>111,443</u>

Trustee statements required by the Companies Act 2006

In approving these financial statements, the trustees, who are directors for the purposes of company law, hereby confirm:

- that for the year stated above the company was entitled to the exemption conferred by section 477 of the Companies Act 2006;
- that no notice has been deposited at the registered office of the company pursuant to section 476 of the Companies Act 2006 requesting that an audit be conducted for the year ended 31 March 2021; and
- that we acknowledge our responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements of Hounslow West Mencap Limited were approved and authorised for issue by the trustees on _____ and signed on its behalf by:

D A Taylor
Director

Company Registration Number 03007539

1. General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The company's registered number and registered office address is Aissela, 46 High Street, Esher, Surrey, England KT10 9QT.

2. Statement of Compliance

These financial statements have been prepared in compliance with FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP) (FRS102) and the Charities Act 2011.

Hounslow West Mencap Limited meets the definition of a public benefit entity under FRS 102.

3. Accounting policies

The principal accounting policies are set out below. The accounting policies have been adopted consistently throughout the year.

Basis of preparing the financial statements

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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared under the historical cost convention and are prepared on a going concern basis.

Hounslow West Mencap Limited meets the definition of a public benefit entity under FRS 102.

Judgements and key source of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for a minimum 12 months from the authorisation of these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Covid 19 statement

In March 2020 the centre was forced to temporarily close in accordance with UK government guidelines to ensure the safety of its clients and employees as a result of the worsening Covid 19 situation. Apart from a short period in Aug 2021 when the centre was able to open again it has remained closed since March 2020 but has since reopened in September 2021 to a limited number of clients. However, the local council continues to support the charity through an existing monthly grant which covers employee costs, other costs of running the centre are manageable within the reserves the charity has built up for the foreseeable future provided the local council maintains the current monthly grant. As a result of receiving this monthly grant the charity has not been able to take advantage of any government relief schemes which would further support the charity.

Income

Income represents grants, fees, fund-raising and interest on deposit account. The day unit provides week-day activities and training (which is part funded by London Borough of Hounslow) for borough residents and others for mentally handicapped people.

Expenditure

Expenditure is charged to the statement of financial activities on an accruals basis.

Equipment

Purchases of equipment are written off in the Statement of Financial Activities in the year of purchase.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

Household building improvements	Fully depreciated
Motor vehicles	20% per annum on cost

Financial Instruments

Financial assets and financial liabilities are recognised in the balance sheet when the company becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the charity will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and cash at bank.

Financial liabilities are classified in accordance with the substance of the contractual arrangements entered into and the definition of a financial liability.

Fund structure

The funds held by the Trust comprise:

- *Unrestricted general funds* – the ‘free’ funds held by the charity to be used in accordance with the charitable objects at the discretion of the trustees (including designated funds).
- *Restricted funds* – funds held to be used only for restricted purposes within the objects of the charity. Restrictions arise when specified by donors and grant making bodies or when funds are raised for particular purposes.

4. 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 a maximum £1.

5. Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

6. Charitable Activities

	Unrestrict ed Funds £	Year to 2021 £	Year to 2020 £
Salaries & national insurance	112,160	112,160	114,525
Caretaker & cleaner's salary	-	-	-
Cost of meals	-	-	4,276
Transport costs	-	-	241
Minibus expenses	55	55	8,214
Cleaning & materials	-	-	-
Outings and projects	-	-	1,487
Repairs and renewals	2,714	2,714	11,313
Telephone & internet	1,263	1,263	2,239
Insurance	-	-	1,429
Light and heat	3,242	3,242	4,828
Water rates	-	-	735
Rent	12,184	12,184	5,370
General expenses	1,376	1,376	6,336
Governance costs (note 7)	2,142	2,142	3,803
Depreciation	2,507	2,507	2,507
	<u>137,643</u>	<u>137,643</u>	<u>167,303</u>

HOUNSLOW WEST MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

7. Governance Costs

	Unrestrict ed Funds £	Year to 2021 £	Year to 2020 £
Administration fee	-	-	-
Accountancy	1,333	1,333	2,493
Payroll costs	810	810	1,310
	<u>2,143</u>	<u>2,143</u>	<u>3,803</u>

8. Staff Costs

	Unrestrict ed Funds £	Year to 2021 £	Year to 2020 £
Salaries and wages	109,382	109,382	111,895
Social security	1,632	1,632	2,103
Pension	1,146	1,146	527
	<u>112,160</u>	<u>112,160</u>	<u>114,525</u>

There are no employees who received total employee benefits of more than £60,000 (2020: nil)

Average Number of employees during the year were as follows:

	Year to 2021	Year to 2020
Management	2	
Other	7	2
	<u>7</u>	<u>7</u>

9. Trustee remuneration and expenses and key management personnel

No trustees or persons connected with them received any emoluments from the charity in their role as trustees (2020: nil).

No other trustees have received payment for professional or other services provided to the charity during the year (2020: nil).

No individual expenses were reimbursed to trustees during the year (2020: nil).

10. Tangible Fixed Assets

	Household Building Improvements £	Motor Vehicles £	Total £
Cost			
At 1 April 2020	26,926	12,535	39,461
Addition	-	-	-
At 31 March 2021	<u>26,926</u>	<u>12,535</u>	<u>39,461</u>
Depreciation			
At 1 April 2020	26,926	10,026	36,954
Provision	-	2,507	2,507
At 31 March 2021	<u>26,926</u>	<u>12,535</u>	<u>39,461</u>

HOUNSLOW WEST MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

Net Book Value

At 31 March 2021

At 31 March 2020

-	-	-
-	2,507	2,507

11. Debtors

	Year to 2021 £	Year to 2020 £
Debtors & Prepayments	1,144	5,683
	<u>5,683</u>	<u>5,683</u>

12. Creditors

	Year to 2021 £	Year to 2020 £
Taxation and social security	5,821	3,381
Creditors and accruals	10,896	3,257
	<u>16,717</u>	<u>6,638</u>

13. Unrestricted funds

	Balance at 01/04/2020 £	Income £	Expenditure £	Transfer s £	Balance at 31/03/2021 £
Year ended 31 March 2021					
General funds	72,702	116,707	(137,643)	-	20,936
Designated funds:					
- General	3,741	-	-	-	3,741
- Property reserve	35,000	-	-	-	35,000
	<u>38,741</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,741</u>
Total unrestricted funds	<u>111,443</u>	<u>116,707</u>	<u>(137,643)</u>	<u>-</u>	<u>90,507</u>

Designated property reserve

This is set aside to help towards the possible eventuality of higher future costs, having regard to the age and condition of the building used by the charity, which is held on a lease from the local authority at the subsidised ground rent.

14. Analysis of net assets between funds

As at 31 March 2021 and 31 March 2020 the net assets of the charity were entirely attributable to unrestricted funds.

15. Trustees and other related parties

Details of trustee emoluments and expenses are disclosed in note 9.

Mrs H Taylor, wife of trustee D A Taylor was employed by the charity as Centre Manager during the year and received gross wages of £13,799 for the year.

There are no other related party transactions to report.

16. Operating leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2021 £	2020 £
Not later than one year	10,000	10,000
Later than one and not later than five years	40,000	40,000
Later than five years	36,667	46,667
	<u>86,667</u>	<u>96,667</u>

The total lease payments recognised as an expense is £12,184 (2020: £5,370).