



65 Effra Road  
Brixton  
London, SW2 1BZ

# Annual Report and Accounts for the year ended 31<sup>st</sup> March 2023

Registered Company Number 03403522

Registered Charity Number (England and Wales) 1071705

## References and Administrative Details

### *Governing Document*

Memorandum and Articles of Association

### *Trustees*

Lucy Hastings (Chair)

William Brett

Patrick Gillespie

Joanna Haworth

Mark Hubbard

Segun Jegede

Kate Jopling (Resigned November 2022)

James Kavanagh

Nash Rajan

Mary Robertson

Joanne Saunbury

Jeffy Wong

### *Chief Executive Officer and Company Secretary*

Chris Thomas

Mosaic Clubhouse is a member of Clubhouse International, New York, NY, USA.

#### **Registered Office**

65, Effra Road,  
Brixton,  
London,  
SW2 1BZ

#### **Registered Company Number**

03403522

#### **Registered Charity Number (England and Wales)**

1071705

#### **Auditors**

MHA  
Building 4,  
Foundation Park,  
Roxborough Way,  
Maidenhead,  
SL6 3UD

#### **Bankers**

National Westminster Bank  
128 Balham High Road  
London  
SW12 9AE

#### **Accountants**

JS2 Limited  
One Crown Square  
Woking Surrey  
GU21 6HR

#### **Solicitors**

Bates, Wells & Braithwaite  
London LLP  
2-6 Cannon Street  
London  
EC4M 6YH

## CONTENTS

|    |                                       |
|----|---------------------------------------|
| 2  | References and Administrative Details |
| 4  | Report of the Trustees                |
| 18 | Independent Auditor's Report          |
| 20 | Statement of Financial Activities     |
| 22 | Balance Sheet                         |
| 21 | Statement of Cash Flows               |
| 24 | Notes to the Financial Statements     |

# Mosaic Clubhouse Trustees Report

Year ended 31<sup>st</sup> March 2023

## Our charitable purpose

Mosaic Clubhouse is a thriving Lambeth-based charity that provides opportunities for people experiencing mental health issues to regain the confidence and skills they need to lead productive and satisfying lives.

Our charitable objectives state that:

'The charity is established to relieve persons suffering from mental illness by the provision of opportunities to individuals who have been socially or vocationally disabled by mental illness. To support these individuals to regain the confidence and skills necessary to achieve their potential and enjoy their right to productive, dignified and satisfying work and relationships. To provide training and support to persons who provide or who wish to provide or organise similar services to those provided by the charity both in the United Kingdom and Worldwide.'

Working on our objectives we strive to ensure that Mosaic Clubhouse:

- ensures that people who suffer from mental health problems have the right to be productive, achieve their potential and be respected as co-workers, neighbours and friends.
- promotes and provides access to real educational and employment opportunities, and assists members in accessing and sustaining their own employment.
- offers every member a range of support and social opportunities to match their needs and aspirations.
- provides training and support to other clubhouses both in the United Kingdom and the world.

As well as providing essential community-based mental health support in the heart of Lambeth for 27 years, we are proud to have remained a leading Clubhouse in the Clubhouse International community.

As the only accredited Clubhouse in the UK and one of only twelve international certified training bases, we make it our priority to constantly share and develop our practice. We train other international Clubhouse teams in the Clubhouse model, regularly talk at international Clubhouse conferences and we constantly reach out to colleagues globally.

## How we deliver public benefit

Mosaic Clubhouse exists to provide structure and meaningful activity for people with mental health issues.

Mosaic Clubhouse bases its model on the definition and Standards agreed by the International Clubhouse community. A Clubhouse is:

- A place where people with mental health issues (members) participate in their own recovery process by working and socializing together in a safe, welcoming environment.
- An organisation that operates on proven standards developed over five decades by Clubhouse International and effective in over 320 Clubhouses worldwide.
- A community-based approach that complements available psychiatric and medical interventions.



Active member engagement and involvement are critical components of success at Clubhouses:

- Membership is voluntary and lasts as long as someone wants to participate
- Members have a key role in organising Clubhouse activities. Staff and members work together as colleagues.
- Work, education and social activities in the Clubhouse are meaningful and help members regain self-worth, confidence and purpose.
- Clubhouses provide paid employment opportunities in local businesses for members who want work; we help members become successful employees

The work of Mosaic Clubhouse is organised into work units (departments), with each member assigned to a unit. Our units are:

- Employment, Education and Information
- Business and Administration
- Café and Garden

Each unit provides a wide range of tasks appropriate to the capabilities and interests of the individual member. Staff and members work together, side by side, in the daily running of the Clubhouse. This model enables members to gain skills, confidence and self-esteem in a safe environment.

#### *Young Adults*

Our young adults programme supports people who are 16-30 years old. It provides vital support for young adults with an existing mental health condition, and those who are at risk of developing poor mental health and require preventative support. The programme focuses on transitions, including leaving school and making decisions about their future; transferring from child and adolescent (CAMHS) mental health services to adult services, or into the community without any specialist support; and transitioning back into the community after an inpatient psychiatric hospital admission.

**80 young adults engaged with our young adult programme during the year. 13 young adults secured paid employment.**

#### *The Evening Sanctuary*

The Evening Sanctuary is an out-of-hours crisis service, open seven days a week at Mosaic, from 6pm until midnight. It is an alternative to A&E - a safe, non-clinical space for people to come, get support and take part in gentle activities when they do not feel safe being alone or in their own homes.

- **121 people in need of support used our Evening Sanctuary service**
- **69 Members told us that attending the Sanctuary avoided 681 A&E attendances.**
- **67 Members told us that attending the Sanctuary kept people off the streets on 655 occasions**

#### *Our year in numbers*

493 Attended Mosaic over the year

86 % of members would recommend Mosaic Clubhouse to friends and family

29 members secured paid employment with Mosaic's support

57 members started an external course

82 members accessed classes at Mosaic

74 members were involved in the design, management, review and development of the service.

173 peer led workshops were delivered.

28 international colleagues trained at Mosaic, from 9 Clubhouses around the world.

We hosted 12 well-being drop ins, working with a local GP

35 people attended these drop ins, getting support with their physical health

844 visits were made to the Information Hub

### *Fundraising*

The Mosaic Clubhouse Community is enormously grateful to its many supporters, without whom we would not be able to deliver any of the work we have over the past year.

In 2022/23, we raised £1,077,826 through donations, grants and contracts to fund our work. £768,777 of this came from our main statutory partners, the South East London Integrated Care Board (NHS) and Lambeth Borough Council. A further £309,049 was generated through other fundraising activities, including from grant-making bodies, charitable donations and challenge events.

### *Trusts & Foundations*

We have been privileged to have the ongoing support of a number of Trusts & Foundations who have enabled our work through the challenges of the past year. We have benefited not just from their financial support, but also strong and supportive relationships based on dialogue, mutual learning, flexibility and a commitment to delivering impact together.

We are particularly grateful to our longstanding supporters, The Stone Family Foundation, the Walcott Foundation and Sir Walter St John Educational Charity.

### *Corporate Partnerships*

Mosaic's corporate partners have once more played an important role in the work that we have carried out over the past year, offering support ranging from financial support to gifts in kind and opening up employment or training opportunities for our members.

We also continued to benefit from a partnership with Pret a Manger who provided training and employment opportunities to our members.

As with everything at Mosaic, our members are an important part of our fundraising work. Our fundraising group continued to meet in 2022 and we hope it will become central to the delivery of our community fundraising work. We are grateful to those who donated through our website or giving platforms.

It was fantastic that our biggest challenge event – The London Marathon – was able to take place in person, for the second year running in October 2022. We are grateful to our runners who donned their running shoes together raising more than £2,000

### *Our Fundraising Approach*

We are registered with the Fundraising Regulator and adhere to the highest standards of fundraising practice. We continue to promote fundraising good practice and monitor fundraising efforts in line with the Fundraising Regulator and Code of Fundraising Practice and with charity Commission guidance. Mosaic Clubhouse has received no complaints relating to its fundraising activities during the year 2022/2023. We do not employ an external fundraising agency or have any dedicated

community fundraising capacity, and only raise a proportionately small amount of funding from community events.

As we look to the future, we are committed to diversifying our income sources to safeguard the organisation's financial future. We are committed to deepening our engagement with all our supporters and will provide new and compelling opportunities for more individuals, organisations and grant-making bodies to be actively involved in Mosaic Clubhouse and our income generation.

## Partners

Our partners offer a range of services including support around employment opportunities and social and creative activities that are vital to overall well being, as well as crisis advice and financial support.

### B

Barclays  
Black Thrive  
Brixton and Clapham Park  
Primary Care Network  
Brixton Reel  
Brockwell Park Community  
Greenhouses  
Brook

### C

Centrepont  
Centre 70  
Clubhouse International  
Cygnet Churchill Hospital

### D

Dress For Success  
Department for Work and  
Pensions

### E

Every Pound Counts

### G

198 Gallery  
Good People  
Good Things Foundation  
(National Database Initiative)  
GT Stewart Solicitors &  
Advocates  
Guys and St Thomas  
Foundation Trust (Healthier  
Lifestyles Project)

### H

Healthwatch  
Hood Mentality  
The Harbour

### I

Iconic Steps

### K

King's College Hospital  
King's College London  
Knecco Training

### L

Lambeth Living Well Network  
Alliance  
Lambeth Hospital  
Lambeth Living Well  
Collaborative  
Lambeth Made  
Lambeth Smoking Cessation  
LEAP Confronting Conflict  
LGBT Foundation (Pride in  
Practice)  
Livity  
London City Mission  
Lorraine Hewitt House  
Loughborough Farm

### M

Magdalen Farm  
Media Trust  
Morley College  
Mud Gang Pottery

### N

National Voices  
Naz Project

### O

Opportunity Lambeth

### P

The Pret Foundation  
The Prince's Trust  
Paws and Pause

### R

Redthread

### S

Shelter S  
HARP Gallery  
SLaM Recovery College S  
SLaM Vocational Services  
Solidarity in Crisis  
South London Grassroots  
Football League  
SPEAR Resurgo  
Spiral  
St Lukes Hub  
St Matthew Project

### T

Thames Reach  
Trussell Trust  
Tulse Hill Community Advice  
Centre

### V

Volunteering Matters

### W

The Well Centre  
We Rise

### Y

Young Carers



## Strategic Objectives for 2022/23 and how they were met.

### 1. To secure a long-term contract and position as part of the Lambeth mental health alliance.

We are pleased to report that good progress has been made towards a new long term contract. We will start a new five-year contract on 1<sup>st</sup> October 2023. Following last year's reviews of performance and finances, the detailed specification has been under discussion. We are encouraged by the fact that provision for the Evening Sanctuary Service has been included in the specification. This will give us great flexibility in how we manage the day and evening services and the cross over between the two. The new specification will also provide the scope to deliver a new, targeted, Hospital In Reach service, targeted at those who are frequently admitted, for whom attendance at the Sanctuary may help to prevent further hospitalisation.

### 2. To raise our profile, and that of the Clubhouse model; locally, nationally, and internationally.

Our Communications Team of staff and members have had a busy year has seen the return of regular updates about work across all our social media platforms. Many member stories were produced for the website, some of which have been used by Clubhouse International. The Communications Team has also been instrumental in ensuring that continue to celebrate important cultural events

Our international profile was boosted by an invitation to the Clubhouse International World Seminar in Baltimore, USA in September 2022. Staff and members from Mosaic presented on the impact of our Young Adult programme and we spoke in seminars on our employment programme and on developing community connections.

Our colleague training programme was back to full strength and we were delighted to welcome 28 delegates from 9 countries to Mosaic for two week training programmes.

### 3. To develop and deliver an employment offer that reflects member aspirations and local employment needs

We are delighted to report that our programme of Transitional Employment Placements (TEP) are back on track after stopping during the Covid 19 pandemic. The number of opportunities has steadily risen during the year. We are working with South London and Maudsley NHS Trust and Morley College on the development of new placements. The Employment, Education and Information Unit have produced regular Job Bulletins to highlight vacancies available in the community. CV writing drop-ins and other job related skills workshops were available to members throughout the year.

A total of 24 members gained paid employment during the year, including TEP, supported placements, independent employment, and self-employment, both full and part-time. As our work to agree a new contract with the Living Well Alliance continues, we want to ensure that employment is a core focus for all members who are ready to work.

### 4. To strengthen and diversify our fundraising and sources of income.

We were delighted that many of our funders pledged to continue their support during the year. This especially ensured that our work with young adults could continue to grow. We would like to thank Sir Walter St John Charitable Trust for continuing to support our young adults programme by renewing a three-year grant.

It has been a challenging year for fundraising. After the Covid 19 pandemic many funders were in the process of setting new strategic priorities. We welcomed a new Grants and Trusts Manager in January 2023 who has developed a clear plan to extend and diversify our income.

By March 2023, our London Marathon Team of 11 runners had raised over £18,000 ahead of the event in April.

#### 5. To implement the recommendations of the 2021 Community Conversation on Race Inequalities

We have continued to celebrate the cultural diversity of Mosaic Clubhouse and now have a well-established programme of events throughout the year. Celebrations include asking members to produce national dishes in the café and sharing information about their cultural traditions, music and clothing.

Our work on inequalities at Mosaic continued with the establishment of an Equalities and Diversity Working Group of members of staff from across the work Units. The group has a clear agenda to help Mosaic develop improved staff recruitment processes, better member induction, improved board recruitment and induction and developing our monitoring systems.

#### Priorities for 2023/24

1. To secure a long-term contract and position as part of the Lambeth mental health alliance.
2. To secure a further three-year accreditation with Clubhouse International to embed our position as a world leading Clubhouse.
3. To diversify sources and increase our fundraising income.
4. To renew our strategic plan for a further three to five years.



## Structure, governance and management

Shared decision-making and shared governance are an important part of Clubhouse work. Mosaic Clubhouse has an independent Board of Trustees that has ultimate responsibility for the Clubhouse. This is supported by two subcommittees focused on Communication and Development and Finance and Performance. Members of the Clubhouse are also Trustees on the Board and its sub-committees. Members and staff regularly meet in open forums to discuss policy issues, and day-to-day operational activities of the Clubhouse and these inform Board discussions.

The Board of Trustees are satisfied that Mosaic Clubhouse demonstrably meets the Charity Commission's guidelines with regard to delivering public benefit.

The financial statements comply with current statutory requirements and the current Statement of Recommended Practice, Accounting and Reporting by Charities, and are subject to annual external audit in line with the Charities Act and Company Law requirements. We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, we have considered how planned activities will contribute to the aims and objectives that we have set.

The reference and administrative details set out on page two forms part of this report.

Mosaic Clubhouse is a Charitable Company Limited by Guarantee, incorporated on 15th July 1997 and registered as a charity on 25th September 1998. The company was established 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 £10.

### Recruitment, appointment and training of trustees

The Directors of the company are also charity trustees for the purposes of charity law. Under the requirements of the Memorandum and Articles of Association, one third of the trustees who are subject to retirement by rotation retire from office. The trustees to retire by rotation are those who have been longest in office since their last appointment, after which they may be re-elected at the next Annual General Meeting.

Trustees of Mosaic Clubhouse have adopted the following recruitment process for new trustees:

- All vacancies are externally advertised via local channels (e.g. social media, local community boards)
- Interested parties are invited to have an informal conversation with the Chief Executive
- They are invited to complete an application form
- They are given a tour and the opportunity to meet members of the community
- They formally meet with at least two trustees and a Clubhouse member for an interview
- The interview panel then nominate the successful candidate to the whole Board for approval and appointment

All new trustees receive information about Mosaic Clubhouse including recent management accounts; recent board minutes and agendas; business plans; Clubhouse standards and recent newsletters. Trustees are encouraged to spend some time in the Clubhouse and are appointed to a Board sub-committee to enable them to get a better understanding of the Clubhouse. On an ongoing basis trustees are also given the opportunity to attend and take part in Clubhouse Colleague Training abroad, or in-house.

The Board of Trustees also seeks to ensure that the skills and experience held across the Board's membership are appropriate to meet the needs of the Clubhouse and its members. In order to do this, all trustees complete an annual skills audit, which gives an up-to-date picture of skills currently on the Board. These are measured against the skills that are needed. A quarter of Trustees are elected from the Clubhouse membership. At the time of writing, three trustees are members of Mosaic Clubhouse and of a total of eleven.

### Organisational Structure

Day-to-day responsibility for operational delivery is delegated to the Chief Executive. The Chief Executive is responsible for ensuring that the Clubhouse delivers against its objectives and the service requirements of the funders and meets Clubhouse Standards

### Principle risks and uncertainties

The Board of Trustees conducts regular semi-annual reviews of the major risks to which the charity is exposed, and all other risks contained in the corporate risk register. These reviews include consideration of appropriate control systems and procedures to mitigate risks to acceptable levels, where relevant and possible.

As part of this process the Board reviews and approves relevant policies on at least a biennial basis. Current policies include, for example, controls that seek to secure the charity's finances against risk of fraud and ensure compliance with health and safety regulations for staff, volunteers, clients and visitors.

In its most recent review, the trustees identified the following as the key risks and uncertainties currently faced together with their mitigating actions:

- 1) Fundraising: We have a large fundraising target (funds above our contract) for this financial year, it is likely we will not meet this. We also need to work on diversifying our fundraising sources.**

We have managed this risk by producing a detailed long term fundraising plan to target specific opportunities to cover operating costs and diversify our income sources. We have also conducted a stress budget scenario to ensure we can manage if the income is less than planned. We are grateful for the Stone Family for renewing their support for the next three years.

The board have agreed to invest in fundraising resources with plans to expand our fundraising team to allow a new focus on events and other underdeveloped sources of income.

- 2) Contract negotiation: We heard in July 2022 that Lambeth Council were unable to give us a 'direct award.' Allowing time for the contract to go out to tender our new contract will not start until 1st October 2023.**

We have maintained frequent contact with commissioners with the aim of getting the new contract agreed and in place for 1<sup>st</sup> October 2023. Following the delay, we were concerned that the contract price may be reduced. This has not proved to be the case and we will receive an uplift on our current contract value.

- 3) Cost of Living Crisis: Impact on members, staff and clubhouse expenditure**

Members and staff were experiencing difficulties with increasing prices, particularly for food and energy costs. Costs for Mosaic, such as café costs have also increased.

We can support members with food parcels, food vouchers and signposting to financial support through the Information Hub. Trustees awarded staff a 5% salary uplift from April 2023.

- 4) Lambeth's plans for redevelopment: Lambeth have released outline proposals for redeveloping the land on which the clubhouse is based. This could lead to a significant change in our premises and a new landlord.**

Although this is a long term plan and nothing may happen for 2- 4 years this could potentially mean a new building, less space for us and increased/ uncontrolled rent.

We submitted an official response to the consultation drafted by a pro bono lawyer, Dave Forsdick KC, detailing what we would like a potential developer to agree to meet our needs.

- 5) Recruitment: We have had mixed results with staff recruitment and fewer applicants for advertised roles.**

There was a concern that this could lead to staff shortages. The deployed strategies included extending deadlines/ advertising within new networks. We are also constantly looking at new ways to engage members in the delivery of the service.

All roles so far have been secured but took longer than expected. To mitigate this risk new roles were advertised locally for longer and to people who volunteer for us. Job packs have been reviewed to make the role more attractive. Agencies are being used for specialist roles.



## Financial Review

### Income

**£1,011,201**

Donations, grants and contracts

**£35,830**

Café Mosaic

**£24,148**

Clubhouse Model Training

**£6,648**

Other income

**£1,077,826**

Total

### Expenditure

**£1,173,561**

Direct costs of charitable activities

**£32,916**

Direct fundraising costs

**£1,206,477**

Total

Mosaic Clubhouse's total income for 2022/23 was £1,077,826 (2021/22 £1,222,007) comprising £44,960 restricted income (2021/22 £170,799) and £1,032,836 unrestricted income (2021/22 £1,053,958)

Total expenditure decreased by £15,530 compared to the prior year. This was expected with the continued return of full activities after periods of lockdown during the pandemic. Around half of the expenditure increase was for staff.

The Trustees have considered whether possible events or conditions might cast significant doubt on the ability of the Charity to continue as a going concern. This assessment has been made for a period of at least one year from the date of approval of the financial statements.

The primary area of uncertainty under review has been concerns over the level of support from our main funder, the contract with Lambeth/NHS. It has been known for some time that funding

arrangements for NHS providers of mental health services in Lambeth will change with the new 'Alliance' arrangement. Originally anticipated to go live in 2020, contracting activity was delayed due to Covid-19. The commissioning team at Lambeth renewed the Charity's existing contract and extended its term by 24 months from October 2020. Since December 2021, the charity has been in detailed discussions with commissioners and the commissioning team about a future contract. These discussions have concluded and resulted in a five year contract (3 year, plus 2), commencing on 1st October 2023.

To help with the Trustees' assessment, stress scenarios were considered as part of the budget building process, which included estimates for realistic worst case financial consequences for the Charity from a reduction in income and/or increase in expenses. These were updated prior to approval of the financial statements and demonstrated continuing strong levels of cash reserves.

The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

#### Remuneration policy

The remuneration policy for key management personnel is consistent with the pay policy for all employees: Mosaic Clubhouse aims to pay slightly above London market rates for charity staff at a similar job level to ensure that we continue to employ and retain good quality staff. We believe this approach leads to long term cost savings as a result of reduced staff turnover and facilitates knowledge and skill development among our employees, leading to the delivery of a better quality service for our beneficiaries. The Board of Trustees reviews pay for the Chief Executive and employees annually. The senior management personnel of the charity currently comprises the trustees (who are not remunerated), the Chief Executive, the Grants and Trusts Manager and the Programme Manager.

#### Reserves Policy

To meet the Charity Commission's guidance on reserves and in line with best practice, trustees are required to build and maintain free reserves available to meet potential general commitments (as opposed to restricted funds given for specific purposes). These reserves need to be distributable reserves and relatively quickly realisable for the charity (represented by its undesignated unrestricted funds). Mosaic Clubhouse's policy is to build and maintain reserves that would allow continuation of operations for up to six months, possibly with a reduced total expenditure. The Board of Trustees reviews this policy annually.

As at the date of the closing balance sheet there were free reserves of £367,647 (2021/22: £429,163). In extremis, were income from all sources to cease, the closing reserves would allow Mosaic to continue all core services for a period of over four months. This could extend towards six months when taking account of the reduction in services that would occur, together with related expenditures, during a gradual placing of members in other services across the period. The Board therefore considers the current level of reserves to be in line with the policy.

In addition to free reserves in the general fund, the trustees have designated funds totalling £26,477 set aside for specific purposes. These are set out in note 14 to these accounts.

#### Principle funding sources and fundraising

Funding from Lambeth Borough Council and South East London Integrated Care Service (formerly Lambeth Clinical Commissioning Group (CCG)) continues to be our main source of funds. 25.5% of the total 2022/2023 incoming resources was generated from other sources (2021/22: 34.4%),

including grant making income, charitable donations and self-generated income from the Mosaic Cafe, room hire and training fees.

As a Board we are working with partners to support our priorities. We are aware that there may be increasing restraints on statutory expenditure, which is a key reason for our continued exploration of other possible income streams. Based on our track record of fundraising to date, the Board is confident that we will continue to achieve similar levels of funding from non-statutory and other sources in the year ahead.

The Board of Trustees therefore places on record its gratitude on behalf of members for the financial support received in the year ended 31 March 2022 from all of our funders including trusts, foundations, grant-making bodies, companies and individuals listed earlier in this report (Partners & Supporters).



## Statement of Trustees Responsibilities

### Statement of responsibilities of the trustees of Mosaic Clubhouse in respect of the report of the Board of Trustees and the financial statements

The Trustees (who are also Directors of Mosaic Clubhouse for the purposes of company law) are responsible for preparing the Trustees' Annual 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 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 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 Board of 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.

In so far as they are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

### Auditors

The charity's auditors, MHA, have indicated their willingness to continue in office and offer themselves for re-appointment.

### Preparation of the report

This report has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006. This report was approved and authorised for issue by the Board of Trustees on 12 October 2023 signed on its behalf by:



Lucy Hastings

Chair, Mosaic Clubhouse

# Independent Auditors Report

## Independent Auditor's report to the members of Mosaic Clubhouse

### Opinion

We have audited the financial statements of Mosaic Clubhouse (the 'charitable company') for the year ended 31 March 2023, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Trustees' assessment of the entity's ability to continue to adopt the going concern basis of accounting included critical reviews of budgets and forecasts provided.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.



## Independent Auditor's report to the members of Mosaic Clubhouse

### Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (including the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report (incorporating the Directors' report) has been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 as applied to limited liability partnerships requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company; or
- the charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

### Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement set out on page 17, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## Independent Auditor's report to the members of Mosaic Clubhouse

### Auditor responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Evaluation of the design of management's controls designed to prevent and detect irregularities,
- Reviewing minutes of meetings of those charged with governance,
- Testing unusual or unexpected journal entries, particularly those impacting revenue, and
- Challenging assumptions and judgements made by management in respect of significant accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Bianca Silva BA ACA DChA (Senior Statutory Auditor)

for and on behalf of

MHA, Statutory Auditor

Maidenhead, United Kingdom

Date: 07 November 2023

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)

## Statement of Financial Activities

(Includes income and expenditure)

of Mosaic Clubhouse for the year ended 31 March 2023

|                                      | Note | Unrestricted<br>Funds<br>2023<br>£ | Restricted<br>Funds<br>2023<br>£ | Total<br>Funds<br>2023<br>£ | Total<br>Funds<br>2022<br>£ |
|--------------------------------------|------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| <b>INCOME</b>                        |      |                                    |                                  |                             |                             |
| Donations                            | 3    | 119,064                            | -                                | 119,064                     | 190,409                     |
| Income from charitable activities    |      |                                    |                                  |                             |                             |
| Grants and Contracts                 | 3    | 847,177                            | 44,960                           | 892,137                     | 958,512                     |
| Café Mosaic                          |      | 35,830                             | -                                | 35,830                      | 20,729                      |
| Clubhouse Model Training             |      | 24,148                             | -                                | 24,148                      | 42,042                      |
| Other Income                         |      | 4,899                              | -                                | 4,899                       | 13,012                      |
| Income from investments              |      | 1,748                              | -                                | 1,748                       | 53                          |
| <b>TOTAL INCOME</b>                  |      | <b>1,032,866</b>                   | <b>44,960</b>                    | <b>1,077,826</b>            | <b>1,224,757</b>            |
| <b>EXPENDITURE</b>                   |      |                                    |                                  |                             |                             |
| Expenditure on raising funds         |      | 32,916                             | -                                | 32,916                      | 31,660                      |
| Expenditure on charitable activities |      | 1,128,059                          | 45,502                           | 1,173,561                   | 1,190,347                   |
| <b>TOTAL EXPENDITURE</b>             | 4    | <b>1,160,975</b>                   | <b>45,502</b>                    | <b>1,206,477</b>            | <b>1,222,007</b>            |
| Net (expenditure)/ income            |      | (128,109)                          | (542)                            | (128,651)                   | 2,750                       |
| Transfers between funds              | 13   | (876)                              | 876                              | -                           | -                           |
| <b>NET MOVEMENT IN FUNDS</b>         |      | <b>(128,985)</b>                   | <b>334</b>                       | <b>(128,651)</b>            | <b>2,750</b>                |
| <b>TOTAL FUNDS BROUGHT FORWARD</b>   |      | <b>523,109</b>                     | <b>10,281</b>                    | <b>533,390</b>              | <b>530,640</b>              |
| <b>TOTAL FUNDS CARRIED FORWARD</b>   |      | <b>394,124</b>                     | <b>10,615</b>                    | <b>404,739</b>              | <b>533,390</b>              |

All of the Charity's operations are continuing.



## Balance Sheet

of Mosaic Clubhouse for the year ended 31 March 2023

registered number: 03403522

|  | Note | £              | 2023<br>£      | £              | 2022<br>£      |
|--|------|----------------|----------------|----------------|----------------|
| <b>FIXED ASSETS</b>                            |      |                |                |                |                |
| Tangible assets                                | 10   |                | 26,477         |                | 38,952         |
| <b>CURRENT ASSETS</b>                          |      |                |                |                |                |
| Debtors  | 11   | 59,298         |                | 82,650         |                |
| Cash at bank and in hand                       |      | 428,976        |                | 501,356        |                |
|  |      | <u>488,274</u> |                | <u>584,006</u> |                |
| Creditors: amounts falling due within one year | 12   | (110,012)      |                | (89,568)       |                |
| <b>NET CURRENT ASSETS</b>                      |      |                | <u>378,262</u> |                | <u>494,438</u> |
| <b>NET ASSETS</b>                              |      |                | <u>404,739</u> |                | <u>533,390</u> |
| <b>FUNDS</b>                                   |      |                |                |                |                |
| Restricted funds                               | 13   |                | 10,615         |                | 10,281         |
| Unrestricted funds                             |      |                |                |                |                |
| Designated funds                               | 14   | 26,477         |                | 93,946         |                |
| General fund                                   | 15   | 367,647        |                | 429,163        |                |
|  |      |                | <u>394,124</u> |                | <u>523,109</u> |
|  |      |                | <u>404,739</u> |                | <u>533,390</u> |

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved, and authorised for issue, by the trustees on 5 October 2023 and signed on their behalf by:-

Lucy Hastings Lucy Hastings, Chair



# Statement of Cash Flows

of Mosaic Clubhouse for the year ended 31 March 2023

|   | 2023      |                | 2022      |                |
|---|-----------|----------------|-----------|----------------|
|   | £         | £              | £         | £              |
| <b>Cash (used in)/ provided by operating activities</b>       |           |                |           |                |
| Net movement in funds   | (128,651) |                | 2,750     |                |
| Add back depreciation charge                                  | 13,849    |                | 11,021    |                |
| Less profit on the sale of fixed assets                       | -         |                | (3,500)   |                |
| Less interest income  | (1,748)   |                | (53)      |                |
| Decrease in debtors   | 23,352    |                | 23,604    |                |
| Increase/ (decrease) in creditors                             | 20,444    |                | (113,126) |                |
| <b>Net cash (used in) operating activities</b>                |           | (72,754)       |           | (79,304)       |
| <b>Cash flows provided by/ (used in) investing activities</b> |           |                |           |                |
| Interest income   | 1,748     |                | 53        |                |
| Purchase of tangible fixed assets                             | (1,374)   |                | (37,033)  |                |
| Proceeds from sale of fixed assets                            | -         |                | 3,500     |                |
| <b>Net cash provided by/ (used in) investing activities</b>   |           | 374            |           | (33,480)       |
| (Decrease) in cash and cash equivalents in the year           |           | (72,380)       |           | (112,784)      |
| Cash and cash equivalents at the beginning of the year        |           | 501,356        |           | 614,140        |
| <b>Total cash and cash equivalents at the end of the year</b> |           | <b>428,976</b> |           | <b>501,356</b> |

## Analysis of changes in net debt

|                          | Balance at<br>1 April<br>2022<br>£ | Cash flows<br>£ | Balance at<br>31 March<br>2023<br>£ |
|--------------------------|------------------------------------|-----------------|-------------------------------------|
| Cash at bank and in hand | 501,356                            | (72,380)        | 428,976                             |
|                          | <b>501,356</b>                     | <b>(72,380)</b> | <b>428,976</b>                      |

# Notes to the financial statements

of Mosaic Clubhouse for the year ended 31 March 2023

## 1. CHARITY INFORMATION

Mosaic Clubhouse is a private limited company (registered number 03403522) limited by guarantee which is incorporated and domiciled in the UK. The address of the registered office is 65 Effra Road, London, SW2 1B2. It is registered with the Charity Commission in England and Wales.

## 2. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently in dealing with items considered material in relation to the financial statements.

### 2.1 Basis of Accounting

The charity constitutes a public benefit entity as defined by FRS 102. 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 on 1<sup>st</sup> January 2019, the Companies Act 2006, and UK Generally Accepted Practice.

The functional currency of Mosaic Clubhouse is considered to be in pounds sterling because that is the currency of the primary economic environment in which the charity operates. The financial statements are also presented in pounds sterling, rounded to the nearest £1.

The Trustees have assessed whether the use of the going concern basis of accounting is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Charity to continue as a going concern. In making their assessment, the Trustees have considered the challenges in assessing the impact of rising inflation and increasing energy costs upon all sources of income and clubhouse expenditures has been considered.

The Trustees have made their assessment for a period of at least one year from the date of approval of the financial statements. In particular the Trustees have considered the Charity's forecasts and projections, including realistic worse-case scenarios and stress tests of the budget. The Charity therefore continues to adopt the going concern basis in preparing its financial statements

### 2.2 Income and Expenditure

#### Fund Accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustees in accordance with the charitable objectives of the charity.

Designated funds comprise unrestricted funds set aside by the Trustees for specific future purposes or projects.

Restricted funds comprise monies raised for, and their use restricted to, a specific purpose, or donations subject to conditions imposed by the donor or through the terms of an appeal.

## Notes to the financial statements

### Income

Income is included in the Statement of Financial Activities when the charity is legally entitled to the income, it is probable that the income will be received and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

Donations and gifts where entitlement is not conditional on the delivery of a specific performance by the charity are recognised when the charity becomes unconditionally entitled to the income.

Donated professional services and facilities are recognised on the bases of the value of the gift to the charity, which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market. A corresponding amount is then recognised in expenditure in the period of receipt. No value is assigned to food that is donated to the charity, on the basis it is immaterial. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

Income from charitable activities received by way of grants and contracts, including funding from government, is included in full in the Statement of Financial Activities when the Charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met these amounts are deferred.

Government grants have been accounted for under the accrual model as permitted by FRS 102.

Bank interest receivable is fully accrued at the balance sheet date.

### Expenditure

Expenditure is recognised on an accruals basis when there is a legal or constructive obligation committing the charity to the expenditure. Expenditure includes any VAT which cannot be recovered and is reported as part of the expenditure to which it relates.

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

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on the basis of estimates of the proportion of time spent by staff on those activities.

#### 2.2 Operating Leases

Rentals payable under operating leases are charged as incurred over the term of the lease.

#### 2.3 Pension Costs

Contributions are charged in the year in which they are payable.

#### 2.4 Termination Benefits

Termination benefits, including redundancy payments are recognised when the company has the obligation to pay the benefits and they can be reliably measured.



## Notes to the financial statements

### 2.5 Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. The capitalisation threshold for fixed assets is £500.

Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, as follows:

|                       |                      |
|-----------------------|----------------------|
| Fixtures and Fittings | 25% straight line    |
| Office Equipment      | 25% straight line    |
| Computer Equipment    | 33.33% straight line |
| Leasehold Equipment   | 20% straight line    |
| Vehicles              | 25% straight line.   |

### 2.6 Financial Instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously. With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See Note 20.

### 2.7 Debtors

Short term debtors are measured at transaction price, less any impairment.

### 2.8 Cash and Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

### 2.9 Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method. Deferred income represents grants, contract funding and training fees relating to future period.

### 2.10 Accounting judgements and estimates

The key judgements and estimates used in the preparation of these Financial Statements are as follows:

- The depreciation rate of tangible and intangible fixed assets (as detailed above)

## Notes to the financial statements

- Support costs are apportioned to direct activities based on the direct staff costs allocated to those activities.

There are no other key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year

### 3. DONATIONS, GRANTS AND CONTRACTS

|   | Unrestricted<br>Funds<br>2023<br>£ | Restricted<br>Funds<br>2023<br>£ | Total<br>Funds<br>2023<br>£ | Total<br>Funds<br>2022<br>£ |
|---|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| The Stone Family Foundation                                 | 111,503                            | -                                | 111,503                     | 143,370                     |
| The National Lottery Community Fund                         | -                                  | -                                | -                           | 35,559                      |
| Quartet Community- Osborne Clarke LLP                       | 333                                | -                                | 333                         | 3,106                       |
| Other donations   | 5,116                              | -                                | 5,116                       | 4,263                       |
| London Marathon   | 2,112                              | -                                | 2,112                       | 4,111                       |
| <b>Donations</b>  | <b>119,064</b>                     | <b>-</b>                         | <b>119,064</b>              | <b>190,409</b>              |
| London Borough of Lambeth<br>and Lambeth Primary Care Trust | 591,661                            | -                                | 591,661                     | 592,757                     |
| NHS Lambeth   | 177,116                            | -                                | 177,116                     | 171,569                     |
| London Borough of Lambeth:<br>Grant re rent increase        | 25,900                             | -                                | 25,900                      | 18,946                      |
| London Borough of Lambeth: other                            | -                                  | -                                | -                           | 20,000                      |
| NHS South East London ICB                                   | 50,000                             | -                                | 50,000                      | -                           |
| Walcot Educational Fund                                     | -                                  | 12,500                           | 12,500                      | 25,000                      |
| Sir Jules Thorn Charitable Trust                            | 2,500                              | -                                | 2,500                       | -                           |
| Brixton Voices: Sir Walter St John                          | -                                  | 30,736                           | 30,736                      | 30,721                      |
| Jack Petchey Foundation                                     | -                                  | 1,724                            | 1,724                       | 19,519                      |
| The Edward Gostling Foundation                              | -                                  | -                                | -                           | 5,000                       |
| The Drapers' Charitable Fund                                | -                                  | -                                | -                           | 15,000                      |
| Bridgepoint   | -                                  | -                                | -                           | 50,000                      |
| The Clothworkers Company                                    | -                                  | -                                | -                           | 10,000                      |
| <b>Grants and contracts</b>                                 | <b>847,177</b>                     | <b>44,960</b>                    | <b>892,137</b>              | <b>958,512</b>              |

Income above includes the following grants from government towards the running of the Clubhouse:

|   | 2023<br>£ | 2022<br>£ |
|---|-----------|-----------|
| London Borough of Lambeth<br>and Lambeth Primary Care Trust | 617,561   | 631,703   |
| NHS South East London ICB                                   | 50,000    | -         |
| The National Lottery Community Fund                         | -         | 35,559    |

All conditions relating to these grants have been fulfilled in the year.

# Notes to the financial statements

(continued)

of Mosaic Clubhouse for the year ended 31 March 2023

## 4. EXPENDITURE

|                       | Direct Staff<br>costs<br>£ | Other Direct<br>costs<br>£ | Support<br>costs<br>£ | Total 2023<br>£  | Total 2022<br>£  |
|-----------------------|----------------------------|----------------------------|-----------------------|------------------|------------------|
| Raising funds         | 26,616                     | 1,476                      | 4,824                 | 32,916           | 31,660           |
| Charitable activities | 689,442                    | 359,162                    | 124,957               | 1,173,561        | 1,190,347        |
|                       | <b>716,058</b>             | <b>360,638</b>             | <b>129,781</b>        | <b>1,206,477</b> | <b>1,222,007</b> |

Support costs are detailed in Note 6. Support costs are considered to be any costs not directly associated with member activities. Such costs are allocated between operations and governance on the basis of staff time.

## 5. NET MOVEMENT IN FUNDS

This is stated after charging:

|  | 2023<br>£     | 2022<br>£     |
|--|---------------|---------------|
| Auditors' remuneration for audit (including VAT) | 14,490        | 12,852        |
| Rent of land and buildings                       | 82,400        | 82,931        |
| Other operating lease payments                   | 3,353         | 4,333         |
| Profit on the sale of fixed assets               | -             | 3,500         |
| Depreciation                                     | <b>13,849</b> | <b>11,021</b> |

## 6. SUPPORT COSTS

|   | 2023<br>£      | 2022<br>£      |
|---|----------------|----------------|
| Governance costs:                           |                |                |
| Audit - current year                        | 14,490         | 12,852         |
| Audit - underaccrual from the previous year | 948            | -              |
| Staff costs                                 | 26,024         | 25,485         |
| Board meetings                              | -              | 130            |
|   | <b>41,462</b>  | <b>38,467</b>  |
| Other support costs:                        |                |                |
| Staff costs                                 | 56,873         | 51,912         |
| Financial and Legal                         | 24,306         | 23,011         |
| Consultancy and HR                          | 7,140          | 8,169          |
|   | <b>129,781</b> | <b>121,559</b> |



# Notes to the financial statements

(continued)

of Mosaic Clubhouse for the year ended 31 March 2023

## 7. STAFF COSTS

|                                | 2023<br>£      | 2022<br>£      |
|--------------------------------|----------------|----------------|
| Salaries                       | 705,390        | 727,959        |
| Social security                | 66,864         | 65,698         |
| Employer pension contributions | 26,701         | 25,643         |
|                                | <b>798,955</b> | <b>819,300</b> |

|   | 2023<br>No. | 2022<br>No. |
|---|-------------|-------------|
| The average headcount during the year was as follows: | <b>25.1</b> | <b>26.5</b> |

One employee received emoluments of between £60,000 and £70,000 in the year exclusive of employer pensions and employer National Insurance contributions (2022: no employees received emoluments of over £60,000).

Employee benefits payable to key management personnel, defined as Trustees together with the Chief Executive, Programme Manager, Head of Fundraising and Business Manager inclusive of employer pensions and employer National Insurance contributions, was £200,386 (2022: £204,098).

## 8. TRUSTEES' REMUNERATION AND REIMBURSEMENT OF EXPENSES AND RELATED PARTY TRANSACTIONS

No out of pocket expenses were reimbursed in the year (2022: £103 reimbursed to one Trustee relating to a Christmas meal for 5 Trustees). No Trustees received nor waived any remuneration for their services during the year (2022: Nil).

There were no related party transactions during the year (2022: Nil).

## 9. PENSION COMMITMENTS

Mosaic Clubhouse 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 Charity to the fund and amounted to £26,701 during the year (2022: £25,643). At the year end, £564 was payable to the scheme. This is included in other creditors (2022: £264).

## Notes to the financial statements

(continued)

of Mosaic Clubhouse for the year ended 31 March 2023

### 10. TANGIBLE FIXED ASSETS

|                       | Fixtures & Fittings,<br>Vehicles and<br>other equipment<br>£ | Computer<br>Equipment<br>£ | Total<br>£     |
|-----------------------|--|----------------------------|----------------|
| <b>Cost</b>           |  |                            |                |
| At 1 April 2022       | 129,344  | 34,503                     | 163,847        |
| Additions in the year | 1,374  | -                          | 1,374          |
| Disposals in the year | -  | -                          | -              |
| At 31 March 2023      | <u>130,718</u>   | <u>34,503</u>              | <u>165,221</u> |
| <b>Depreciation</b>   |  |                            |                |
| At 1 April 2022       | 92,806   | 32,089                     | 124,895        |
| Charge for the year   | 11,504   | 2,345                      | 13,849         |
| Released on disposal  | -  | -                          | -              |
| At 31 March 2023      | <u>104,310</u>   | <u>34,434</u>              | <u>138,744</u> |
| <b>Net book value</b> |  |                            |                |
| At 31 March 2023      | <u>26,408</u>  | <u>69</u>                  | <u>26,477</u>  |
| At 1 April 2022       | <u>36,538</u>  | <u>2,414</u>               | <u>38,952</u>  |

# Notes to the financial statements

(continued)

of Mosaic Clubhouse for the year ended 31 March 2023

## 11. DEBTORS

|  | 2023<br>£     | 2022<br>£     |
|--|---------------|---------------|
| <b>Due within one year</b>                 |               |               |
| Trade debtors                              | 455           | 34,412        |
| Grants receivable and other accrued income | -             | 10,000        |
| Prepayments                                | 52,669        | 38,005        |
| Other debtors                              | 6,174         | 233           |
|  | <b>59,298</b> | <b>82,650</b> |

## 12. CREDITORS

|                                 | 2023<br>£      | 2022<br>£     |
|---------------------------------|----------------|---------------|
| <b>Due within one year</b>      |                |               |
| Expense creditors               | 11,086         | 2,516         |
| Taxation and social security    | 16,245         | -             |
| Deferred income                 | 56,378         | 58,648        |
| Accruals                        | 21,903         | 23,863        |
| Other creditors                 | 4,400          | 4,541         |
|                                 | <b>110,012</b> | <b>89,568</b> |
| Deferred income:                |                |               |
| Deferred income brought forward | 58,648         | 169,628       |
| Released in the year            | (58,648)       | (169,628)     |
| Deferred in the year            | 56,378         | 58,648        |
| Deferred Income carried forward | <b>56,378</b>  | <b>58,648</b> |

Deferred income represents grants, contract funding and training fees relating to future periods.



# Notes to the financial statements

(continued)

of Mosaic Clubhouse for the year ended 31 March 2023

## 13. RESTRICTED FUNDS

|                                   | Brought<br>Forward<br>1 April<br>2022<br>£ | Income<br>£   | Expenditure<br>£ | Transfers<br>£ | Carried<br>Forward<br>31 March<br>2023<br>£ |
|-----------------------------------|--|---------------|------------------|----------------|---|
| 1. Support Worker                 | -  | 43,236        | (43,236)         | -              | -   |
| 2. Bridgepoint<br>Hardship Fund   | 9,681                                      | -             | -                | -              | 9,681                                       |
| 3. Asda Foundation                | 600  | -             | -                | -              | 600   |
| 4. Jack Petchey                   | -  | 1,724         | (1,724)          | -              | -   |
| 5. Young members                  | -  | -             | (542)            | 876            | 334   |
| <b>TOTAL RESTRICTED<br/>FUNDS</b> | <b>10,281</b>                              | <b>44,960</b> | <b>(45,502)</b>  | <b>876</b>     | <b>10,615</b>                               |

### Details of restricted funds

#### 1. Support Worker Fund

The support worker fund is funding to allow us to expand our staffing. We bid for costs specifically to add to our number of support workers in response to the significant rise in referrals and activity we have experienced year on year. Without these funds we would have had to introduce a waiting list for

#### 2. Bridgepoint Hardship Fund

The funding we received from the Hardship Fund, distributed by Bridgepoint, was towards costs relating to digital inclusion.

#### 3. Asda Foundation Fund

The Asda Foundation supports local grassroots organisations to transform communities and improve the lives people living within the ASDA Community. The Feeding Communities grant we received from the Asda Foundation funded food parcels we put together for members who were facing food insecurity as a result of the Covid-19 pandemic.

#### 4. Jack Petchey Fund

The Jack Petchey Foundation's internship programme is designed to give young people a flying start, supporting dynamic young individuals in their first step in the youth and charity sector. Jack Petchey funded us for a year's long internship role focused on increasing Mosaic physical and online presence in the community and amongst young people.

#### 5. Young Members Fund

A transfer of £876 has been made into the fund representing donations which were restricted to the fund in the prior year but were unspent at 31 March 2022. These funds were donated by Ruaridh Gardner's Family and Friends following his passing. Their wishes were for these funds to be utilised towards activities to enhance Mosaic's Young Members mental health, and as such it is now defined as a Restricted Fund, to be recognised in Mosaic's Financial Year 2022-23 and beyond, until these funds are extinguished.

## Notes to the financial statements

(continued)

of Mosaic Clubhouse for the year ended 31 March 2023

### 14. DESIGNATED FUNDS

|                               | Brought<br>Forward<br>1 April<br>2022<br>£ | Income<br>£   | Expenditure<br>£ | Transfers<br>£  | Carried<br>Forward<br>31 March<br>2023<br>£ |
|-------------------------------|--|---------------|------------------|-----------------|---|
| 1. Business Development       | 30,012                                     | -             | -                | (30,012)        | -   |
| 2. Fixed Asset Fund           | 38,952                                     | -             | -                | (12,475)        | 26,477                                      |
| 3. Clubhouse Model Training   | 21,781                                     | 24,148        | (45,929)         | -               | -   |
| 4. Sonia Burke legacy Fund    | 3,201                                      | -             | (3,201)          | -               | -   |
| <b>TOTAL DESIGNATED FUNDS</b> | <b>93,946</b>                              | <b>24,148</b> | <b>(49,130)</b>  | <b>(42,487)</b> | <b>26,477</b>                               |

#### Details of designated funds

##### 1. Business Development Fund

This fund was set up to explore the possibilities to expand the Clubhouse model throughout the UK. Mosaic Clubhouse remains ambitious about the potential of the Clubhouse model and wants to see more clubhouses opening up and working towards accreditation. However, the designation was removed in the year as this is no longer a priority.

##### 2. Fixed Asset Fund

The fund represents the net book value of tangible fixed assets in use by Mosaic Clubhouse and therefore not available to meet future operational expenditure. A transfer is made each year to reflect the change in net book value.

##### 3. Clubhouse Model Training Fund

Mosaic Clubhouse is an accredited training base for the Clubhouse model. This is a designated fund which provides for ongoing staff and member training to ensure delivery of this international training is maintained to expected standard. The training programme is reviewed each year. Use of the fund will be made based on an assessment of the professional development required to maintain standards. This fund will be allocated on a needs led basis. We have apportioned the costs of the time staff spent on preparing for, delivering, and taking part in training, and the time on any required accreditation preceding it.

##### 4. Sonia Burke legacy Fund

This designated fund was a result of a legacy. The purpose of the fund was to broaden horizons, learn new skills and challenges and providing time for fun, reflection and rest from daily pressures. The fund was fully spent in the year to March 2023.

## Notes to the financial statements

(continued)

of Mosaic Clubhouse for the year ended 31 March 2023

### 15. MOVEMENT OF FUNDS

|                    | Brought<br>Forward<br>1 April<br>2022<br>£ | Income<br>£      | Expenditure<br>£   | Transfers<br>£ | Carried<br>Forward<br>31 March<br>2023<br>£ |
|--------------------|--|------------------|--------------------|----------------|---|
| Designated funds   | 93,946                                     | 24,148           | (49,130)           | (42,487)       | 26,477                                      |
| General fund       | 429,163                                    | 1,008,718        | (1,111,845)        | 41,611         | 367,647                                     |
|                    | 523,109                                    | 1,032,866        | (1,160,975)        | (876)          | 394,124                                     |
| Restricted funds   | 10,281                                     | 44,960           | (45,502)           | 876            | 10,615                                      |
| <b>TOTAL FUNDS</b> | <b>533,390</b>                             | <b>1,077,826</b> | <b>(1,206,477)</b> | <b>-</b>       | <b>404,739</b>                              |

### 16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

|                       | Unrestricted<br>Funds<br>2023<br>£ | Restricted<br>Funds<br>2023<br>£ | Total<br>Funds<br>2023<br>£ |
|-----------------------|------------------------------------|----------------------------------|-----------------------------|
| Tangible fixed assets | 26,477                             | -                                | 26,477                      |
| Net current assets    | 367,647                            | 10,615                           | 378,262                     |
|                       | 394,124                            | 10,615                           | 404,739                     |

### 17. LEASE COMMITMENTS

At the reporting end date the charity had the following future minimum lease commitments under non-cancellable operating leases which fall due as follows:

|                       | Land and buildings |           | Other leases |           |
|-----------------------|--------------------|-----------|--------------|-----------|
|                       | 2023<br>£          | 2022<br>£ | 2023<br>£    | 2022<br>£ |
| Less than 1 Year      | 41,200             | -         | 1,677        | 3,353     |
| Between 2 and 5 years | -                  | -         | -            | 1,677     |
|                       | 41,200             | -         | 1,677        | 5,030     |



# Notes to the financial statements

(continued)

of Mosaic Clubhouse for the year ended 31 March 2023

## 18. TAXATION

Mosaic Clubhouse is a registered charity and therefore is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

## 19. LIABILITY OF MEMBERS

Mosaic Clubhouse is constituted as a company limited by guarantee and has no share capital. The liability of the members in the event of the company being wound up is limited to a sum not exceeding £10 each. Members of the company are always the current Trustees of the charity.

## 20. FINANCIAL INSTRUMENTS

|   | 2023<br>£      | 2022<br>£      |
|---|----------------|----------------|
| <b>Financial Assets</b>                       |                |                |
| Cash at bank and in hand – held at face value | 428,976        | 501,356        |
| Debt instruments measured at amortised cost:  |                |                |
| - Trade debtors                               | 455            | 34,412         |
| - Other debtors                               | 6,174          | 233            |
| - Grants receivable and other accrued income  | -              | 10,000         |
|   | <u>435,605</u> | <u>546,001</u> |
|   |                |                |
| <b>Financial Liabilities</b>                  |                |                |
| Measured at amortised cost:                   |                |                |
| - Trade creditors                             | 11,086         | 2,516          |
| - Other creditors                             | 4,400          | 4,541          |
| - Accruals                                    | 21,903         | 23,863         |
|   | <u>37,389</u>  | <u>30,920</u>  |

## Notes to the financial statements

(continued)

of Mosaic Clubhouse for the year ended 31 March 2023

### 21. STATEMENT OF FINANCIAL ACTIVITIES - PRIOR YEAR

|                                      | Unrestricted<br>Funds<br>2022 | Restricted<br>Funds<br>2022 | Total<br>Funds<br>2022 |
|--------------------------------------|-------------------------------|-----------------------------|------------------------|
|                                      | £                             | £                           | £                      |
| <b>INCOME</b>                        |                               |                             |                        |
| Donations                            | 154,850                       | 35,559                      | 190,409                |
| Income from charitable activities    |                               |                             |                        |
| Grants and Contracts                 | 823,272                       | 135,240                     | 958,512                |
| Café Mosaic                          | 20,729                        | -                           | 20,729                 |
| Clubhouse Model Training             | 42,042                        | -                           | 42,042                 |
| Other Income                         | 13,012                        | -                           | 13,012                 |
| Income from investments              | 53                            | -                           | 53                     |
| <b>TOTAL INCOME</b>                  | <b>1,053,958</b>              | <b>170,799</b>              | <b>1,224,757</b>       |
| <b>EXPENDITURE</b>                   |                               |                             |                        |
| Expenditure on raising funds         | 31,660                        | -                           | 31,660                 |
| Expenditure on charitable activities | 1,039,229                     | 151,118                     | 1,190,347              |
| <b>TOTAL EXPENDITURE</b>             | <b>1,070,889</b>              | <b>151,118</b>              | <b>1,222,007</b>       |
| Net (expenditure)/ income            | (16,931)                      | 19,681                      | 2,750                  |
| Transfers between funds              | 10,000                        | (10,000)                    | -                      |
| <b>NET MOVEMENT IN FUNDS</b>         | <b>(6,931)</b>                | <b>9,681</b>                | <b>2,750</b>           |
| <b>TOTAL FUNDS BROUGHT FORWARD</b>   | <b>530,040</b>                | <b>600</b>                  | <b>530,640</b>         |
| <b>TOTAL FUNDS CARRIED FORWARD</b>   | <b>523,109</b>                | <b>10,281</b>               | <b>533,390</b>         |

## Notes to the financial statements

(continued)

of Mosaic Clubhouse for the year ended 31 March 2023

### 22. DONATIONS, GRANTS AND CONTRACTS - PRIOR YEAR

|   | Unrestricted<br>Funds<br>2022<br>£ | Restricted<br>Funds<br>2022<br>£ | Total<br>Funds<br>2022<br>£ |
|---|------------------------------------|----------------------------------|-----------------------------|
| <i>The Stone Family Foundation</i>                                  | 143,370                            | -                                | 143,370                     |
| <i>The National Lottery Community Fund</i>                          | -                                  | 35,559                           | 35,559                      |
| <i>Quartet Community- Osborne Clarke LLP</i>                        | 3,106                              | -                                | 3,106                       |
| <i>Other donations</i>  | 4,263                              | -                                | 4,263                       |
| <i>London Marathon</i>  | 4,111                              | -                                | 4,111                       |
| <i>Donations</i>  | <u>154,850</u>                     | <u>35,559</u>                    | <u>190,409</u>              |
| <i>London Borough of Lambeth<br/>and Lambeth Primary Care Trust</i> | 592,757                            | -                                | 592,757                     |
| <i>NHS Lambeth</i>  | 171,569                            | -                                | 171,569                     |
| <i>London Borough of Lambeth:</i>                                   |                                    |                                  |                             |
| <i>Grant re rent increase</i>                                       | 18,946                             | -                                | 18,946                      |
| <i>London Borough of Lambeth: other</i>                             | 20,000                             | -                                | 20,000                      |
| <i>Walcot Educational Fund</i>                                      | -                                  | 25,000                           | 25,000                      |
| <i>Brixton Voices: Sir Walter St John</i>                           | -                                  | 30,721                           | 30,721                      |
| <i>Jack Petchey Foundation</i>                                      | -                                  | 19,519                           | 19,519                      |
| <i>The Edward Gostling Foundation</i>                               | 5,000                              | -                                | 5,000                       |
| <i>The Drapers' Charitable Fund</i>                                 | 15,000                             | -                                | 15,000                      |
| <i>Bridgepoint</i>  | -                                  | 50,000                           | 50,000                      |
| <i>The Clothworkers Company</i>                                     | -                                  | 10,000                           | 10,000                      |
| <i>Grants and contracts</i>   | <u>823,272</u>                     | <u>135,240</u>                   | <u>958,512</u>              |

### 23. EXPENDITURE - PRIOR YEAR

|                              | Direct Staff<br>costs<br>£ | Other Direct<br>costs<br>£ | Support<br>costs<br>£ | Total 2022<br>£  |
|------------------------------|----------------------------|----------------------------|-----------------------|------------------|
| <i>Raising funds</i>         | 26,727                     | 554                        | 4,379                 | 31,660           |
| <i>Charitable activities</i> | 715,176                    | 357,991                    | 117,180               | 1,190,347        |
|                              | <u>741,903</u>             | <u>358,545</u>             | <u>121,559</u>        | <u>1,222,007</u> |



## Notes to the financial statements

(continued)

of Mosaic Clubhouse for the year ended 31 March 2023

### 24. RESTRICTED FUNDS - PRIOR YEAR

|                               | <i>Brought<br/>Forward<br/>1 April<br/>2021<br/>£</i> | <i>Income<br/>£</i> | <i>Expenditure<br/>£</i> | <i>Transfers<br/>£</i> | <i>Carried<br/>Forward<br/>31 March<br/>2022<br/>£</i> |
|-------------------------------|---|---------------------|--------------------------|------------------------|--|
| <i>Support Worker</i>         | -   | 91,280              | (91,280)                 | -                      | -  |
| <i>Bridgepoint</i>            |   |                     |                          |                        |  |
| <i>Hardship Fund</i>          | -   | 50,000              | (40,319)                 | -                      | 9,681  |
| <i>Asda Foundation</i>        | 600   | -                   | -                        | -                      | 600  |
| <i>Clothworkers</i>           | -   | 10,000              | -                        | (10,000)               | -  |
| <i>Jack Petchey</i>           | -   | 19,519              | (19,519)                 | -                      | -  |
| <b>TOTAL RESTRICTED FUNDS</b> | <b>600</b>  | <b>170,799</b>      | <b>(151,118)</b>         | <b>(10,000)</b>        | <b>10,281</b>  |

### 25. DESIGNATED FUNDS - PRIOR YEAR

|                          | Brought<br>Forward<br>1 April<br>2021<br>£ | Income<br>£ | Expenditure<br>£ | Transfers<br>£ | Carried<br>Forward<br>31 March<br>2022<br>£ |
|--------------------------|--|-------------|------------------|----------------|---|
| Business Development     | 30,012                                     | -           | -                | -              | 30,012                                      |
| Fixed Asset Fund         | 12,940                                     | -           | -                | 26,012         | 38,952                                      |
| Clubhouse Model Training |  |             |                  |                |   |
|                          | 21,867                                     | 42,042      | (42,128)         | -              | 21,781                                      |
| Sonia Burke legacy Fund  | 7,450                                      | -           | (4,249)          | -              | 3,201                                       |
| TOTAL DESIGNATED FUNDS   | 72,269                                     | 42,042      | (46,377)         | 26,012         | 93,946                                      |

## Notes to the financial statements

(continued)

of Mosaic Clubhouse for the year ended 31 March 2023

### 26. MOVEMENT IN FUNDS - PRIOR YEAR

|                         | <i>Brought<br/>Forward<br/>1 April<br/>2021<br/>£</i> | <i>Income<br/>£</i> | <i>Expenditure<br/>£</i> | <i>Transfers<br/>£</i> | <i>Carried<br/>Forward<br/>31 March<br/>2022<br/>£</i> |
|-------------------------|---|---------------------|--------------------------|------------------------|--|
| <i>Designated funds</i> | 72,269  | 42,042              | (46,377)                 | 26,012                 | 93,946   |
| <i>General fund</i>     | 457,771   | 1,011,916           | (1,024,512)              | (16,012)               | 429,163  |
|                         | <u>530,040</u>  | <u>1,053,958</u>    | <u>(1,070,889)</u>       | <u>10,000</u>          | <u>523,109</u>   |
| <i>Restricted funds</i> | 600 0   | 170,799 0           | (151,118) 0              | (10,000)               | 10,281   |
| <b>TOTAL FUNDS</b>      | <u>530,640</u>  | <u>1,224,757</u>    | <u>(1,222,007)</u>       | <u>-</u>               | <u>533,390</u>   |

### 27. ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

|                              | <i>Unrestricted<br/>Funds<br/>2022<br/>£</i> | <i>Restricted<br/>Funds<br/>2022<br/>£</i> | <i>Total<br/>Funds<br/>2022<br/>£</i> |
|------------------------------|--|--|---------------------------------------|
| <i>Tangible fixed assets</i> | 38,952                                       | -  | 38,952                                |
| <i>Net current assets</i>    | 484,157                                      | 10,281                                     | 494,438                               |
|                              | <u>523,109</u>                               | <u>10,281</u>                              | <u>533,390</u>                        |