

Registered number: 04391864
Charity number: 1096402

MKCIL LIMITED
(A company limited by guarantee)

UNAUDITED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023



MKCIL LIMITED
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2023**

Trustees Christine Checkley, Chair
 Edith Dunse, Secretary
 Ernie Boddington, Trustee
 Annette Holcroft, Trustee
 Valerie Williamson, Trustee
 Paul Alexander, Trustee
 Wothya Johnson, Trustee

**Company registered
number** 04391864

**Charity registered
number** 1096402

Registered office 330 Saxon Gate West
 Central Milton Keynes
 Milton Keynes
 Buckinghamshire
 MK9 2ES

Independent Examiner MHA
 Chartered Accountants
 Moorgate House
 201 Silbury Boulevard
 Milton Keynes
 Buckinghamshire
 MK9 1LZ

MKCIL LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report together with the financial statements of the Company for the 1 April 2022 to 31 March 2023. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The Charity Commission website states that our activities include:

To promote any charitable purpose for the benefit of disabled persons, their families, carers and other interested parties within the area by advancement of education, the protection of health, and the relief of sickness, distress and suffering.

That our charity objects are:

To promote the relief of disabled people in any manner which now or hereafter may be deemed by law to be charitable in and around Milton Keynes.

On a day to day basis this means that MKCIL provides confidential, impartial and non-judgmental services to people with a disability, their friends, family members, carers and other professionals. The Charity works in partnership with other related organisations, such as Milton Keynes Council, Disability Information Advice and Support Partnership (DIASP) and Milton Keynes Citizens Advice Bureau.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Trustees, Staff and Volunteers

MKCIL is governed by a Board of Trustees, who are all volunteers. They are elected by the members at the AGM. Board members are both charity trustees and company directors and have legal responsibility for the general and financial control and governance of MKCIL Ltd. Anyone using our services is invited to become a member of MKCIL.

c. Staff

Kim Birchell
Emma Laslett

Administrator
Benefits Advisor

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

b. Reserves policy

MKCIL needs to ensure that it keeps a minimum balance in reserve to cover all necessary costs, should it have to close down for any reason.

The costs that need to be covered are:-

- 1) Commitments concerning the premises such as putting the premises into the required condition, service charges and property management charges.
- 2) Salary costs - three months' salary.
- 3) Equipment rental.

Based on the above, an amount of £75,000 is required.

Unrestricted reserves as at 31 March 2023 were £68,364.

c. Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Structure, governance and management

a. Constitution

MKCIL Limited is registered as a charitable company limited by guarantee and was set up by a Trust deed.

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STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023

| | Note | Unrestricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|------------------------------------|------|------------------------------------|-----------------------------|-----------------------------|
| Income from: | | | | |
| Donations and legacies | 3 | 34,426 | 34,426 | 60,250 |
| Charitable activities | 4 | 15,500 | 15,500 | 17,108 |
| Other trading activities | 5 | 11,245 | 11,245 | 8,876 |
| Investments | 6 | 898 | 898 | 22 |
| Total income | | 62,069 | 62,069 | 86,256 |
| Expenditure on: | | | | |
| Charitable activities | 7 | 97,870 | 97,870 | 79,355 |
| Total expenditure | | 97,870 | 97,870 | 79,355 |
| Net movement in funds | | (35,801) | (35,801) | 6,901 |
| Reconciliation of funds: | | | | |
| Total funds brought forward | | 111,540 | 111,540 | 104,639 |
| Net movement in funds | | (35,801) | (35,801) | 6,901 |
| Total funds carried forward | | 75,739 | 75,739 | 111,540 |

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

The notes on pages 11 to 23 form part of these financial statements.

MKCIL LIMITED
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REGISTERED NUMBER: 04391864

BALANCE SHEET
AS AT 31 MARCH 2023

| | | 2023 | As restated |
|--|-------------|----------------|--------------------|
| | Note | £ | 2022 |
| | | | £ |
| Fixed assets | | | |
| Tangible assets | 12 | 3,073 | 4,634 |
| Investments | 13 | 3 | 3 |
| | | <u>3,076</u> | <u>4,637</u> |
| Current assets | | | |
| Debtors | 14 | 4,826 | 15,919 |
| Cash at bank and in hand | | 132,503 | 133,689 |
| | | <u>137,329</u> | <u>149,608</u> |
| Creditors: amounts falling due within one year | 15 | (64,666) | (42,705) |
| Net current assets | | <u>72,663</u> | <u>106,903</u> |
| Total assets less current liabilities | | <u>75,739</u> | <u>111,540</u> |
| Net assets excluding pension asset | | <u>75,739</u> | <u>111,540</u> |
| Total net assets | | <u>75,739</u> | <u>111,540</u> |
| Charity funds | | | |
| Restricted funds | 18 | - | - |
| Unrestricted funds | 18 | 75,739 | 111,540 |
| Total funds | | <u>75,739</u> | <u>111,540</u> |

MKCIL LIMITED

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1. General Information

MKCIL Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 330 Saxon Gate West, Milton Keynes, MK9 2ES.

2. Accounting policies**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

2.2 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Company, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investments in associates are stated at the amount of the Company's share of net assets. The Statement of financial activities includes the Company's share of the associated companies' net income or expenditure using the equity accounting basis. As the associate is a charity, the investment is presented within restricted funds.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.11 Financial Instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

5. Income from other trading activities

Income from fundraising events

| | Unrestricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|---|--|---------------------------------------|---------------------------------------|
| Letting and licensing arrangements | 11,008 | 11,008 | 3,927 |
| Trading activity income: Radar keys, Disability Awareness Courses, Access Issues Audit and Service User Recruitment | 237 | 237 | 113 |
| | 11,245 | 11,245 | 4,040 |
| Total 2022 | 4,040 | 4,040 | |

Income from non charitable trading activities

| | Unrestricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|----------------------------------|--|---------------------------------------|---------------------------------------|
| Covid job retention scheme grant | - | - | 4,836 |
| | 4,836 | 4,836 | |
| Total 2022 | 4,836 | 4,836 | |

6. Investment Income

| | Unrestricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|---------------------|--|---------------------------------------|---------------------------------------|
| Interest receivable | 898 | 898 | 22 |
| | 22 | 22 | |
| Total 2022 | 22 | 22 | |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

8. Analysis of expenditure by activities

| | Activities undertaken directly 2023 £ | Support costs 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|--|---|-------------------------------|-----------------------------|-----------------------------|
| Support services | - | 81 | 81 | 30 |
| Administration | 8,930 | - | 8,930 | 4,790 |
| Staff costs | 27,633 | - | 27,633 | 24,561 |
| Property service charges and room rental | 44,419 | - | 44,419 | 29,430 |
| Depreciation | 1,561 | - | 1,561 | 1,475 |
| IT support | 4,049 | - | 4,049 | 5,951 |
| Promotional literature | 1,441 | - | 1,441 | 1,495 |
| Property and equipment repairs | 30 | - | 30 | 407 |
| Volunteer related expenses | 1,334 | - | 1,334 | 1,622 |
| Accountancy | 5,194 | - | 5,194 | 6,759 |
| Telephone | 3,198 | - | 3,198 | 2,835 |
| | 97,789 | 81 | 97,870 | 79,355 |
| Total 2022 | 79,355 | - | 79,355 | |

9. Independent examiner's remuneration

| | 2023 £ | 2022 £ |
|---|--------------|--------------|
| Fees payable for the Independent examination of the Company's annual accounts | 3,150 | 2,850 |

10. Staff costs

| | 2023 £ | 2022 £ |
|--------------------|---------------|---------------|
| Wages and salaries | 27,633 | 24,561 |
| | 27,633 | 24,561 |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

13. Fixed asset investments

| | Other Investments £ |
|--------------------------|------------------------------------|
| Cost or valuation | |
| At 1 April 2022 | 3 |
| At 31 March 2023 | 3 |
| Net book value | |
| At 31 March 2023 | 3 |
| At 31 March 2022 | 3 |

Principal associates

The following was an associate of the Company:

The company holds 50% of the shares of MK Community Shop (Westcroft) Limited, an associated company. MK Community Shop (Westcroft) Limited's sole purpose is to generate funds from the charity shop it operates, for the benefit of the two charity shareholders. During the year MKCIL Limited received £30,000 (2022: £36,572) donations.

14. Debtors

| | 2023 £ | 2022 £ |
|--------------------------------|-------------------|-------------------|
| Due within one year | | |
| Trade debtors | 2,695 | 851 |
| Other debtors | 85 | 11,852 |
| Prepayments and accrued income | 2,046 | 3,216 |
| | 4,826 | 15,919 |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

18. Statement of funds

| | Restated Balance at 1 April 2022 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2023 £ |
|----------------------------|---|-------------|------------------|--------------------------|-------------------------------------|
| Unrestricted funds | | | | | |
| Designated funds | | | | | |
| Access Audit | 6,586 | - | - | - | 6,586 |
| Transport and Access Group | 14,669 | - | - | - | 14,669 |
| Hard of Hearing Group | 3,030 | - | - | - | 3,030 |
| MK Community Foundation | 1,359 | - | (347) | - | 1,012 |
| Disability Strategy | 3,333 | - | - | - | 3,333 |
| | 28,977 | - | (347) | - | 28,630 |

Hard of Hearing - The group closed and the donated remaining funds to MK CIL to continue our work on Disability.

MK Foundation - Provided financial support to facilitate the purchase of new laptops. The full grant has been utilised and laptops were capitalised, the costs being allocated against the fund is the depreciation associated with the laptops.

Disability Strategy - Provision of support from Milton Keynes Centre for Integrated Living to the Development and Implementation of MKC Physical and Sensory Disability Strategy.

General funds

| | | | | | |
|---------------------------------|----------------|---------------|-----------------|----------|---------------|
| General Funds | 82,563 | 62,069 | (97,523) | - | 47,109 |
| Total Unrestricted funds | 111,540 | 62,069 | (97,870) | - | 75,739 |

Restricted funds

| | | | | | |
|-------------------------|----------------|---------------|-----------------|----------|---------------|
| Hard of Hearing Group | - | - | - | - | - |
| MK Community Foundation | - | - | - | - | - |
| Disability Strategy | - | - | - | - | - |
| | - | - | - | - | - |
| Total of funds | 111,540 | 62,069 | (97,870) | - | 75,739 |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

21. Operating lease commitments

At 31 March 2023 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | 2023 £ | 2022 £ |
|---|---------------|---------------|
| Within 1 year and after 1 year in total | <u>41,793</u> | <u>77,830</u> |

22. Related party transactions

Please see detail under Note 13.