

Charity No: 233555

**Stroud and District Mencap Society**

**30 September 2019**

## **Independent examiner's report to the Trustees of Stroud & District Mencap Society**

I report on the accounts of the Society for the year ended 30 September 2019

### **Respective responsibilities of trustee and examiner**

The Charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that as the income is less than £250,000 an independent examination by an individual considered to have the ability and practical experience to carry out a competent examination is needed.

It is my responsibility to:

- Examine the accounts under section 145 of the 2011 Act
- To follow the procedures laid down in the general directions given by the commission under section 145(5)(b) of the 2011 Act
- To state whether particular matters have come to my attention

### **Basis of independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

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

In connection with my examination, no matter has come to my attention:

- (1) Which gives me reasonable cause to believe that in any material respect the requirements:
- To keep accounting records in accordance with section 130 of the 2011 Act and
  - To prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met

Or

- (2) To which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached

✓ Creed.

Kathryn Creed

**Current Occupation:** Finance Manager of a charitable organisation

**Qualification:** AAT qualified

**Address:** 42 Hillclose Estate  
Lightpill  
Stroud  
Glos  
GL5 3PG

**Dated:** 17th January 2020

**Stroud and District Mencap Society**
**Balance Sheet**
**30 September 2019**
**30 September 2019**
**30 September 2018**

	Notes	£	£
Fixed Assets	7	2,506,523	2,569,935
Current assets			
Cash at Bank	8	321,970	291,553
		<u>2,828,493</u>	<u>2,861,488</u>
Current Liabilities			
Rent received in advance			
Creditors	11	0	0
		<u>2,828,493</u>	<u>2,861,488</u>
Deferred Liabilities			
Longer term loans	9	366,213	426,213
		<u>2,462,280</u>	<u>2,435,275</u>
General funds		14,442	15,119
Designated Funds			
Property account	2	2,199,075	2,202,488
Homes Maintenance Reserve		248,763	217,668
		<u>2,462,280</u>	<u>2,435,275</u>

Approved by the Committee and signed  
on its behalf

  
JENNY STONE CHAIR

Dated 02.06.2020

**Stroud and District Mencap Society**  
Statement of Financial Activities  
For the year ended 30 September 2019

		General Fund	Property Account (designated)	Homes Maintenance (designated)	Total £	Year ended 30-Sep-18 £
	Note					
<b>Incoming Resources</b>						
<b>from generated funds</b>						
Voluntary Income	3	1,237			1,237	575
Activities generating funds		100			100	1,956
Property rental / loan repayments			60,000	34,150	94,150	91,379
Hire of Hall		0			0	0
Interest received		36			36	25
<b>Incoming Resources from charitable activities</b>						
	4				0	0
Total Incoming Resources		1,373	60,000	34,150	95,523	93,935
<b>Resources Expended</b>						
Cost of generating funds					0	0
Charitable activities	5	2,050		3,055	5,105	12,301
Legal & Consultancy					0	0
Governance costs					0	0
Depreciation			63,413		63,413	63,413
Total Resources Expended		2,050	63,413	3,055	68,518	75,714
<b>Net increase in resources in the year</b>		-677	-3,413	31,095	27,004	18,222
Gain on disposal of property						
		-677	-3,413	31,095	27,005	18,222
Balance at 30 September 2018		15,119	2,202,488	217,668	2,435,275	2,417,053
<b>Balance at 30 September 2019</b>		14,442	2,199,075	248,763	2,462,279	2,435,275
		=====	=====	=====	=====	=====

# Stroud and District Mencap Society

## Notes to the Accounts

For the year ended 30 September 2019

### 1. Accounting Policies

#### Basis of preparation of Accounts

The accounts have been produced in accordance with the Charities Act 2011 the Statement of Recommended Practice 'Accounting for Charities' FRS 102 and the relevant accounting standards. The accounts are presented on the accruals basis using the historical cost convention amended by the revaluation of properties

#### Tangible fixed assets and depreciation

Land and Buildings are stated on the basis of a valuation dated 3 May 2007 with subsequent additions at cost.

The valuation was on the basis of open market value in accordance with the practice statements of the Royal Institute of Chartered Surveyors

Depreciation 2018/19 is provided at 2% straight line on the value of the buildings

#### Other income

Donations, grants and other income is recognised on receipt.

#### Value Added Tax

Value added tax is not recoverable by the Society and is included in the Accounts with the costs to which it is related

#### Management and administrative expenditure

Expenditure on the management and administration of the Society includes all expenditure not directly related to the charitable activities or to fundraising activities.

### 2. Designated Funds

The Society has created, as a designated fund, a fund called 'The Properties Account' of an amount equivalent to the book value of the freehold properties owned by the Society. Depreciation arising on these properties is charged to this account

The Committee have decided that all monies received as rent on the residential homes provided for disabled people will be held to meet the cost of repairs, maintenance and improvement to those homes.

From Dec 15 the Society is repaying the interest free loan from SDHF (for 16 Brimley - Huddleston) at £5000 per month. This is being paid from the rent received. The property account will be increased annually by the amount of the loan repaid.

From July 17 the Society was due to repay the interest from SDHF (for 16 Brimley - Sadlers) at £5000 per month. There have been no repayments to 30 September 2019

### 3 Voluntary Income

	2018/19	2017/18
	£	£
Membership Subscriptions	30.00	17.50
General	1206.74	557.73
	<hr/>	<hr/>
	1,236.74	575.23
	=====	=====



**Stroud and District Mencap Society**

Notes to the Accounts (continued)

For the year ended 30 September 2019

**4 Charitable Trading Activities**

The Society provides a social club for people with learning disabilities known as The Gateway Club

This activity ceased trading during 16-17

**5 Expenditure on Charitable activities**

	2018/19	2017/18
	£	£
Contribution to the maintenance of Stroud Mencap Homes	3055	10723
Gateway Club - operating expenses		
Charitable donations		190
Mencap - operating expenses	2,050	1,388
	<u>5,105</u>	<u>12,301</u>
	=====	=====

**6 Staff costs**

The Society has no employees.

Other activities are undertaken by volunteers who receive no remuneration and are reimbursed only for expenses incurred on behalf of the Society

**7 Tangible Fixed Assets**

Freehold Land and Buildings

	30-Sep-19	30-Sep-18
	£	£
Cost or valuation at 30 September 2018	3,225,716	3,225,716
17 Brimley Sadlers		
Other capitalised improvements		
Disposal Hut		
	<u>3,225,716</u>	<u>3,225,716</u>
Cost or valuation at 30 September 2019	3,225,716	3,225,716
Depreciation		
At 1 October 2018	655,780	592,367
disposal		
Charge for the year	63,413	63,413
	<u>719,193</u>	<u>655,780</u>
	=====	=====
Net book value at 30 Sept 2019	2,506,523	2,569,936
	=====	=====

All the Society's tangible assets are used for charitable purposes.

Four of the buildings owned by the Society are let to Stroud & District Mencap Homes Foundation Ltd, 'the company', and used by them as residential homes for people with learning disabilities.

## **Stroud and District Mencap Society**

Notes to the Accounts (continued)

For the year ended 30 September 2019

### **8 Bank Balances**

	30-Sep-19 £	30-Sep-18 £
Interest bearing deposits	88,278	57,148
Other accounts	233,692	234,406
	<hr/> 321,970	<hr/> 291,553

### **9 Loans**

The loan from Gloucestershire County Council of £50,000 is secured on the property at Barn Lodge. No interest is payable and there is no requirement for the repayment of the loan except in the event of the sale of the property. In the event of sale the Council may be entitled claim payment of 50% of the excess of the proceeds over the sum of £100,000 plus approved improvements if this exceeds £50,000.

Grant from SDHF for purchase of 16 Brimley Huddlestone £316744 to be paid of at £5000 per month commencing Dec 15  
long term loan shown as £316744 less £230000 paid since drawn down date

Grant from SDHF for purchase of 17 Brimley Sadlers. £229,469 to be paid at £5000 per month commencing July 17

### **10 Transactions with Trustees and connected persons**

No payments were made to trustees, committee members or persons connected with them, other than in reimbursement of expenses specifically incurred on behalf of the Society.

### **11 Creditors**

None	0.00
	<hr/> 0.00