

MENCAP LIVERPOOL
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR END
31ST MARCH 2017

Company Number: 02146838

Charity Number: 1004262

MENCAP LIVERPOOL
CHAIRS REPORT FOR THE YEAR ENDED 31ST MARCH 2017

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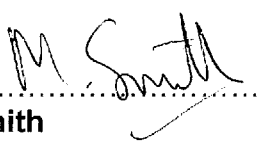
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MENCAP LIVERPOOL

CHAIRS REPORT FOR THE YEAR ENDED 31ST MARCH 2017

I am proud, once again, to introduce this Trustees Annual Report. In a year where the country and the wider world have, to put it very mildly, hit a bit of a rough patch, Mencap Liverpool has remained strong and stable. We have turned years of deficits into a small surplus, continued to develop our activities and increased our profile in the region. We recently celebrated some of the successes of our members, supporters and partners outlined in this report at our inaugural awards dinner (which will feature in next year's report). Although they didn't feature amongst the awards themselves, the night was to me as much of a celebration of the people who enable those successes - our fantastic staff team. I can't thank them enough.

Please take just a few minutes to read about all the great work they have done.


.....
M Smith
Chair

MENCAP LIVERPOOL

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2017

The trustees are pleased to present their annual report for the year ended 31st March 2017.

The financial statements comply with the Charities Act 2011, Companies Act 2006, Accounting and Reporting by Charities; Statement of Recommended Practice (Sorp 2015) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1st January 2015).

OBJECTIVES AND ACTIVITIES

Our vision is a world where everyone is valued equally, listened to and included: where everyone has the opportunity to achieve.

Mencap Liverpool's mission is to make that vision a reality for individuals living in Liverpool who have a learning disability.

Our Strategic Objectives for 2013-17

- Prevent social isolation and exclusion of people who have a learning disability
- Progression - help our members to make real, tangible progress towards their goals
- Packaging - to generate our own income and involve members in the delivery of our income generation activities by 'packaging' our skills and knowledge
- Establish a sound governance and management structure for the organisation
- Build a sustainable future for Mencap Liverpool

Public Benefit

The trustees have considered the Charity Commission's guidance on public benefit when reviewing the charity's aims and objectives and planning future activities. We provide almost all our services completely free of charge, irrespective of our beneficiaries' ability to pay. Our only criteria are that beneficiaries have to:

1. Live in the Liverpool area
2. Have a learning disability (which does not have to be formally diagnosed) or
3. Be a family member of someone with a learning disability - or have unpaid caring responsibilities for someone with a learning disability.

The reality is that very few, if any, of our beneficiaries with a learning disability could afford to pay and this is why they are reliant on our services.

Referrals to Mencap Liverpool continue to come primarily from Mersey Care NHS Foundation Trust, Job Centres and Liverpool Social Services. Other sources include self-referrals and Merseyside Police. Most referrals are from organisations with which we already have a strong relationship.

ACHIEVEMENTS AND PERFORMANCE

The past year has been extremely successful year for Mencap Liverpool, during which we have consolidated our development and growth in three key, interlinked areas;

- working with our members to improve their health, and to support the health of other people in Liverpool with a learning disability.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2017

- continuing to empower our members to take a more active role both within Mencap Liverpool itself, within their own lives and to participate more fully as citizens in their communities;
- reducing social isolation through enabling members to establish strong peer support networks

A major trend is that over the past year, our members are increasingly making a difference to the lives of other people with learning disabilities within the Liverpool city region, as evidenced in the areas described below.

Over the last year we received 67 referrals (a further increase on the previous year), perhaps reflecting difficulties in the accessibility of statutory services to people with a learning disability in Liverpool. The most common reasons for referral included:

- Social isolation
- financial crisis
- travel training

Health

Promoting the health and wellbeing of our members has been a real focus over the last year. A range of activities including boxing groups, regular running groups and a new five-a-side football session have helped members to develop their fitness and take increased ownership of their own health needs. Our members have attended cooking and cultural classes with Liverpool Community Spirit and cooking & budgeting with St Andrews 'Eat Well Spend Less' Project. 14 members took part in our 'Can Do cooking project'. Female members learnt a dance routine and took part in a stage show with Liverpool Dance Society. This emphasis on health has extended into fundraising activities with 32 people including members, staff and trustees taking part in the '5 days of 5k' running event.

One of our members explains the impact:

"Boxing has really helped me with my coordination, gain my confidence helped me get fit, learning about defence and helping me meet new people and helping me be a part of a team. I would recommend to anybody who wants to get exercise".

Another of our members has lost over 1 ½ stone through attending boxing session and five-a-side football, providing an example of the benefits at an individual level.

Our members have also been influential strategically within local healthcare structures. We received income from Liverpool Clinical Commissioning Group (CCG) to co-deliver engagement activities with People First and Company of Friends. We set up a health reference group so people with a learning disability could talk about their experiences within the NHS and feedback their ideas about how improvements could be made for people with learning disabilities. Twelve members worked with members of People First to establish the reference group. The group was led by members from both People First and Mencap Liverpool who elected a chair, co-chair and secretary for each meeting, supported by staff from both charities. The group members now attend the 'Staying Healthy' sub group of the Liverpool Learning Disability & Autism Making it Happen Partnership Board to continue the work they've been doing.

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Empowerment

Difficulties with travel at night time can be restrictive for people with a learning disability, limiting independence and contributing to social isolation. Our ESF funded 'Getting Travel to Work' course will continue to run until December 2017 and we plan to progress 26 learners through the course, all of whom will receive an accredited award for Skills for Traveling in the Community. One member explained the difference the training has made to her:

"I am really proud that I have learnt how to travel by myself. This has meant that I can take part in lots of Mencap Liverpool groups. I am now really busy and have lots of friends."

We were also delighted to finally receive funding for money advice workshops (a project our members have been requesting for a number of years). We were one of only three projects nationwide to receive a Money Advice Trust 'innovation grant' for 2017-18. The project will build on the considerable skills, experience and reputation of members who have been involved in co-designing training and Easy Read materials through the year.

Members have been taking an increasingly active role in the running of the organisation. 'New Directions', the monthly members steering group continues to flourish and is now chaired by two of our members. Members have also been involved in recent staff appointments, with eight members attending interview training workshops to prepare to interview candidates. Mencap Liverpool's 'Easy Read' checking service allows us to earn a small income to support member involvement, whilst also making information more accessible to others with learning disabilities.

Thanks to our Big Lottery Fund Grant 'HelpThroughCrisis' funding, through our '#WhatHelpedMe' project, our staff and members are working in partnership with St Andrews Community Network, Raise and Liverpool Citizen Advocacy to reach more of those in crisis. Through empowering beneficiaries to co-design and co-deliver training to crisis organisations, we hope to better shape their response to individuals with a learning disability. We hope that our partnership working will enable us to reach people sooner, before their situation deteriorates, providing another example of the benefits of our current projects to the wider community of people with learning disability in Liverpool.

Reducing social isolation

John Moores Foundation (JMF) is supporting Mencap Liverpool's social activities with a grant of £15,000 over 3 years. 2016-2017 was year 2 and we have managed to significantly expand our social activities through joint working with other organisations and using additional funding secured which has added value to the foundation activities the JMF grant supports. Eighty members have benefited from the social activities we offer including women's group, gents club, Wednesday social, and Thursday drop in.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2017

The outreach service run by Mencap Liverpool has enabled 44 new people to engage with support over the last year. Staff describe the impact:

"the support we provide through Outreach enables people to access services they'd otherwise be excluded from; due to institutional barriers such as inaccessible practices and attitudes; and personal challenges such as a crippling lack of confidence and low self-esteem"

Our befriending service continues to create opportunities for genuine friendships to develop between people with and without a learning disability. This enriches and develops positive support networks, with 196 meetings being held over the previous year

Through our **Community Connectors** Project we've developed innovative and accessible volunteering opportunities for local people (with and without a learning disability) who connect isolated members to activities and groups in their local communities. Members have developed their confidence and social skills to become peer connectors where they help newer members to settle into the different groups and activities that we run, again making a difference to the lives of the wider community. Although the Department of Health (HSCVF) ended in September 2016, we've managed to sustain many of the positive impacts as the Peer Connector role has very much been adopted by members and is now seen as a natural progression for members.

Sustainable Future

- a. Volunteers - The additional resource gained through the Local Sustainability Fund has enabled the charity to recruit some new volunteers over the year. We have a new batch of befrienders who've been meeting regularly with the members they're matched with. Finding time to effectively recruit, train and manage new volunteers continues to be a struggle where there is no dedicated resource and staff are so busy supporting a much larger number of engaged members. However, we've made good progress in developing internal member peer-support opportunities.
- b. Fundraising - Fundraising income has grown through the hard work of our fundraising manager Kevin Byrne and the contributions of members who continue to be involved in the fundraising function. We have expanded our calendar of events and continue to build good relationships with local businesses. In November 2016 we began a Charity partnership with Brown Turner Ross Solicitors. Raising unrestricted income continues to be a priority area for the organisation as this gives us the flexibility we need to continue delivering an effective holistic service.
- c. Earned Income and Accessibility services

We have trained 129 staff and volunteers including over 45 from '#WhatHelpedMe' project partners St Andrews community network and RAISE. All training sessions were co- designed and co- delivered by members. In December 2016 we secured 30 days pro bono support from EY, to help develop our Easy Read and Learning Disability Awareness Training.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2017

FINANCIAL REVIEW

The economic background remains harsh with the uncertainty of Brexit adding to the problems facing charities. Last year was very much a make or break situation for Mencap Liverpool following deficit returns for the previous five years. It is therefore a great relief that not only did we survive the year but recording a small surplus is a testament to the work of the Chief Executive and her staff who are dedicated to our deserving members.

Survival was of course thanks to successful Big Lottery Fund Grant 'Help Through Crisis Programme' and the Cabinet Office Local Sustainability Fund which will sustain the organisation and help us to continue and our much-needed core services.

The Board continued to monitor the financial position closely through the year and the quality of management accounts reporting was invaluable as we tracked our progress.

Total income in the year was £239,377 (2016: £126,115) of which £164,686 (2016: £48,832), related to funding for projects upon which restrictions are placed.

Total expenditure in the year was £237,876 (2016: £198,810) plus an investment gain of £4,050, leaving a surplus for the year of £5,551 (2016: deficit £80,532)

At 31st March 2017 the charitable company's reserves stood at £89,171 (2016: £83,620) of which £38,730 (2016: £6,756) represented restricted funds.

Whilst income benefitted from the Big Lottery Fund Grant and Cabinet Office grant, Unrestricted Funding at £74,691 (2016: £77,283) remained almost at the same level of last year when we had the benefit of an unexpected legacy of £22,311. Significantly £42,282 (2016: £34,622) related to Fundraising activities which is a great return in a highly competitive field, with more charities chasing available opportunities.

Costs continue to be monitored and controlled closely and with the key economic indicators of debtors, creditors and cash flow are moving in the right direction giving the Board great confidence for the year ahead.

Irrecoverable VAT continues to be a burden that we like all charities, has to bear and continues to impact on our expenditure this year. There is also increasing support nationally, for the Government to look at lessening the burden of Business Rate relief and a return to 100% relief which would also be a welcome move but as ever we are not holding our breath!

On 10th March 2016 we were awarded a major five-year Big Lottery Fund grant, through the 'Help Through Crisis programme' and a significant Local Sustainability Fund grant of £41,620 for 2016-17 from the Cabinet Office.

Investments

The trustees, having regard to the cash flow requirements of the charity, have sought to maintain an amount equivalent to 3 months running costs within the investments held with St James Place. If there is one area of our financial governance that gives Trustees concern it is the service provided by St James Place, who have failed to provide information when requested or attend meetings with the board.

MENCAP LIVERPOOL TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2017

These difficulties caused a delay in the production of these accounts. The management of the charity's investments will be reviewed during the coming financial year.

The value of investments at year end 31st March 2017 was £58,203 (2016: £64,153).

Risk Management

The trustees continue to review the risks to which the charity is exposed to ensure we have sufficient policies and procedures in place to remove, reduce and manage key risks.

Key risks continue to be:

- Operational: Loss of key staff. The board review staff salaries at least annually and staff receive regular 1-2-1s and annual appraisals. The board continue to consider how to support and work with the staff team.
- Financial risks: although the charity has far greater financial stability for 2017-18, now we have a much smaller operational reserve, we need to manage cash flow carefully and so continue to review our cash position each month.
- Risks to beneficiaries: As we seek to give members more responsibility for delivery, there is an associated increase in risk which cannot (and should not) be removed. This increase in risk is necessary for the delivery of the charity's strategy and can be managed by ensuring policies and procedures are effectively communicated (e.g. via easy read) and competent staff are well supported.

Designated Funds and Reserves Policy

In 2016-17 the trustees agreed to continue with our policy to designate a specific amount of funds to cover the rent liability on 9 Lydia Ann Street, in order to ensure the charity has sufficient funds to secure suitable premises from which to run its operations. This designated fund decreases each month in line with the reduced rent liability.

In addition to this amount, it is our policy is to hold an amount equivalent to 3-6 months running costs (less the rent) as an operating reserve to meet the following requirements:

For:

- a. WORKING CAPITAL- we aim to hold up to 2 months running costs. This would enable the charity to take on a contract worth up to a third of our total business and be paid up to 6 months in arrears without adversely impacting our core activities.
- b. CONTINUITY- we aim to hold 3 months running costs - this would enable us to lose 50% of our funding, with no warning and still have 6 months to replace it. With Mencap Liverpool's current funding portfolio, this scenario would be extremely unlikely. However, the trustees have due regard to our risk register, ensuring we can understand and minimise this risk (however small).

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TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2017

- c. PARTICULAR RISKS/PROJECT – up to 1 month. This is a small but crucial amount, allowing the charity to react to a particular area of need or test out a new project before we have been able to secure funding to cover the costs. This requirement is separate to working capital since in this instance, the initial outlay would not be replaced by secured incoming funds.

As at the end of the financial year the unrestricted funds totalled £50,441 (2016: 76,864)

Having reviewed the charity's current position, the trustees consider the above policy to be appropriate for 2017-18.

PLANS FOR FUTURE PERIODS

Our focus will continue to be on working with those people who do not receive support from elsewhere, especially those who have no paid support, nor any support from family members. For this group, we provide an essential safety net to stop people falling through the gaps. This group, almost by definition are hard to reach and by the time we receive a referral, the individual may require a considerable input to prevent crisis and reach a position where progression is achievable.

As we continue to receive an increase in the numbers of beneficiaries and the complexity of situations those members are experiencing we are working to improve our signposting so that we can use our limited staff resource most effectively. We will also look to expand our Outreach provision and develop more referral pathways with agencies.

We now use VIEWS (impact reporting system) to record all activities. In 2017-18 we'll be recording members' progress against our outcomes framework in order to provide robust evidence of the impact we're having.

Our Seven Outcome areas are:

1. Improved Health & Wellbeing (Mental Wellbeing and Physical Health)
2. Improved Quality of Life (social isolation and strength of support network)
3. Making a Positive Contribution
4. Freedom from Discrimination and Harassment
5. Achieve Economic Wellbeing (Benefits, Budgeting and Employment)
6. Exercise Choice and Control
7. Personal Dignity

As part of our Impact Management Programme of work, we will be developing a structured 'Exit process' to help us support and monitor the progress of members no longer actively engaged with Mencap Liverpool activities.

As mentioned, our members steering group is now chaired by members. We continue to look at how members can even become more involved in our governance and we're committed to do this in a meaningful way.

The work undertaken as part of our Local Sustainability Fund project enabled the organisation to apply for an Impact Management Programme Access grant and the charity were successful in being awarded £49,056 in the Pilot round for a 12 month project starting 1st August 2017.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2017

In addition, the charity has secured restricted grants of £30,000 from the Money Advice Trust and an ESF Community Learning Grant of £24,967 which both relates to projects the charity will deliver in 2017-18.

With our anticipated income from unrestricted fundraising activity, we are again able to project a small surplus for the 2017-18 financial year end. The trustees are therefore confident the Mencap Liverpool will remain a going concern for the foreseeable future.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The organisation is a charitable company limited by guarantee, incorporated on 13th July 1987 (company number 02146838) and registered as a charity (charity number 1004262) on 26th September 1991.

Trustees

The trustees, who are also directors for the purposes of charitable law, and who served during the year can be found on page (11). At the charity's AGM on 27th October 2016, Matt Smith and Alan Griffiths were re-elected as Chair and Vice Chair. Steve Mahon and Carolyn McConnell were re-elected as Treasurer and Secretary respectively.

Recruitment, Induction and Training of Trustees

The board of trustees maintains a membership of between seven and nine members, representing a wide range of backgrounds, skills and relevant experiences. In particular we aim to ensure that at least two trustees have a personal experience of learning disability. A small bio of the charity's current trustees is maintained on the following webpage: <http://www.mencapliverpool.org.uk/about-us/meet-the-team/our-trustees/>

The board regularly review its membership in light of the changing needs of the charity and will then approach or advertise for potential trustees who may meet the gaps identified. Following a conversation with the Chair and Chief Executive, a potential trustee is invited to attend a minimum of three board meetings before a decision is made whether to co-opt them to the board.

In order to make a fully informed decision, potential trustees receive key financial and strategic information about the charity as well as general information about becoming a trustee (such as the Charity Commission guidance CC3). They also are invited to member activities to meet members and staff. Co-opted trustees stand for election at the following AGM. All trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

REFERENCE AND ADMINISTRATIVE DETAILS

NAME:	Mencap Liverpool
COMPANY NUMBER	02146838
CHARITY NUMBER	1004262

MENCAP LIVERPOOL
TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2017

REGISTERED OFFICE	9 Lydia Ann Street Liverpool L1 5PW
TRUSTEES:	Dr E Greenhill Mr A Griffiths –Vice Chair Mr S Mahon - Treasurer Ms C McConnell – Hon- Secretary Mr M Smith - Chair Mr P Corfield Miss M Cabrera Urda
COMPANY SECRETARY:	Ms S Jones
INDEPENDENT EXAMINER	Graham Wright BA (Hons) FCA DChA Liverpool Charity and Voluntary Services 151 Dale Street Liverpool L2 2AH
BANKERS:	Bank of Scotland Gordon Street Glasgow G1 3RS

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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 as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principle in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue as a going concern;
- state whether applicable accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

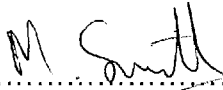
This report has been prepared in accordance with the Charities Act 2011, Companies Act 2006, Accounting and Reporting by Charities; Statement of Recommended

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TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2017

Practice (Sorp 2015) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1st January 2015).

ON BEHALF OF THE BOARD:



.....
Mr M Smith
Director and chair

9 Lydia Ann Street
Liverpool
L1 5PW

Date: 16.11.17

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MENCAP LIVERPOOL

Respective responsibilities of trustees and examiner

I report on the accounts of the charitable company for the year ended 31st March 2017, which are set out on pages 14 to 26.

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The 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 an independent 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 Charity Commission (under section 145(5)(b) of the 2011 Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with 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 the trustees concerning any 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 statement below.

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 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting Charities

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.

Name: **Mr. Graham Wright**

Relevant professional qualification or body: **FCA DChA**

Address: **c/o LCVS, 151 Dale Street, Liverpool, L2 2AH**

Dated: **17 November 2017**

MENCAP LIVERPOOL
STATEMENT OF FINANCIAL ACTIVITIES (including Income & Expenditure)
FOR THE YEAR ENDED 31ST MARCH 2017

	Notes	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total 2017 £	Total 2016 £
Income and endowments from					
Donations and legacies	3a	9,197	-	9,197	26,991
Charitable activities	3b	21,077	164,686	185,763	60,329
Other trading activities	3c	42,282	-	42,282	34,622
Investments	3d	2,135	-	2,135	4,173
Total income		74,691	164,686	239,377	126,115
Expenditure on					
Raising funds		28,506	-	28,506	20,788
Charitable activities	4	76,658	132,712	209,370	178,022
Total expenditure		105,164	132,712	237,876	198,810
Net (expenditure)/income		(30,473)	31,974	1,501	(72,695)
Gains/(losses) on investment assets	6	4,050	-	4,050	(7,837)
Net movement in funds		(26,423)	31,974	5,551	(80,532)
Total funds brought forward	10, 11	76,864	6,756	83,620	164,152
Total funds carried forward	9-11	50,441	38,730	89,171	83,620
		=====	=====	=====	=====

The notes on pages 16 to 26 form part of these accounts.

All the above amounts relate to continuing activities of the charitable company.

MENCAP LIVERPOOL
BALANCE SHEET AS AT 31ST MARCH 2017

Company No 02146838

	Notes	31 st March 2017 £	31 st March 2016 £
Fixed assets			
Tangible fixed assets	5	2,338	-
Investment	6	58,203	64,153
		-----	-----
		60,541	64,153
Current assets			
Debtors	7	8,188	10,307
Cash at bank and in hand		37,268	24,842
		-----	-----
		45,456	35,149
Current liabilities			
Creditors: amounts falling due within one year	8	(16,826)	(15,682)
		-----	-----
Net current assets		28,630	19,467
		-----	-----
Total assets less current liabilities		89,171	83,620
		=====	=====
Funds:			
Unrestricted funds	9, 10	50,441	76,864
Restricted funds	9, 11	38,730	6,756
		-----	-----
		89,171	83,620
		=====	=====

These financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

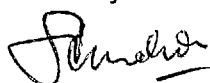
These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies' regime and in accordance with FRS102 SORP.

For the period covered by these accounts the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The trustees, who are the directors of the company, acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

Approved by the Board on: 16.11.17



.....
Mr S Mahon - Director

1. Limited Liability

The Charity is a company limited by guarantee. Each member's liability is limited to £1.

2. Accounting Policies

Basis of accounting

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (SORP 2015) (effective 1st January 2015), Charities Act 2011 and the Companies Act 2006.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The Charity has taken advantage of the provisions in the SORP for Charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

Fund accounting

Unrestricted funds are the charity's free reserves available for the trustees to apply in accordance with the charitable company's charitable objectives.

Restricted funds are subject to specific restrictive conditions imposed by the donor. All restricted funds are accounted for as restricted income and expenditure for the purposes is charged to the fund.

Income recognition

All income is recognised once the charity has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations and legacies comprise of donations and general grants which are recognised in the accounts when received, with the exception of known legacies which are accounted for when their receipt is certain.

Income from charitable activities is recognised on an accruals basis except for grants receivable, which are recognised on the date on which their unconditional payment is confirmed by the donor.

Other trading income relates to fundraisings income and is recognised when the amount is certain.

Income from investment relates to bank interest and income from investments received and is recognised when the amount is certain.

Expenditure recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charitable company to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the Statement of Financial Activities. Support and governance costs are applied to unrestricted funds unless specifically included in the restrictions, as specified by the donor.

Expenditure on charitable activities relate to the operation of the charity comprising of direct charitable expenditure to meet the objectives of the charitable company. Support and governance costs relate to the management and operation of the organisation and also compliance with constitutional and statutory requirements in producing the annual report. These are dealt with in the Statement of Financial Activities when payment has been approved by the charitable company.

Fixed Assets

Capital expenditure is stated in the balance sheet at cost less accumulated depreciation. Depreciation is provided to write off the cost of each asset over its expected useful life as below:

Fixtures, Fittings & equipment 33.33% per annum straight line basis

Investments

Investments are included at market value. Realised and unrealised gains and losses are reported in the Statement of Financial Activities.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

Financial instruments

The charity 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Taxation

Income and gains are exempt from taxation as they are received and applied for charitable purposes only. The charitable company benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions.

Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

MENCAP LIVERPOOL
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

3. Income and endowments from:

	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total 2017 £	Total 2016 £
(a) Donations and Legacies				
Donations	3,969	-	3,969	4,180
Legacies	-	-	-	22,311
General Grants	5,228	-	5,228	500
	9,197	-	9,197	26,991
	=====	=====	=====	=====
(b) Charitable activities	£	£	£	£
Big Lottery Fund Grant – Help Through Crisis Grant	-	89,575	89,575	-
Cabinet Office Grant – Local Sustainability Fund	-	41,620	41,620	-
Carillion RLBHUT Fund	-	1,000	1,000	-
European Social Fund Community Learning Grant	-	12,484	12,484	-
Health and Social Care Volunteering Fund	-	4,976	4,976	-
John Moores Foundation	-	9,156	9,156	-
Other income	-	-	-	6,531
Performance related grants	-	-	-	48,647
P H Holt	-	2,000	2,000	-
Proven Family Trust	-	300	300	-
Royal Mencap Society Don't Miss Out Project	-	1,000	1,000	-
Royal Mencap Society – Round the World Challenge	-	575	575	-
Sales within charitable activities	21,077	-	21,077	5,151
Skelton Bounty	-	2,000	2,000	-
	21,077	164,686	185,763	60,329
	=====	=====	=====	=====
(c) Other trading activities	£	£	£	£
Fundraising	42,282	-	42,282	34,622
	=====	=====	=====	=====
(d) Investments	£	£	£	£
Income from listed investments	2,129	-	2,129	4,102
Bank Interest	6	-	6	71
	2,135	-	2,135	4,173
	=====	=====	=====	=====

MENCAP LIVERPOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

4. Expenditure on charitable activities:

	Direct Charitable Expenditure £	Support & Governance Costs £	Total 2017 £	Total 2016 £
Providing activities to (i) prevent the social isolation and exclusion of people who have a learning disability (ii) facilitate the progression of members to make real, tangible progress towards their goals (iii) involve members in the delivery of our income generation activities by 'packaging' our skills and knowledge.	147,188	62,182	209,370	178,022
	=====	=====	=====	=====

a. Analysed+ as follows:

	2017 £	2016 £
<i>Direct charitable expenditure:</i>		
Staff salary costs	84,218	95,516
Project costs	35,633	11,872
Premises costs	27,337	15,583
Overheads costs	-	6,494
Infrastructure	-	4,200
	-----	-----
	147,188	133,665
	-----	-----
<i>Support & Governance costs:</i>		
Staff salary costs	44,557	29,372
Premises costs	-	7,362
Overheads costs	10,233	2,208
Infrastructure	5,856	1,397
AGM costs	268	297
Accountancy	800	3,570
Depreciation	468	151
	-----	-----
	62,182	44,357
	-----	-----
Total expenditure on charitable activities	209,370	178,022
	=====	=====

£132,712 (2016: £53,770) of the above expenditure relates to restricted funding.

MENCAP LIVERPOOL**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017****b. Staff Costs**

	2017	2016
	£	£
Gross wages and salaries	139,870	128,345
Social security costs	9,380	10,441
Pension costs	-	2,500
	-----	-----
	149,250	141,286
	=====	=====

c. Particulars of employees:

The average number of full time equivalent employees during the year was as follows:

	2017	2016
Raising funds	1	1
Charitable activities	6	5
	-----	-----
	7	6
	=====	=====

No employee received emoluments of more than £60,000 during the year.

The Trustees are not remunerated for their services and are not included in the above number of employees.

No out of pocket expenses were reimbursed to trustees in the year (2016: £nil).

5. Tangible Fixed Assets

	Fixtures, fittings & equipment	Total
Cost	£	£
Balance as at 1 st April 2016	18,562	18,562
Additions during the year	2,806	2,806
	-----	-----
Balance at 31 st March 2017	21,368	21,368
	-----	-----
Accumulated Depreciation		
Balance as at 1 st April 2016	18,562	18,562
Charge for the year	468	468
	-----	-----
Balance at 31 st March 2017	19,030	19,030
	-----	-----
Net Book Value at 31st March 2017	2,338	2,338
	=====	=====
Net Book Value at 31 st March 2016	-	-
	=====	=====

MENCAP LIVERPOOL**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017****6. Fixed Asset investments**

	2017	2016
	£	£
Market value at 1 st April 2016	64,153	151,990
Valuation changes	5,296	(5,089)
Withdrawals	(10,000)	(80,000)
Disposals	(1,246)	(2,748)
	-----	-----
Market value at 31st March 2017	58,203	64,153
	=====	=====

Throughout the accounting year all assets are held by the Investment Manager's custodian, St James's Place.

7. Debtors:

	2017	2016
	£	£
Debtors	300	9,307
Prepayments	7,888	-
Other Debtors	-	1,000
	-----	-----
	8,188	10,307
	=====	=====

8. Creditors: Amounts falling due within one year

	2017	2016
	£	£
Creditors	14,484	591
Accruals	800	5,167
Other taxation and social security	-	2,768
Deferred income	1,542	7,156
	-----	-----
	16,826	15,682
	=====	=====

MENCAP LIVERPOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

9. Analysis of Net Assets between Funds

	Tangible Fixed Assets	Net Current Assets	Total
	£	£	£
Unrestricted Funds			
General Fund	-	(20,813)	(20,813)
Designated	-	13,051	13,051
Investments	58,203	-	58,203
	<u>58,203</u>	<u>(7,762)</u>	<u>50,441</u>
Restricted Funds:			
Big Lottery Fund Grant – Help Through Crisis Grant	-	18,641	18,641
Cabinet Office Grant – Local Sustainability Fund	2,338	329	2,667
Carillion RLBHUT Fund	-	333	333
European Social Fund Community Learning Grant	-	11,966	11,966
John Moores Foundation	-	4,156	4,156
Proven Family Trust	-	300	300
Skelton Bounty	-	667	667
	<u>2,338</u>	<u>36,392</u>	<u>38,730</u>
	<u>60,541</u>	<u>28,630</u>	<u>89,171</u>
	=====	=====	=====

10. Unrestricted Funds

Movements in the Year

	Resources at beginning of year	Income	Expenditure	Investments	Resources at end of year
	£	£	£	£	£
General Fund	(10,109)	74,691	(89,445)	4,050	(20,813)
Designated Funds	22,820	-	(9,769)	-	13,051
Investments	64,153	-	(5,950)		58,203
	<u>76,864</u>	<u>74,691</u>	<u>(105,164)</u>	<u>4,050</u>	<u>50,441</u>
	=====	=====	=====	=====	=====

General Fund is used to finance the charitable company's general activities as outlined in the Trustees' Report.

MENCAP LIVERPOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

Designated funds – To meet the rent liability of 9 Lydia Ann Street, (until the break clause effective date May 2017 plus 6 months' notice required to break the clause). The designated fund is to be reduced each month by £1,631, in line with the reduced liability

11. Restricted Funds

	<u>Movements in the Year</u>			
	Resources at beginning of year £	Income £	Expenditure £	Resources at end of year £
Big Lottery Fund Grant – Help Through Crisis Grant	-	89,575	(70,934)	18,641
Cabinet Office Grant – Local Sustainability Fund	-	41,620	(38,953)	2,667
Carillion RLBHUT Fund	-	1,000	(667)	333
Crimes Family Charitable Trust	125	-	(125)	-
David Wilson Homes	1,000	-	(1,000)	-
Duchy of Lancaster	580	-	(580)	-
Eleanor Rathbone Charitable Trust	1,218	-	(1,218)	-
European Social Fund Community Learning Grant	-	12,484	(518)	11,966
Health and Social Care Volunteering Fund	(90)	4,976	(4,886)	-
John Moores Foundation	(6)	9,156	(4,994)	4,156
N Smith Charitable Settlement	245	-	(245)	-
Performance related grants	2,820	-	(2,820)	-
P H Holt	-	2,000	(2,000)	-
Pilkington Charities Fund	534	-	(534)	-
Proven Family Trust	100	300	(100)	300
Royal Mencap Society Don't Miss Out Project	-	1,000	(1,000)	-
Royal Mencap Society – Round the World Challenge	230	575	(805)	-
Skelton Bounty	-	2,000	(1,333)	667
	-----	-----	-----	-----
	6,756	164,686	(132,712)	38,730
	=====	=====	=====	=====

MENCAP LIVERPOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

These are monies given to the company to be spent at the discretion of the Board of Trustees for specific charitable purposes.

Big Lottery Fund Grant – Help through Crisis Programme-is a five year grant (2016-2021) to support our work with people in and at risk of, experiencing crisis. This funds our outreach work (working with people in crisis); our progression work (helping those at risk so they're better placed to deal with crisis in the future); and our packaging activities (helping our partner organisations to be better at responding to the needs of people with a learning disability who are in crisis).

Cabinet Office Grant -Local Sustainability Fund (administered by Big Lottery Fund) - We received funding to undertake a range of work to help the charity become more sustainable. This funded our activities coordinator (as a backfill post), so that our progression manager and CEO were free to engage in strategic development. It also funded the support received from specialist consultants (Eastside Primetimers). This specialist help was to upskill staff in financial management and income generation (through funding and potential contract opportunities).

Carillion RLBHUT Fund - To support the costs of our running and fitness clubs.

Crimes Family Charitable Trust - To support our social activities

David Wilson Homes - A grant towards the cost of office refurbishment.

Duchy of Lancaster - To support our social activities

Eleanor Rathbone Charitable Trust – To support our women's group

European Social Fund Community Learning Grant (administered by the Worker Education Association) – Funded a project-co-ordinator and accreditation costs to run an accredited programme giving eligible beneficiaries, the skills (and qualification) to travel independently in the community, thereby increasing their opportunities for employment and training.

Health and Social Care Volunteering Fund (Department of Health) - We received funding in 2014 for our 2.5 year Community Connectors project. Through this project we've developed innovative and accessible volunteering opportunities for local people (with and without a learning disability) who connect isolated members to activities and groups in their local communities.

John Moores Foundation - are supporting Mencap Liverpool's social activities with a grant of £15,000 over 3 years (2015-2017).

N Smith Charitable Settlement - Gave a small grant towards core activities

Performance related grants

P H Holt - Supported gentleman's club costs

Pilkington Charities Fund - Grant to support befriending activities

Proven Family Trust - Grant to support befriending activities

Royal Mencap Society Don't Miss Out Project - provided funding for Mencap Liverpool to engage with harder-to-reach individuals to improve awareness and uptake of Learning Disability Annual Health Checks.

MENCAP LIVERPOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

Royal Mencap Society -Round the World Challenge – Provided funding to meet the costs of members engaging in physical activity, as part of the Round The World Challenge.

Skelton Bounty - Provided funding to support the cost of our running and fitness clubs

12. Operating Lease Commitments

Financial commitments under non-cancellable operating leases relating to property lease of 9 Lydia Ann Street. Lease payments are due up to the break clause date of May 2017 plus 6 months' notice required to break the clause, and this will result in the following payments falling due at 31st March 2017.

	2017	2016
	£	£
Within one year	13,051	19,560
2- 5 years	-	3,260
	-----	-----
	13,051	22,820
	=====	=====

14. Related Parties

There were no related party transactions during the year ended 31st March 2017
(2016: none)

15. Guarantees

As at 31st March 2017, 37 members had given a guarantee of £1 each in the event of the company winding-up, total: £37 (2016: 23 members £23).

MENCAP LIVERPOOL
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2017

	2017	2016
	£	£
INCOME		
Grant Income	169,914	49,147
Sales within charitable activities	21,077	5,151
Donations and legacies	3,969	26,491
Other income	-	6,531
Fundraising events	42,282	34,622
Bank Interest	6	71
Investment income	2,129	4,102
	<hr/>	<hr/>
Total Income	239,377	126,115
	<hr/>	<hr/>
EXPENDITURE		
Raising Funds		
Staff salary costs	20,475	16,398
Fundraising costs	8,031	4,390
	<hr/>	<hr/>
	28,506	20,788
	<hr/>	<hr/>
Charitable activities		
Staff salary costs	128,775	124,888
Project costs	35,633	11,872
Premises costs	27,337	22,945
Overheads costs	10,233	8,702
Infrastructure	5,856	5,597
AGM costs	268	297
Accountancy	800	3,570
Depreciation	468	151
	<hr/>	<hr/>
Total expenditure on charitable activities	209,370	178,022
	<hr/>	<hr/>
Total Expenditure	237,876	198,810
	<hr/>	<hr/>
Gains/(losses) on investments	4,050	(7,837)
	<hr/>	<hr/>
Net income for year	5,551	(80,532)
	<hr/>	<hr/>

(This page does not form part of the statutory financial statements)