

**Charity Registration No. 702019**

**Company Registration No. 2399075 (England and Wales)**

**BIRMINGHAM MULTI-CARE SUPPORT SERVICES LIMITED**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2019**





# **BIRMINGHAM MULTI-CARE SUPPORT SERVICES LIMITED**

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# **BIRMINGHAM MULTI-CARE SUPPORT SERVICES LIMITED**

## **Legal and Administrative Information**

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**Registered Charity Name** **Birmingham Multi-Care Support Services Limited**

**Status**

The Organisation is a charitable company limited by guarantee and not having a share capital, incorporated on 28 June 1989 and registered as a charity. The Company was established by its Memorandum of Association which sets out the objects and powers of the Charitable Company.

**Registered Charity number** 702019

**Company number** 2399075

**Company Secretary** D Rogers

**Trustees** J Cleminson (appointed 13 July 2018)  
H Elwell (appointed 13 July 2018, resigned 10 October 2019)  
C McGinley (appointed 13 July 2018)  
N Yorke (resigned 24 August 2018)  
S Durrant (resigned 24 August 2018)

**Principal address and registered office** Unit E, Pinewood  
Bell Heath Way  
Woodgate Business Park  
Birmingham  
B32 3BZ

**Auditors** Cooper Parry Group Limited  
Park View  
One Central Boulevard  
Blythe Valley Business Park  
Solihull  
B90 8BG

**Bankers** Unity Trust Bank  
Four Brindleyplace  
Birmingham  
B1 2JB

# **BIRMINGHAM MULTI-CARE SUPPORT SERVICES LIMITED**

## **TRUSTEES' REPORT**

**For the year ended 31 March 2019**

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The Trustees present their report and the audited financial statements for the year ended 31 March 2019 which has been prepared to meet the requirements of a Directors' report and accounts for Companies Act purposes.

### **Structure, governance and management**

Birmingham Multi-Care Support Services Limited ("the Company") was incorporated on 28 June 1989 as a Charitable Company Limited by Guarantee. The management of the Company is the responsibility of the Directors. The Directors comprise members elected for their particular expertise and contributions.

The day to day management has been delegated to the Parent Company, Midland Mencap.

Admission to membership is at the discretion of the Directors subject to the consent of a majority of the existing members.

### **Mission**

The mission of the company is to provide care and support to people in Birmingham who have multiple disabilities and respite to their Parents and Carers.

### **Strategy**

The company continues to build on its core strength of the specialist provision of services for people with a learning disability, additional physical disabilities and challenging behaviours of significant health care needs. The Company continues to identify and explore opportunities for growth both privately and with the continued partnership with the local authorities to ensure sustainable services to its clients and their carers.

### **Objectives and activities**

The principal activities of the Company are the provision of support to people in Birmingham who have multiple disabilities and respite to their Parents and Carers. The Company's recurring revenue comes from fees receivable, and grants receivable from Birmingham City Council and the NHS.

### **Achievements and performance**

#### ***Domcare and Silver Birch & Greswolde Park care homes***

Across the year, our care and support teams have delivered approximately 37,110 hours of home based care, housing and recreational support to citizens right across Birmingham. Services are delivered twenty four hours a day seven days of the week. In addition to this we have also delivered approximately 28,724 hours of respite care within our two respite care homes namely, Silver Birch Road and Greswolde Park Road.

Ensuring our staff have the right range of skills to undertake their roles is critical to the safe delivery of our services. The seventy three personal assistants/support workers within the service access a wide range of training covering areas such as the Care Certificate, induction, safeguarding, medication management, safe lifting and handling practices as well as updated training in areas such as First Aid and Fire safety to name just a few.

## **BIRMINGHAM MULTI-CARE SUPPORT SERVICES LIMITED**

### **TRUSTEES' REPORT (continued)**

**For the year ended 31 March 2019**

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This ensures that our staff are skilled, confident, but most importantly competent to support citizens with a wide range of care and support needs. Based on our training portfolio we undertake approximately 705 hours of training per year.

Midland Mencap have been at the forefront of driving new digital technologies and software across Birmingham Multi-Care Services improving a range of previously paper driven processes giving us greater efficiency in case management, finance and staff dispersal and management. All of this has been undertaken against the backdrop of GDPR where again ensuring all of our data capture and record keeping, including our historical archives, are properly managed and legally compliant has been a priority.

With ever decreasing resources and the continuation of central government austerity policies this remains a challenging environment for both the recipient of support and the provider.

Birmingham Multi-Care Support Services and Greswolde Park Road have both received inspections from the Care Quality Commission. Both services received a 'Good' rating, scoring good in all five key areas of safe, effective, caring, responsive and well-led.

#### ***Day Centre***

Asha House Day centre enables women to access a wide range of day activities that enhance their social interaction, physical and mental wellbeing. During 2018-2019 Birmingham Multi-Care continued to develop its offer to the current citizens and families that use Asha House, delivering over nearly 14,000 hours of day opportunities. During this past year we have invested resources in aligning our systems and processes with Midland Mencap to ensure greater efficiency and impact. Collaboration with colleagues across Midland Mencap ensures a better understanding of the unique offer that Asha House provides whilst developing opportunities for engaging in new activities and opportunities.

#### **Regulatory Framework**

Birmingham Multi-Care Support Services Limited is registered with the Care Quality Commission under the Health and Social Care Act 2008, and the Company is registered for three regulated activities, one domiciliary care service and two respite care homes. At the last inspection, all these services were found to be fully compliant with the regulations.

#### **Trustees**

The Trustees, who are also the Directors for the purpose of company law, who served during the year were:

J Cleminson (appointed 13 July 2018)  
H Elwell (appointed 13 July 2018; resigned 10 October 2019)  
C McGinley (appointed 13 July 2018)  
N Yorke (resigned 24 August 2018)  
S Durrant (resigned 24 August 2018)

## **BIRMINGHAM MULTI-CARE SUPPORT SERVICES LIMITED**

### **TRUSTEES' REPORT (continued)**

**For the year ended 31 March 2019**

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None of the Trustees have any beneficial interest in the Company. All of the Trustees are members of the company. The Trustees and other members guarantee to contribute £1 in the event of an insolvent winding up.

#### **Trustee Recruitment**

When recruiting new Trustees the existing Trustees look for those individuals whose skills and experience that can make a significant contribution to the management of the Charitable Company.

All new Trustees are made aware of their responsibilities as Charity Trustees and Company Directors and are helped to familiarise themselves with the practical and financial aspects of the Charitable Company's operations. To help them they are provided with a copy of the Company's Memorandum and Articles of Association, the latest published accounts, the Charitable Company's mission statement and appropriate Charity Commission publications.

#### **Public Benefit**

The trustees have given due regard to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the Charitable Company and in planning any future activities. The trustees always ensure that the strategic and operational objectives are aligned with public benefit requirements. This is achieved through the provision of a wide range of services to people with multiple disabilities. This annual report demonstrates how Birmingham Multi-Care Support Services Limited has spent funds available towards meeting its charitable objectives.

#### **Risk management**

The Directors review the risks to which the Company is exposed on an annual basis as part of the approval of the annual and medium term planning and forecasts. The Directors have not identified any significant risks for the period under review, other than the ongoing requirement to achieve sufficient levels of revenue which will sustain the company's aims and objectives.

The Directors risk management strategy comprises of:

- The annual review of the risks the Company might face,
- The establishment of systems and procedures to mitigate those risks identified; and
- The implementation of procedures designed to minimise any potential impact on the Company should those risks materialise.

#### **Reserves policy**

The Company's reserves are either classified as General Unrestricted Funds or Restricted Funds. Restricted funds comprise grants receivable for specific purposes that can only be used for those specific purposes. General Unrestricted Funds are expendable at the discretion of the Directors in furtherance of the Company's objectives. The Directors monitor carefully the funds required to maintain the ongoing operations of the company. As at the year end the company's free reserves were £155,647.

## **BIRMINGHAM MULTI-CARE SUPPORT SERVICES LIMITED**

### **TRUSTEES' REPORT (continued)**

**For the year ended 31 March 2019**

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#### **Review of financial position**

The financial statement shows an income of £872,790 (2018: £940,908) against a total expenditure of £895,756 (2018: £1,014,745) resulting in an operating deficit of £22,966 (2018: £73,837). The operating deficit is less than that reported in last year's financial statements due to:

- Both respite care homes operating at less than full capacity.
- Reduced Domcare packages from the local authorities.
- There was no large donation from Birmingham Multi-Care Trust as has been the case in previous years.

However, despite reduced income, the deficit has reduced as reported above due to Midland Mencap taking over the management of Birmingham Multi-Care in April 2018.

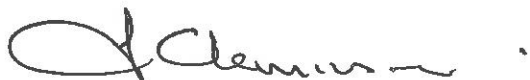
#### **Going Concern**

The Trustees are satisfied that there are sufficient assets and funds for the Charitable Company to remain a going concern as explained in the notes to the financial statements below.

#### **Related parties**

The Charity is affiliated to its parent company, Midland Mencap.

This report was approved by the trustees on 19 September 2019 and signed on their behalf by:



**Jenny Cleminson – (Trustee)**

## **BIRMINGHAM MULTI-CARE SUPPORT SERVICES**

### **Statement of Trustees' Responsibilities for the Financial Statements**

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The Trustees (who are also directors for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

The Trustees are responsible for keeping adequate accounting records which 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.

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

### **Statement of disclosure of information to auditors**

In so far as the Trustees 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**

Cooper Parry Group Limited will be proposed for re-appointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the Trustees on 19 September 2019 and signed on their behalf by:



**Jenny Cleminson – (Trustee)**

## **BIRMINGHAM MULTI-CARE SUPPORT SERVICES**

### **Independent Auditor's Report to the Members of Birmingham Multi-Care Support Services Limited**

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#### **Opinion**

We have audited the financial statements of Birmingham Multi-Care Support Services Limited for the year ended 31 March 2019 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 2019, 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.



## **BIRMINGHAM MULTI-CARE SUPPORT SERVICES LIMITED**

### **Independent Auditor's Report to the Members of Birmingham Multi-Care Support Services (continued)**

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#### **Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

#### **Opinions 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' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report has been prepared in accordance with legal requirements.

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

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Trustees' Annual Report and from the requirement to prepare a strategic report.



## **BIRMINGHAM MULTI-CARE SUPPORT SERVICES LIMITED**

### **Independent Auditors' Report to the Members of Birmingham Multi-Care Support Services (continued)**

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#### **Responsibilities of trustees**

As explained more fully in the Trustees' responsibilities statement, the Trustees who are also the Directors of the charitable company for the purposes of Company Law, except for those mentioned in page 1 of this annual report, 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 directors 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 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's 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.

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 Auditors' Report

#### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Atkins FCA

Senior Statutory Auditor  
for and on behalf of:

#### **Cooper Parry Group Limited**

Chartered Accountants and Statutory Auditor

Park View, Blythe Valley Park, Solihull, West Midlands B90 8BG

Date: 19 September 2019

# BIRMINGHAM MULTI-CARE SUPPORT SERVICES LIMITED

## Statement of Financial Activities including the Income and Expenditure Account For the year ended 31 March 2019

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
<b>INCOME FROM:</b>					
Donations	2	24	-	24	37,220
Charitable activities	4	646,910	225,066	871,976	903,656
Investments	3	177	-	177	32
Other income		613	-	613	-
<b>Total income</b>		<b>647,724</b>	<b>225,066</b>	<b>872,790</b>	<b>940,908</b>
<b>EXPENDITURE ON:</b>					
Charitable activities	5	670,690	225,066	895,756	1,014,745
<b>Total expenditure</b>		<b>670,690</b>	<b>225,066</b>	<b>895,756</b>	<b>1,014,745</b>
<b>Net expenditure for the year</b>		<b>(22,966)</b>	<b>-</b>	<b>(22,966)</b>	<b>(73,837)</b>
Transfers between funds	11	246,940	(246,940)	-	-
Gains on revaluation of fixed assets	8, 12	-	650,271	650,271	-
<b>Net movement in funds</b>		<b>223,974</b>	<b>403,331</b>	<b>627,305</b>	<b>(73,837)</b>
<b>Reconciliation of funds</b>					
Fund balance at 1 April 2018		(66,813)	546,669	479,856	553,693
<b>Fund balances at 31 March 2019</b>	11, 12	<b>157,161</b>	<b>950,000</b>	<b>1,107,161</b>	<b>479,856</b>

The statement of financial activities includes all gains and losses recognised in the year. The notes on pages 13 to 24 form part of these financial statements

**BIRMINGHAM MULTI-CARE SUPPORT SERVICES LIMITED**  
**Registered Number 702019**

**Balance Sheet**  
**As at 31 March 2019**

	Notes	£	2019 £	£	2018 £
<b>Fixed assets</b>					
Tangible assets	8		951,514		299,729
			<u>951,514</u>		<u>299,729</u>
<b>Current assets</b>					
Debtors	9	146,030		150,899	
Cash at bank and in hand		51,540		71,012	
		<u>197,570</u>		<u>221,911</u>	
<b>Creditors: amounts falling due within one year</b>	10	(41,923)		(41,784)	
<b>Net current assets</b>			<u>155,647</u>		<u>180,127</u>
<b>Total net assets</b>			<u>1,107,161</u>		<u>479,856</u>
<b>Funded by</b>					
Unrestricted funds	11		157,161		(66,813)
Restricted funds	12		950,000		546,669
			<u>1,107,161</u>		<u>479,856</u>

The notes on pages 13 to 24 form part of these financial statements

The accounts were approved by the Board on 19 September 2019, and were signed on their behalf by:



**Jenny Cleminson – (Trustee)**

Date: 19 September 2019

**BIRMINGHAM MULTI-CARE SUPPORT SERVICES LIMITED****STATEMENT OF CASHFLOWS**  
**For the year ended 31 March 2019**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities:</b>		
<b>Net expenditure for the year</b>	<b>(22,966)</b>	<b>(73,837)</b>
<b>Cash flows from operating activities</b>		
Interest received	(177)	(32)
Depreciation	136	11,952
Decrease in Debtors	4,869	20,393
Increase in Creditors	139	3,312
<b>Net cash used by operating activities</b>	<b>(17,999)</b>	<b>(38,212)</b>
<b>Cash flows from investment activities:</b>		
Interest received	177	32
Payments to acquire fixed assets	(1,650)	-
<b>Net cash used in investment activities</b>	<b>(1,473)</b>	<b>32</b>
<b>Change in cash and cash equivalents in the reporting period</b>	<b>(19,472)</b>	<b>(38,180)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>71,012</b>	<b>109,192</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>51,540</b>	<b>71,012</b>

# **BIRMINGHAM MULTI-CARE SUPPORT SERVICES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 March 2019**

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### **1 ACCOUNTING POLICIES**

The principal accounting policies adopted, judgements and key sources of estimation in the preparation of the financial statements are as follows:

#### **1.1 General information and basis of preparation**

Birmingham Multi-Care is a charitable company domiciled in the United Kingdom. The address of the registered office is shown on the legal and administrative information page of this report. The nature of the company's operations and principal activities are the provision of services to people in Birmingham who have multiple disabilities and respite to their parents and carers. The charity constitutes a public benefit as defined by FRS102.

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 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

In the trustees' Report, there is a review of the charity's current financial performance, liquidity and the ability to meet its current and future obligations. Financial projections into the foreseeable future have been made taking into consideration the potential risks to various income streams to Birmingham Multi-Care. As a result of this analysis, the trustees have reasonable assurance that the charity is able to continue with its operations for the foreseeable future. Therefore, the financial statements are prepared on a going concern basis under the historical cost convention as modified to include property at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

#### **1.2 Income recognition**

Income from grants for charitable activities is recognised when earned. Other trading activities, investment and other income is recognised when received. Donations and legacies are recognised when notified provided the conditions for their receipt have been met and there is reasonable certainty of receipt and the amounts can be measured reliably.

No amount is included in the financial statements for volunteer time in line with SORP (FRS 102).

#### **1.3 Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate costs related to the category. Expenditure is recognised where there is legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as an expense against the activity for which the expenditure arose.

# **BIRMINGHAM MULTI-CARE SUPPORT SERVICES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 March 2019**

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### **1 ACCOUNTING POLICIES (CONTINUED)**

#### **Expenditure recognition (continued)**

As per FRS 102, governance costs form part of the charitable expenditure in the Statement of Financial Activities (SOFA) but more details is shown in Note 5 to the accounts. Charitable expenditure comprises those costs directly incurred in carrying out its charitable activities and expenditure of an indirect nature necessary to support these activities. Governance costs are those associated with the constitutional and statutory requirements of the charitable company and include audit fees and costs incurred in the strategic management of the charitable company.

Rental charges payable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the term of the lease. Assets held under finance leases are shown as fixed assets and depreciated over the life of the lease.

#### **1.4 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost or valuation deemed cost (or deemed cost as per FRS 102 first adoption rules) less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life. The rates used are:

Freehold property	2% straight line
Office machinery	25% straight line
Fixtures and fittings	25% straight line
Motor vehicles	25% straight line

Purchases of equipment and any fixtures and fittings deemed to be additions, as distinct from replacements, are capitalised if the initial cost of the asset exceeds £1,000. Otherwise the cost is treated as an expense.

Where the current value of a tangible fixed asset is found to be less than its carrying value, the asset is written down to its recoverable amount. The loss on impairment is charged to the appropriate expenditure category in the statement of financial activities. The charitable company currently has no assets to which impairment provisions apply.

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date. Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains are recognised within the statement of financial activities unless they reverse a charge for impairment that has previously been recognised as a cost within expenditure headings of the statement of financial activity. Revaluation losses are recognised as an expense in the relevant expenditure heading of the Statement of financial activities except to the extent to which they offset any previous revaluation gains, in which case the loss is shown in the 'Gains/(losses) on the revaluation of fixed assets section of the statement of financial activities.

# **BIRMINGHAM MULTICARE SUPPORT SERVICES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 March 2019**

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### **1 ACCOUNTING POLICIES (CONTINUED )**

#### **1.5 Operating lease**

Rentals payable are charged to the statement of financial activities on a straight line basis over the term of lease

#### **1.6 Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price.

#### **1.7 Funds accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which a donor has specified to be solely used for particular areas of the charity's activities

#### **1.8 Going concern**

These accounts have been prepared on a going concern basis. The Trustees have considered current funding streams and reviewed the 2019/20 budget. The grant income for the coming year from the local authorities has been confirmed and a detailed review of budgeted income and expenditure 2019/20 has been undertaken. Asha House day care activities are being reviewed and aligned with Midland Mencap's community hub services to ensure that wellbeing activities and opportunities continue to be delivered despite expected cuts to its budget. The parent company, Midland Mencap, has formally committed, through its Board of Trustees, to underwrite any necessary investment to services that may be required in the ordinary course of providing operational services and activities to the citizens and carers of Birmingham Multi-Care. The Trustees are therefore satisfied that there are sufficient assets and funds for the Charitable Company to remain a going concern.

#### **1.9 Financial Instruments**

The charitable company enters into only basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares. 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.

**BIRMINGHAM MULTI-CARE SUPPORT SERVICES LIMITED****Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2019****2 Donations and legacies**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2019 £</b>	<b>Total 2018 £</b>
Donations	24	-	24	37,220
	<u>24</u>	<u>-</u>	<u>24</u>	<u>37,220</u>

Donations received in 2018 all related to unrestricted funds.

**3 Investment income**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2019 £</b>	<b>Total 2018 £</b>
Interest receivable	177	-	177	32
	<u>177</u>	<u>-</u>	<u>177</u>	<u>32</u>

All investment income received in 2018 all related to unrestricted funds.

**4 Income from charitable activities**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2019 £</b>	<b>Total 2018 £</b>
Grants receivable	-	225,066	225,066	225,065
Income from activities	646,910	-	646,910	678,591
	<u>646,910</u>	<u>225,066</u>	<u>871,976</u>	<u>903,650</u>

Of the £903,656 total income in 2018, £225,065 was restricted income and £678,591 was unrestricted income.



# **BIRMINGHAM MULTI-CARE SUPPORT SERVICES LIMITED**

## **Notes to Financial Statements (continued) For the Year ended 31 March 2019**

### **5 Resources expended**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2019 £</b>	<b>Total 2018 £</b>
<b>Charitable expenditure</b>				
Salaries, wages and social security	567,803	225,066	792,869	871,709
Other direct costs	98,751	-	98,751	127,084
Governance	4,000	-	4,000	4000
Depreciation	136	-	136	11,952
	<u>670,690</u>	<u>225,066</u>	<u>895,756</u>	<u>1,014,745</u>

Of the £1,014,745 expended in 2018, £225,065 was restricted expenditure and £789,680 was unrestricted expenditure.

### **5a Net incoming resources for the year**

Net incoming resources are stated after charging:

	<b>2019 £</b>	<b>2018 £</b>
Depreciation	136	11,952
Exceptional bad debt provision	-	17,150
Auditor's remuneration	4,000	4,000
	<u>4,136</u>	<u>33,102</u>

## BIRMINGHAM MULTI-CARE SUPPORT SERVICES LIMITED

### Notes to the Financial Statements (continued) For the year ended 31 March 2019

#### 6 Trustees

During the year, no trustees were reimbursed out of pocket expenses (2018: £nil). No Trustee received any remuneration (2018: £nil). There were no donations from Trustees to the charitable company (2018: Nil)

#### 7 Employees

##### Total Staff costs

	2019 £	2018 £
Wages & salaries	747,499	827,968
National Insurance	38,735	40,258
Pension	6,634	3,483
	<u>792,869</u>	<u>871,709</u>

##### Number of employees

	2019 No.	2018 No.
The average number of employees during the year was:	<u>74</u>	<u>84</u>

In 2018/19 the senior management emoluments amounted to £16,317 (2018: £45,593). Senior managers resigned on 24 August 2018 and were not replaced. The parent company took on senior management responsibilities but no further charges from the parent company were made to Birmingham Multi-Care.

There was no employee whose annual emoluments exceeded £60,000 (2018: Nil employees).

# **BIRMINGHAM MULTI-CARE SUPPORT SERVICES LIMITED**

## **Notes to the Financial Statements (continued)** **For the year ended 31 March 2019**

<b>8</b>	<b>Tangible fixed assets</b>				
		<b>Freehold Property £</b>	<b>F&amp;F &amp; Equipment £</b>	<b>Motor Vehicles £</b>	<b>Total £</b>
	<b>Cost</b>				
	At 1 April 2018	559,086	132,039	7,000	698,125
	Revaluation	390,914	-	-	390,914
	Additions	-	1,650	-	1,650
	Disposals	-	-	(7,000)	(7,000)
	At 31 March 2019	950,000	133,689	-	1,083,689
	<b>Depreciation</b>				
	At 1 April 2018	259,357	132,039	7,000	398,396
	Charge for year	-	136	-	136
	Disposals	-	-	(7,000)	(7,000)
	Revaluation	(259,357)	-	-	(259,357)
	At 31 March 2019	-	132,175	-	132,175
	<b>Net book value</b>				
	At 31 March 2019	950,000	1,514	-	951,514
	At 31 March 2018	299,729	-	-	299,729

All three properties, 7 Silver Birch Road, 4 Greswolde Park Road and 7 Braithwaite Road, were revalued in August 2019. The August 2019 valuation has been used to reflect the value of the properties as at March 2019 financial year end because there are no material changes in the value of the properties between March 2019 and valuation date. The properties were valued by Burchell Edwards who are a property services and estate agency company.

**BIRMINGHAM MULTI-CARE SUPPORT SERVICES LIMITED****Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2019****9 Debtors**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade debtors	137,818	127,862
Prepayments and accrued income	8,212	23,037
	<u>146,030</u>	<u>150,899</u>

**10 Creditors: amounts falling due within one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade creditors	9,807	5,187
Accruals and deferred income	32,116	36,597
	<u>41,923</u>	<u>41,784</u>

# BIRMINGHAM MULTI-CARE SUPPORT SERVICES LIMITED

## Notes to the Financial Statements (continued) For the year ended 31 March 2019

### 11 Unrestricted fund – Current year

	Balance at 1 April 2018	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 March 2019 £
Reserves	(66,813)	647,724	(670,690)	246,940	157,161
	<u>(66,813)</u>	<u>647,724</u>	<u>(670,690)</u>	<u>246,940</u>	<u>157,161</u>

### Unrestricted fund – Prior year

	Balance at 1 April 2017	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 March 2018 £
Reserves	(7,024)	715,843	(789,680)	-	(66,813)
	<u>(7,024)</u>	<u>715,843</u>	<u>(789,680)</u>	<u>-</u>	<u>(66,813)</u>

### 12 Restricted funds – Current year

	Balance at 1 April 2018	Incoming resources £	Outgoing resources £	Transfers £	Revaluation £	Balance at 31 March 2019 £
Day Centre	-	65,779	65,779	-	-	-
Greswolde Park Road	-	87,608	87,608	-	-	-
Silver Birch Road	-	71,679	71,679	-	-	-
Freehold property:						
Cost	546,669	-	-	(246,940)	-	299,729
Revaluation	-	-	-	-	-	650,271
	<u>546,669</u>	<u>225,066</u>	<u>225,066</u>	<u>(246,940)</u>	<u>650,271</u>	<u>950,000</u>

## BIRMINGHAM MULTI-CARE SUPPORT SERVICES LIMITED

### Notes to the Financial Statements (continued) For the year ended 31 March 2019

#### 12 Restricted funds – Prior year

	Balance at 1 April 2017	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 March 2018 £
Day Centre	104,495	-	-	-	104,495
Greswolde Park Road	174,799	-	-	-	174,799
Silver Birch Road	267,375	-	-	-	267,375
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	546,669	-	-	-	546,669
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

#### Day centre

Birmingham City Council funds the grant to the Asha House day centre. This grant enables women to access a wide range of day activities that enhance their social interaction, physical and mental wellbeing. This is underpinned by the property which was granted by Birmingham City Council Social Services Department with a proviso that the monies be repaid to them should certain conditions not be met.

#### Greswolde Park Road

Birmingham City Council funds the grant to the Greswolde Park Road care home. The grant enables the provision of respite care services. The care services are provided in a property that was granted by the Secretary of State for Health with conditions that the monies be repaid to him should certain conditions not be met.

#### Silver Birch Road

Birmingham City Council funds the grants to Silver Birch Road care home. The grant enables the provision of respite home care services. The care services are provided in a property that was granted by the Princes Royal Trust and Birmingham City Council with conditions that the monies be repaid to him should certain conditions not be met.

#### Freehold property

#### 4 Greswolde Park Road

The company received a grant of £174,799 towards the purchase and conversion of 4 Greswolde Park Road, Acocks Green, Birmingham from the Secretary of State for Health with a proviso that the monies be repaid to him should certain conditions not be met. As security for repayment, a charge on the property was executed in favour of the Secretary for State.

## **BIRMINGHAM MULTI-CARE SUPPORT SERVICES LIMITED**

### **Notes to the Financial Statements (continued) For the year ended 31 March 2019**

#### **12 Restricted funds – PRIOR YEAR (continued)**

##### **7 Silver Birch Road**

The company also received a grant of £263,600 towards the purchase, conversion and running costs of 7 Silver Birch Road, Erdington, Birmingham from the Princess Royal Trust and Birmingham City Council, with a proviso that monies be repaid to them should certain conditions not be met. As security for repayment, a charge was executed in favour of Birmingham City Council in the sum of £120,000.

##### **7 Braithwaite Road**

The company received grants of £104,495 towards the purchase and conversion of 7 Braithwaite Road, Sparkbrook, Birmingham from Birmingham City Council Social Services Department, with a proviso that the monies be repaid to them should certain conditions not be met.

Freehold property cost represents the value of the properties purchased. The Trustees have considered the allocation of depreciation in respect of these properties and a transfer has been made from restricted reserves to unrestricted reserves to correct the previously misallocated depreciation.

Freehold property revaluation reserve represents the revaluation of freehold properties.

#### **13 Analysis of net assets between funds – Current year**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total £</b>
<b>Fund balances at 31 March 2019 are represented by:</b>			
Tangible fixed assets	1,514	950,000	951,514
Debtors	146,030	-	146,030
Cash at bank and in hand	51,540	-	51,540
Creditors	(41,923)	-	(41,923)
	<hr/>	<hr/>	<hr/>
	157,161	950,000	479,856
	<hr/>	<hr/>	<hr/>

## BIRMINGHAM MULTI-CARE SUPPORT SERVICES LIMITED

### Notes to the Financial Statements (continued)

For the year ended 31 March 2019

#### 13 Analysis of net assets between funds – Prior year (continued)

	Unrestricted funds £	Restricted funds £	Total £
<b>Fund balances at 31 March 2018 are represented by:</b>			
Tangible fixed assets	-	299,729	229,729
Debtors	-	150,899	150,899
Cash at bank and in hand	-	71,012	71,012
Creditors	(41,784)	-	(41,784)
Shortfall in restricted funds	(25,029)	25,029	-
	<u>(66,813)</u>	<u>546,669</u>	<u>479,856</u>

#### 14 Capital commitments

There were no capital commitments as at 31 March 2019.

#### 15 Commitments under operating leases

As at 31 March 2019, the company had no material commitments under non-cancellable operating leases.

#### 16 Post balance sheet events

There were no post balance sheet events.

#### 17 Related party transactions

Midland Mencap took over the management and operations of Birmingham Multi-Care Support Services Limited in April 2018. Birmingham Multi-Care Support Services Limited is a wholly owned subsidiary of Midland Mencap and in the financial year 2018/19, there were no intercompany transactions to report.

The connected Trust (Birmingham Multi-Care - registered Charity number: 511162) was deregistered with the Charities Commission on 23 July 2018.

#### 18 Birmingham Multi-Care Support Services Limited is a wholly owned subsidiary and the ultimate controlling party is Midland Mencap.