

**MERTON CENTRE FOR INDEPENDENT LIVING  
(Merton CIL)**



**FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31 2016**

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Merton CIL is a company limited by guarantee.  
Registered Company No. 7645926  
Registered Charity No. 1152825

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## **LEGAL AND ADMINISTRATIVE INFORMATION**

### **Constitution**

Merton Centre for Independent Living (MCIL) is a company limited by guarantee and a registered charity governed by its memorandum and articles of association. The Charity number is 1152825. The Company number is 7645926.

### **Directors and Trustees**

The directors of the charitable company are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees. As set out in the Articles of Association the Management Board comprises the Chair, the Vice Chair and the Treasurer supported by up to nine trustees. At each Annual General Meeting one-third of the directors must retire from office and may be re-elected at the recommendation of the board. The trustees serving during the year and since the year-end are as follows:

<b>Chair</b>	Roy Benjamin
<b>Vice Chair</b>	Giovanna Vettese (elected 22 <sup>nd</sup> March 2016)
<b>Treasurer</b>	Fiona Ringwood

### **Trustees**

Charles Barraball, Claire Benjamin, R.A. (Slim) Flegg, Sarah Henley, Carole Mathurin, Nick Pizey, Anita Jones

### **Senior Management**

Lyla Adwan-Kamara, CEO

### **Registered Office and Principal Office**

Wandle Valley Resource Centre, Church Road, Mitcham CR4 3BE

### **Independent Examiner**

Lesley Cornwell FCCA, Cornwell & Cornwell, 194 Stanley Road, Teddington, TW11 8UE

### **Principal Bankers**

HSBC, Crown House, 102 London Road, Morden SM4 5AY

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## **REPORT OF THE BOARD OF TRUSTEES for year ending 31 Mar 2016**

The Board presents the report and financial statements of Merton Centre for Independent Living (MCIL) for the year ended 31 March 2016. The statements appear in the format required by the Statement of Recommended Practice for Accounting and Reporting by Charities (revised March 2005). The report and statements comply with Companies Act 2006.

### **Structure, Governance and Management**

#### Governing Document:

Merton Centre for Independent Living (MCIL) is a company limited by guarantee, having no share capital, governed by its Memorandum and Articles of Association dated June 2013. The liability of the Trustees is limited to £1 in the event of the charity winding up. It is registered as a Charity with the Charity Commission.

#### Appointment of Trustees:

The Board of Trustees is made up of not less than three and no more than twelve persons. Trustees are elected from the membership at the AGM or co-opted during the year by agreement of the board and confirmed at the AGM. Trustees must be aged 16 years or older. At least 75% of trustees must be disabled. All trustees give their time voluntarily and receive no financial benefits from the organisation. New trustees are given induction on their roles and responsibilities and are offered additional training.

#### Organisation:

The Board of Trustees administers the charity. The board meets every other month. A CEO is appointed to manage the day-to-day operations of the Charity. To facilitate effective operations, the CEO has delegated authority, within the terms of the delegation approved by the Trustees, for operational matters including finance, employment and practice related issues.

#### Risk Management:

The Directors have reviewed the risks to which the charity is exposed. These are ameliorated by the implementation of procedures and policies, with a regular review of these to ensure current good practice.

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## Objectives and Activities

A summary of the objects as set out in the charity's Governing document.

"To relieve the needs of disabled persons in Merton and the surrounding areas by providing support and services to enable them to live as full and equal citizens in all aspects of life."

### Our Aims:

- To promote the independence and inclusion of disabled and deaf people in Merton;
- Challenge discrimination facing disabled and deaf people in Merton;
- Encourage disabled and deaf people and supporters to achieve change locally.

### Key Activities:

- A home visiting advice service including income maximisation, benefit checks, debt advice, form filling;
- Advocacy helping disabled people get their voice heard, including support at tribunals and assessments;
- Peer Support led by volunteers with lived experience of disability, including a members' group for skills and experience sharing;
- Supported volunteer training and opportunities programme;
- Responding to consultations and reviews, and representing the voice of Merton's disabled people;
- Developing new areas of work around tackling disability hate crime.

### Summary of Achievements:

We directly supported over 300 people through our services over the course of the year covering nearly 1000 cases, in addition to running regular members groups and events engaging and informing disabled people – such as a General Election hustings event.

We also worked extremely hard building the capability and sustainability of the organization as we moved from being a small, to a medium sized organization, having doubled our staff team. This included achieving the Advice Quality Standard, which demonstrates the quality of our advice and advocacy service. We also developed our management and trustee capability through a strengths review and training.

We continued to build on our Policy and Strategy work, ensuring that the voice of disabled people is heard in the borough, and piloted some new work including commissioning a report on the scale of Disability Hate crime in Merton and best practice ways to address this.

## **FINANCIAL REVIEW**

The results for the year and financial position of the Charity are shown in the annexed statements.

The charity brought forward unrestricted funds of £9,723 and restricted funds of £16,217 from the previous accounting period. During the current accounting period, the net surplus is £68,225, of which £12,386 is unrestricted and £55,839 is restricted. This leaves final balances to carry forward of £22,109 unrestricted and £72,056 restricted balance. Since the Balance Sheet date no significant changes have taken place.

The Charity continues to rely on grant applications to fund its activities. The Trustees are confident that these grants will continue to be available for the valuable work the charity is doing.

During the year the Charity's Trustees have monitored the financial position of the organisation to ensure that the charity's funds, both restricted and unrestricted, are correctly applied and accounted for. During 2015-16 the grant funding received increased from £91,200 to £275,881.

## **PLANS FOR FUTURE PERIODS**

We will continue to deliver around the strategic priorities set by members in 2013 which focuses on key areas of work around each of the organisation's 3 aims. We will consolidate existing services, which have been secured through 3 year grants from Big Lottery Reaching Communities Fund, London Borough of Merton Strategic Partnership Fund and Henry Smith Charity for 2015-2018.

We will pilot our new Disability Hate Crime Prevention and Reporting Service, which, following in-depth research into the situation in Merton, we succeeded in securing some funding from MOPAC / London Communities Foundation for 2016-17.

We will begin the process of refreshing our strategy and business plan, and look at securing new funding from 2018 onwards.

## **RESERVES POLICY**

Merton CIL will maintain sufficient reserves to allow it to cover known liabilities and contingencies, absorb setbacks and take advantage of change and opportunity.

Merton Centre for Independent Living must hold unrestricted funds to meet at least 1 month's running costs, and aims towards holding 3 months running costs within 2 years. This will enable Merton CIL to provide reliable services over the long term, and to provide a safety net against dramatic long term swings in income or costs, and sufficient time to replace lost income, through fund raising.

## **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 company and of the profit or loss of the company for that period. In preparing those financial statements, the trustees are required to select suitable accounting policies and then apply them consistently; make judgments and estimates that are reasonable and prudent, and prepare the

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Merton Centre for Independent Living (Merton CIL)

financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the organisation 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 organisation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BY ORDER OF THE BOARD

----- Roy Benjamin (Chair)

----- Fiona Ringwood (Treasurer)

Date .....

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## **INDEPENDENT EXAMINERS REPORT TO THE TRUSTEES OF THE MERTON CENTRE FOR INDEPENDENT LIVING**

I report on the accounts for the year ended 31<sup>st</sup> March 2016 set out on pages 11 which have been prepared under the accounting policies set out on page 13.

### **Respective responsibilities of trustees and examiner**

The Charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 (2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- Examine the accounts under section 145 of the 2011 Act;
- Follow the procedures laid down in the general directions given by the Charity Commission under section 145 (5)(b) of the 2011 Act; and
- State whether particular matters have come to my attention.

### **Basis of independent examiners' report**

My examination was carried out in accordance with the general directions given by the Charity Commissioners. 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 the seeking of explanation from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently, I do not express an opinion on the view given by the accounts.

## Independent examiners' statement

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

1. Which gives me reasonable cause to believe, that in any material respect, the requirements:
  - to keep accounting records in accordance with section 130 of the 2011 Act; and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met; or
  
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

-----  
Date.....

Lesley Cornwell FCCA of Cornwell & Cornwell 194 Stanley Road  
Teddington TW11 8UE

## STATEMENT OF FINANCIAL ACTIVITIES FOR YEAR ENDED MARCH 31 2016<sup>2a</sup>

	Note	Un- restricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
<b>Incoming Resources</b>	2b				
Incoming Resources from Charitable Activities	3a		275,881	275,881	91,200
Voluntary income	3b	165	-	165	72
Fundraising Income	3c	5,181	-	5,181	261
Other Income	3d	7,040	-	7,040	1,940
<b>Total Incoming Resources</b>		<b>12,386</b>	<b>275,881</b>	<b>288,267</b>	<b>93,473</b>
<b>Resources Expended</b>	2c				
Charitable Activities		-	203,767	203,767	93,847
Cost of Fundraising		-	285	285	152
Governance Costs	4k	-	15,990	15,990	1,888
<b>Total Resources Expended</b>		<b>-</b>	<b>220,042</b>	<b>220,042</b>	<b>95,887</b>
<b>Net Incoming Resources</b>		<b>12,386</b>	<b>55,839</b>	<b>68,225</b>	<b>(2,414)</b>
Total Funds Brought Forward	3e	9,723	16,217	25,940	28,354
<b>Total Funds Carried Forward</b>	3f	<b>22,109</b>	<b>72,056</b>	<b>94,165</b>	<b>25,940</b>

There are no recognised gains and losses other than those in the statement of financial activities. Therefore no statement of total recognised gains and losses has been prepared. All the above amounts relate to continuing activities. The notes on pages 13-16 form part of these accounts.

## BALANCE SHEET AT MARCH 31 2016

	Note	2016 £	2015 £
<b>CURRENT ASSETS:</b>			
Cash at bank and in hand		100,171	24,517
Accrued Grant Income	3l	-	3,000
Accrued Interest	3m	83	37
		<b>100,254</b>	<b>27,554</b>
<b>LIABILITIES:</b>			
Creditors: amounts falling due within one year	4l	6,089	1,614
		<b>94,165</b>	<b>25,940</b>
<b>NET CURRENT ASSETS</b>			
		<b>94,165</b>	<b>25,940</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<b>94,165</b>	<b>25,940</b>
<b>RESERVES</b>			
Unrestricted Funds	5	22,109	9,723
Restricted Funds		72,056	16,217
		<b>94,165</b>	<b>25,940</b>

For the year ending 31<sup>st</sup> March 2016 the company was entitled to exemption from audit under section 477 of Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006. The director's acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts. The financial statements were approved by the board on 27<sup>th</sup> September 2016 and signed on its behalf by:

----- (Roy Benjamin, Chair)

----- (Fiona Ringwood, Treasurer)

The notes on pages 13-16 form part of these accounts.

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2016**

1. These Notes form part of the financial statements.

### **2. Accounting Policies**

2a Basis of Accounting: The financial statements have been prepared under the historical cost convention, in accordance with the Companies Act 2006, and in compliance with 'Accounting and Reporting by Charities: Statement of Recommended Practice 2005 (revised 2008)' ("the SORP").

2b Income: from grants, donations and contributions represents the amounts receivable in respect of the year.

2c Expenditure: is recognised in the year in which it is incurred.

2d Fixed Assets should be capitalised and written off over their useful lives on a straight line basis if their purchase value is over £1,000.

2e Voluntary Help: No amounts have been included in these financial statements to reflect the value of services provided free of charge to the charity by volunteers.

2f Pension Costs and other post-retirement benefits: The Company does not currently contribute to any pension scheme.

### **3. Income**

3a Incoming Resources from Charitable Activity means the grants and fees received on the understanding that they will be used to undertake activities to further the charity's objects.

3b Voluntary Income means donations, grants given with no expectation of a specific service in return.

3c Fundraising Income represents various fundraising activities such as the Merton Mayor's Charity, sales of merchandise, and sponsored walks.

3d Other income is earned interest and event facilitation income.

3e Funds brought forward means funding kept from 2014-15 for use in 2015-16.

3f Funds carried forward means funding reserved for 2016-17

3g The organisation has taken advantage of the exemption in Financial Reporting Statement No. 1 from producing a cash flow statement on the grounds that it is a small company.

	<b>Note</b>	<b>Unrestricted Funds</b> £	<b>Restricted Funds</b> £	<b>Total Funds 2016</b> £
<b>Charitable Activities</b>				
Henry Smith Charity	3h	-	30,000	30,000
London Borough of Merton	3i	-	80,000	80,000
Trust For London	3j	-	6,000	6,000
The Big Lottery	3k	-	159,881	159,881
<b>Total Income from Charitable Activities</b>			<b>275,881</b>	<b>275,881</b>
Voluntary Income		165	-	165
Fundraising Income		5,181	-	5,181
Other Income		7,040	-	7,040
<b>Total Incoming Resources</b>		<b>12,386</b>	<b>275,881</b>	<b>288,267</b>

3h Henry Smith Charity core funding support

3i London Borough of Merton Strategic Partnership funding for Advice and Advocacy, and for our Policy and Strategy work

3j Trust For London funding for Advocacy

3k The Big Lottery Reaching Communities funding including for Advice and Advocacy and Supported Volunteering projects

3l Accrued Grant Income: Trust for London Grant Income quarterly installment for the year received in the following year.

3m Accrued interest relates to interest on cash held at bank for the year 2015/2016 and received April 2016.

#### **4. Expenditure**

4a No trustee or any other person related to a trustee had any personal interest in any contract or transaction entered into by the Charity during the year.

4b The Trustees have complied with the duty in Section 4 of the Charities Act 2006 to have regard to the public benefit guidance published by the Charities Commission.

## Costs Allocated to Activities 2016

	Note	Unrestricted Funds	Restricted Funds	Total Funds 2016
		£	£	£
<b>Cost of Charitable Activities</b>				
Salaries and associated costs	4c	-	159,074	159,074
Hardware and software	4d	-	9,124	9,124
Training	4e	-	1,964	1,964
Events	4f	-	3,609	3,609
Publicity	4g	-	239	239
Office overheads	4h	-	19,541	19,541
Consultancy	4i	-	8,278	8,278
Support				
Volunteer training and support	4j	-	1,938	1,938
<b>Total Cost of Charitable Activities</b>		-	<b>203,767</b>	<b>203,767</b>
<b>Cost of Fundraising Activity</b>		-	285	285
<b>Governance</b>	4k	-	15,990	15,990
<b>Total Resources Expended</b>		-	<b>220,042</b>	<b>220,042</b>

4c Salaries and associated costs includes:

Salaries £146,134, Employers' NIC £9,177, Other (DBS checks, HR costs, Occupational Health Review) £3,763

The number of employees whose emoluments amounted to over £60,000 during the year was nil.

4d Hardware and software includes new computers and printers, office furniture and a new Customer Database.

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4e Training includes staff training and development.

4f Events includes: General Election Hustings, April 2015; My Voice Matters: Let's Speak Out; December 2015; and Independence What Does It Mean To You?, February 2016

4g Publicity includes leaflets and flyers.

4h Office Overheads includes rent, office supplies, travel, bookkeeping and telecommunications

4i Consultancy includes Advice Quality Standard Support and research commissioned into the scale of Disability Hate Crime in Merton

4j Volunteer training and support includes expenses related to volunteers

4k Governance includes AGM 2015, accounting fees, insurance, subscriptions, Capacity Training of the Board for which we received specific funding, and Advice Quality Standard Fees

4l Liabilities on balance sheet relates to expenses accrued and accounting fees.

## 5. Reserves

These funds have been designated to cover future running costs in the event of lack of funding, in accordance with the reserves policy.