

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



**FINANCIAL STATEMENTS
YEAR ENDED MARCH 31 2017**

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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:

Chair	Roy Benjamin
Vice Chair	Giovanna Vettese
Treasurer	Fiona Ringwood

Trustees Charles Barraball, Claire Benjamin, Fitzroy Dawson (appointed 20/10/2016), R.A. (Slim) Flegg, Sarah Henley, Anita Jones, Petra Jones (appointed 20/10/2016), Carole Mathurin (stood down 30/09/2016), Nick Pizey

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 Bank Plc, 75-77 High Street, Sutton, SM1 1DU

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REPORT OF THE BOARD OF TRUSTEES for year ending 31 Mar 2017

The Board presents the report and financial statements of Merton Centre for Independent Living (MCIL) for the year ended 31 March 2017. 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

History:

The organisation was originally started as a steering group in 2008, it were incorporated as a company in 2011 and registered as a charity in 2013.

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 and Special Resolution dated October 2016. 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 quarterly. 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

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and maintain a risk register. Risks are ameliorated by the implementation of procedures and policies, with a regular review of these to ensure current good practice.

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 Vision: is to enable Deaf and Disabled people to take control over their lives and achieve full participation in Merton and wider society.

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:

- Advice and Advocacy Support covering: Benefits; Budgeting and basic money advice; Community Care; Health; Housing
- Hate Crime Prevention and Reporting
- Supported Volunteering
- Voice Activity including: A range of regular groups, events and debates; Policy work on key issues affecting local Deaf and Disabled people

Summary of Achievements:

We built our capability and sustainability through the year by restructuring our staff team to facilitate more seamless and better quality delivery. We also developed our trustee board through in-depth governance training.

We provided nearly 1,100 sessions of 121 support through our services and engaged with over 400 unique individuals through direct support as well as at events and consultations. Some key events during the year included a panel discussion on the EU Referendum, and "My Voice Matters: My Future Matters" where we co-produced our 2018-23 strategy and film with members.

We continued to build on our Policy and Strategy work, ensuring that the voice of disabled people is heard in the borough around topics like Welfare Reform, Social Care Budgets, and Hate Crime.

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 £22,109 and restricted funds of £72,056 from the previous accounting period. During the current accounting period, the net surplus is £25,331, of which £15,415 is unrestricted and £9,915 is restricted. Following a transfer from restricted to unrestricted funds, this leaves final balances to carry forward of £45,189 unrestricted and £74,306 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

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2016-17 the grant funding received increased from £275,881 to £299,640.

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. 2017-18 will be the final year of delivery on that strategy, which has been funded by 3 year grants secured from Big Lottery Reaching Communities Fund, London Borough of Merton Strategic Partnership Fund and Henry Smith Charity for 2015-2018.

We will also continue our new Disability Hate Crime Prevention and Reporting Service, for which we have secured additional funding from MOPAC / London Communities Foundation for 2017-18.

We have co-produced our 2018-23 strategy and are working on 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

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judgments and estimates that are reasonable and prudent, and prepare the 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

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

I report on the accounts for the year ended 31st March 2017 set out on pages 11 and 12 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, no opinion is view 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 examiners' statement

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

- accounting records have not been kept in accordance with section 386 of the Companies Act 2006;
- the accounts do not accord with such records:
- where accounts are prepared on an accruals basis, whether they fail to comply with relevant accounting requirements under section 396 of the Companies Act 2006, or are not consistent with the Charities SORP (FRS102)
- any matter which the examiner believes should be drawn to the attention of the reader to gain a proper understanding of the accounts apart from that set out below:

A former employee has made an application to an Employment Tribunal with regard to alleged unfair dismissal. The Charity Commission has been advised.

Date 22 June 2017

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

STATEMENT OF FINANCIAL ACTIVITIES FOR YEAR ENDED MARCH 31 2017^{2a}

	Note	Un- restricted Funds £	Restricted Funds £	Total Funds 2017 £	Total Funds 2016 £
Incoming Resources	2b				
Incoming Resources from Charitable Activities	3a		299,640	299,640	275,881
Voluntary income	3b	1,472	-	1,472	165
Fundraising Income	3c	13,615	-	13,615	5,181
Other Income	3d	328	-	328	7,040
Total Incoming Resources		15,415	299,640	315,055	288,267
Resources Expended	2c				
Charitable Activities		-	270,320	270,320	203,767
Cost of Fundraising		-	-	-	285
Governance Costs	4k	-	19,405	19,405	15,990
Total Resources Expended		-	289,725	289,725	220,042
Net Incoming Resources		15,415	9,915	25,330	68,225
Transfer between funds	3e	7,665	(7,665)		
Total Funds Brought Forward	3f	22,109	72,056	94,165	25,940
Total Funds Carried Forward	3g	45,189	74,306	119,495	94,165

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.

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BALANCE SHEET AT MARCH 31 2017

	Note	2017 £	2016 £
CURRENT ASSETS:			
Cash at bank and in hand		150,665	100,171
Accrued Interest and prepayments	3n	960	83
		151,625	100,254
LIABILITIES:			
Creditors: amounts falling due within one year	4h	32,130	6,089
		119,495	94,165
NET CURRENT ASSETS			
		119,495	94,165
TOTAL ASSETS LESS CURRENT LIABILITIES			
		119,495	94,165
RESERVES			
Unrestricted Funds	5	45,189	22,109
Restricted Funds		74,306	72,056
		119,495	94,165
TOTAL RESERVES			
		119,495	94,165

For the year ending 31st March 2017 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 22nd June 2017 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 2017

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 (FRS 102) ("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 contributes to NEST on behalf of eligible employees.

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, and sales of merchandise.

3d Other income is earned interest.

3e £7,665 has been transferred from restricted to unrestricted funds. This represents a management recharge on projects delivered.

3f Funds brought forward means funding kept from 2015-16 for use during 2016-17.

3g Funds carried forward means funding reserved for 2017-18

3h The organisation has taken advantage of the exemption in FRS 102 from producing a cash flow statement on the grounds that it is an exempt entity.

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Charitable Activities				
Henry Smith Charity	3i	-	30,000	30,000
London Borough of Merton	3j	-	80,000	80,000
MOPAC / London Communities Fdn	3k	-	30,000	30,000
The Big Lottery	3l	-	156,975	156,975
Merton Partnership	3m	-	2,665	2,665
Total Income from Charitable Activities			299,640	299,640
Voluntary Income		1,472	-	1,472
Fundraising Income		13,615	-	13,615
Other Income		328	-	328
Total Incoming Resources		15,415	299,640	315,055

3i Henry Smith Charity core funding support

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

3k MOPAC / London Communities Foundation grant for Hate Crime

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

3m Merton Partnership funding in respect of a partnership activity project with Age UK Merton

3n Accrued interest relates to interest on cash held at bank for the year 2016/2017 and received April 2017. Prepayments relates to invoices paid in advance.

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.

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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.

4c Salaries and associated costs of £218,274 includes: Salaries £173,430, Employers' NIC £12,862, Pensions £2,377, Seconded Staff £24,068, Other (DBS checks, HR costs) £5,537. The number of employees whose emoluments amounted to over £60,000 during the year was nil.

Costs Allocated to Activities 2017

	Note	Restricted Funds
		£
Cost of Charitable Activities		
Advice and Advocacy	4d	161,878
Disability Hate Crime Prevention	4e	41,326
Inclusion, Engagement and Supported Volunteering	4f	61,855
Policy and Strategy	4g	24,666
Total Cost of Charitable Activities		<u>289,725</u>

4d Advice and advocacy supports disabled people to resolve issues around benefits, community care, health and housing.

4e Disability Hate Crime Prevention supports disabled people to report and deal with hate crime and includes preventative work around hate crime.

4f Inclusion, Engagement and supported volunteering includes our members' group events and consultations with disabled people, as well as a programme supporting disabled people into volunteering.

4g Policy and strategy Programme supports local disabled people to have a voice on policy issues and uses evidence to influence policy and strategy improvements.

4h Liabilities on balance sheet relates to income received in advance, expenses accrued and accounting fees.

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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.

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