

Merton Centre for Independent Living (Merton CIL)

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



**FINANCIAL STATEMENTS
YEAR ENDED MARCH 31 2019**

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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.

Charity number 1152825. Company number 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** Sarah (Sally) Yarwood

Trustees Claire Benjamin, Fitzroy Dawson, Amanda Edwards, R.A. (Slim) Flegg, Estifanos Habtesellasi, Sarah Henley, Petra Jones¹, Raheema Olajide²

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

¹ Stood down 25/10/2018

² Appointed 25/10/2018

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REPORT OF THE BOARD OF TRUSTEES for year end 31 March 2019

The Board presents the report and financial statements of Merton Centre for Independent Living (MCIL) for the year ended 31 March 2019. 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 incorporated as a company in 2011 and registered as a charity in 2013.

Governing Document:

Merton Centre for Independent Living 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.

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 where necessary.

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 operations.

Risk Management:

The Directors have reviewed the risks to which the charity is exposed 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.

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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 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 and low income; Community Care and Health; Housing and Independent Living
- Hate Crime Prevention and Reporting
- Voice Activity including: A range of regular groups, events, debates
- Policy work on key issues affecting local Deaf and Disabled people

Summary of Achievements:

We provided Advice, Advocacy and Hate Crime support in 423 cases. We provided nearly 1,400 sessions of in-depth casework, and information, signposting, guidance and connection was provided in a further 155 cases. Top areas of support were Benefits and low income; Community care & health; Housing & independent living; Hate crime.

311 unique individuals were supported through our casework services and we had 322 members a 22% increase on last year. People do not need to be a member to use our services. 1,451 people engaged with Merton CIL in person through events activities and outreach, and another 3,328 engaged with us across our social media platforms. We held 24 events and activities,

Merton Centre for Independent Living (Merton CIL)

including our Craftivism and Chat members group, pop-ups across Merton and My Voice Matters where we celebrated our 10th Anniversary.

We continued to build on our Policy and Strategy work, ensuring that the voice of Deaf and Disabled people is heard in the borough around topics like Welfare Reform, Social Care cuts, and Hate Crime. In particular we worked on addressing local issues with Personal Independence Payments, including making a film with Merton Council, and we published a report 'Choice, Control and Independent Living' which was launched in October 2018 with a panel discussion on the Future of Social Care.

Through Craftivism and Chat, we supported our members to respond to a range of consultations including responding to the Local Government Green Paper on Social Care, responding to DEFRA's plans to ban plastic straws, Merton Council's Local Plan consultation, local health service plans on sexual health services, and more.

Merton CIL was the lead partner in a Pan-London hate crime prevention partnership, supporting other Deaf and Disabled People's Organisations to strengthen their response to hate crime and harassment towards Deaf and Disabled People, as well as supporting them to develop their evaluation capabilities.

See our 2018-19 Impact Report for further details of the year's achievements

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 £53,177 and restricted funds of £49,368 from the previous accounting period. During the current accounting period, the net surplus is £11,709 of which there is £7,990 unrestricted raised during the year and a small underspend of £3,719 restricted funds. Following a transfer of £8,480 from restricted to unrestricted funds, this leaves final balances to carry forward of £69,647 unrestricted and £44,877 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

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charity's funds, both restricted and unrestricted, are correctly applied and accounted for. During 2018-19 the grant funding received increased from £332,049 to £394,956.

PLANS FOR FUTURE PERIODS

Our 2018-21 co-produced strategy has 3 priority areas 1) Increased financial security and resilience; 2) Greater ability to live independently; 3) Being able to live safe and well. We have secured funding to ensure delivery across core areas and our benefits and community care advice service has grown in size in 2019-21. However, loss of funding from London Borough of Merton resulted in the closure of our housing advice and health advocacy services from May 2019. We are undertaking a review of housing needs and issues for Disabled People in Merton to support future funding applications for this service. We are also developing our use of volunteers to support delivery of health advocacy. Original 2019 growth targets for the development of new services around Young Disabled People, and Debt Advice (for which we would need additional registration) have been put on hold until 2020, however, the development of an Independent Living Toolkit is on schedule.

We have been given notice on our current offices as London Borough of Merton has decided to sell the building. Our tenancy ends 30th November 2019 and we are in negotiations for alternative properties.

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 will hold unrestricted funds to meet at least 1 month's running costs, and aims towards holding 3 months running costs by 2020. This will enable Merton CIL to provide reliable services over the long term, and to provide a safety net against dramatic swings in income or costs, and sufficient time to replace lost income, through fund raising.

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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 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


----- Gina Vettese (Vice Chair)


----- Sarah Yarwood (Treasurer)

Date 25th July 2019

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

I report on the accounts for the year ended 31st March 2019 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:



Date 19th July 2019

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

STATEMENT OF FINANCIAL ACTIVITIES FOR YEAR ENDED MARCH 31 2019^{2a}

	Note	Un- restricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
Incoming Resources	2b				
Incoming Resources from Charitable Activities	3a		394,956	394,956	332,049
Voluntary income	3b	7,716	-	7,716	266
Other Income	3c	273	-	273	862
Total Incoming Resources		7,990	394,956	402,946	333,177
Resources Expended	2c				
Charitable Activities	4i	-	386,039	386,039	344,479
Governance Costs	4k	-	5,198	5,198	5,378
Total Resources Expended		-	391,237	391,237	349,857
Net Incoming / (Outgoing) Resources		7,990	3,719	11,709	(16,680)
Transfer between funds	3d	8,480	(8,480)	-	
Total Funds Brought Forward	3e	53,177	49,638	102,815	119,495
Total Funds Carried Forward	3f	69,647	44,877	114,524	102,815

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 31 MARCH 2019

	Note	2019 £	2018 £
CURRENT ASSETS:			
Cash at bank and in hand		155,896	125,862
Accrued Interest and prepayments	3r	1,628	679
		157,523	126,541
LIABILITIES:			
Creditors: amounts falling due within one year	4j	42,999	23,720
		114,524	102,815
NET CURRENT ASSETS			
		114,524	102,815
TOTAL ASSETS LESS CURRENT LIABILITIES			
		114,524	102,815
RESERVES			
Unrestricted Funds	5	69,647	53,177
Restricted Funds		44,877	49,638
		114,524	102,815

For the year ending 31 March 2019 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 Directors' 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 25th July 2019 and signed on its behalf by:


----- (Gina Vettese, Vice Chair)


----- (Sarah Yarwood, Treasurer)

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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 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 or grants given with no expectation of a specific service in return.

3c Other income is earned interest and funds received for consultation contributions.

3d £8,500 has been transferred from restricted to unrestricted funds. This represents a NIC rebate and management transfers in respect of additional work undertaken by the organisation to further its objects.

3e Funds brought forward means funding retained from 2017-18 for use during 2018-19.

3f Funds carried forward means funding reserved for 2019-20.

3g 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.

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	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Charitable Activities				
Henry Smith Charity	3h	-	30,000	30,000
London Borough of Merton	3i	-	80,000	80,000
MOPAC / London Communities Fdn	3j	-	35,000	35,000
The Big Lottery	3k	-	164,624	164,624
Clarion Housing	3l	-	492	492
Merton Voluntary Service Council	3m	-	1,000	1,000
Trust for London	3n	-	80,000	80,000
Wimbledon Fdn	3o	-	3,590	3,590
Kingston Burrows	3p	-	250	250
Total Income from Charitable Activities	3a		394,956	394,956
Voluntary Income	3b	7,716	-	7,716
Other Income	3c	273	-	273
Total Incoming Resources	2b	7,990	394,956	402,946

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 MOPAC / London Communities Foundation grant for Hate Crime.

3k The Big Lottery Reaching Communities funding including for Advice and Advocacy service and early prevention policy work. Includes £15,000 Building Capabilities funding

3l Clarion Housing contribution towards our Craftivism and Chat group

3m Funding from MVSC in recognition of our work on Social Prescribing in Merton

3n Trust for London funding for a 3-year pan-London hate crime prevention partnership programme where Merton CIL is the lead partner

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3o Wimbledon Foundation/London Communities Foundation funding received towards our Craftivism and Chat group

3p Kingston Burrows contribution towards our Craftivism and Chat group

3q Accrued interest relates to interest on cash held at bank for the year 2018/2019 and received in April 2019. 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.

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 £285,900 includes: Salaries £234,879, Employers' NIC £20,940, Pensions £8,636, HR Costs £12,089, Other (DBS checks, Travel, Development) £9,356. The number of employees whose emoluments amounted to over £60,000 during the year was nil.

Costs Allocated to Activities 2019

	Note	Restricted Funds £
Cost of Charitable Activities		
Advice and Advocacy	4d	217,004
Disability Hate Crime Prevention	4e	120,054
Inclusion and Engagement	4f	17,418
Policy and Strategy	4g	19,866
Building Capabilities	4h	8,056
Young People	4i	4,062
Total Cost of Charitable Activities		<u>386,039</u>

4d Advice and advocacy supports disabled people to resolve issues around benefits, community care, health and housing. It includes early prevention policy work.

4e Disability Hate Crime Prevention supports disabled people to report and deal with hate crime and includes preventative work around hate crime both in Merton and as part of our pan-London work.

4f Inclusion and Engagement includes our Craftivism and Chat group and events, activities and consultations with Deaf and Disabled People.

4g Policy and Strategy Programme supports local Deaf and Disabled People to have a voice on policy issues and uses evidence to influence policy and strategy improvements.

4h The Building Capabilities programme is funded by the Big Lottery and supports the organisation to undertake capability training and development to improve the ability of the organisation to support its service users

4i Exploratory research and engagement with Young Disabled People was started during the year. This had to be put on hold due to resource challenges

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

4k Governance costs include accounting and audit costs, Annual General Meeting costs, insurance, trustee expenses.

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. According to the business continuity plan £23,600 of reserves is designated to secure immediate business continuity and the Board has approved this to be set aside in a Designated Fund.

RESERVES	£	2019	£	2018	£
Designated Funds	23,600		13,600		
General Funds	<u>46,047</u>		<u>39,577</u>		
Unrestricted Funds		69,647		53,177	
Restricted Funds		44,877		49,638	
TOTAL RESERVES		114,524		102,815	