

Company Registration No 889191

**MENCAP LIMITED**

**Report and Financial Statements**

**31 March 2007**

WEDNESDAY



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# **MENCAP LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2007**

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## **MENCAP LIMITED**

### **OFFICERS AND PROFESSIONAL ADVISERS**

**Company Registration No. 889191**

#### **Directors**

A Dyckhoff

S Kelly

J Tranter (appointed 19 April 2006)

#### **Secretary**

J Tranter

#### **Registered Office**

123 Golden Lane

London

EC1Y 0RT

#### **Bankers**

Barclays Bank Plc

Level 28

1 Churchill Place

London

EC14 5HP

#### **Auditors**

Horwath Clark Whitehill LLP

St Bride's House

10 Salisbury Square

London EC4Y 8EH, UK

# MENCAP LIMITED

## DIRECTORS' REPORT

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This directors' report has been prepared in accordance with the special provisions relating to small companies in accordance with section 246(4) of the Companies Act 1985

The directors present their annual report and the audited financial statements for the year ended 31 March 2007

### Activities

The principal activity of the company during the year remained the retailing of cards and gifts

### Review of Results and Future Prospects

The results for the year to 31 March 2007 are set out in the attached financial statements. The company made neither a profit nor a loss in the current year. The directors intend to continue with the present activities of the company.

### Directors and their interests

The following directors served during the year and subsequent to the year end:

A Dyckhoff  
S Kelly  
D Lawrence (retired 19 April 2006)  
J Tranter (appointed 19 April 2006)

None of the directors had any interests in the share capital of the company nor any other group company at 31 March 2007

### Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the financial statements. The directors have chosen to prepare accounts for the company in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP). Company law requires the directors 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 and comply with UK GAAP and the Companies Act 1985. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company, for safeguarding the assets, for taking reasonable steps for the prevention and detection of fraud and other irregularities and for the preparation of a directors' report which complies with the requirements of the Companies Act 1985.

**DIRECTORS' REPORT (continued)**

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**Provision of information to auditors**

Each of the persons who is a director at the date of approval of this report confirms that

- (1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- (2) the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of the Companies Act 1985

**Auditors**

A resolution to appoint Horwath Clark Whitehill LLP will be proposed at the forthcoming Annual General Meeting

Approved by the Board of Director  
and signed on behalf of the Board



J Tranter  
Secretary  
17th Sept 2007

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MENCAP LIMITED**

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We have audited the financial statements of Mencap Limited for the year ended 31 March 2007 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes 1 to 12. These financial statements have been prepared in accordance with the accounting policies set out therein

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors' 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 its members as a body, for our audit work, for this report, or for the opinion we have formed

### **Respective responsibilities of the trustees and auditors**

The responsibilities of the directors for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Director's Responsibilities on page 2

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland)

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985 and whether the information given in the Director's Report is consistent with the financial statements

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions with the company is not disclosed

We read the Director's Report and consider the implications for our report if we become aware of any apparent misstatements within it

### **Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements

## MENCAP LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MENCAP LIMITED (cont'd)

#### Unqualified opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the company as at 31 March 2007 and of its result for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in Director's Report is consistent with the financial statements

  
Horwath Clark Whitehill LLP

Chartered Accountants and Registered Auditors

Date  7 September 2007

St Bride's House  
10 Salisbury Square  
London EC4Y 8EH

# MENCAP LIMITED

## PROFIT AND LOSS ACCOUNT YEAR ENDED 31 MARCH 2007

	Note	2007 £	Restated 2006 £
<b>TURNOVER</b>	1	206,374	235,691
Cost of sales		(196,042)	(210,520)
<b>GROSS PROFIT</b>		10,332	25,171
Administration expenses		(3,351)	(3,981)
<b>OPERATING PROFIT</b>	2	6,981	21,190
Payment under Gift Aid	3	(6,981)	(21,190)
Results for the year		-	-

The turnover and operating profit in the current and preceding financial years derive from continuing activities

There are no recognised gains or losses or other movements in shareholders' funds for the current financial year other than as stated in the profit and loss account. Accordingly no Statement of Recognised Gains or Losses is presented



# MENCAP LIMITED

## BALANCE SHEET AS AT 31 MARCH 2007

	Note	£	2007 £	£	2006 £
<b>CURRENT ASSETS</b>					
Stocks – finished goods		13,044		6,802	
Debtors	6	46,281		58,077	
Cash at bank and in hand		7,676		194,279	
			67,001		259,158
<b>CREDITORS: amounts falling due within one year</b>					
	7		(66,999)		(259,156)
<b>NET CURRENT ASSETS</b>					
			2		2
<b>CAPITAL AND RESERVES</b>					
Called up share capital	8		2		2
<b>SHAREHOLDERS' FUNDS</b>					
	9		2		2

These financial statements were approved by the Board of Directors on 17<sup>th</sup> Sept 2007

Signed on behalf of the Board of Directors

*RS Kelly*

f S Kelly  
Director

## MENCAP LIMITED

### NOTES TO THE ACCOUNTS YEAR ENDED 31 MARCH 2007

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#### 1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

##### Restatement of Turnover and Cost of Sales

In previous years turnover and costs of sales were grossed up to the full value of trade through a sales and distribution agency although Mencap Limited is only entitled to the commission. For 2007 only the turnover and costs for which the company is responsible has been recognised and the 2006 comparatives have been restated accordingly.

##### Accounting convention

The financial statements are prepared under the historical cost convention.

##### Turnover

Turnover arises from promotional activities carried out in England, Wales and Northern Ireland.

##### Stocks

Stocks, which comprise stationery and goods for resale, are stated at lower of cost or net realisable value.

##### Deferred tax

Deferred tax is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

#### 2. OPERATING PROFIT

	2007 £	2006 £
Operating profit is stated after charging		
Auditors' remuneration – audit fees	3,351	3,981

#### 3. PAYMENT UNDER GIFT AID

The company covenants to pay over its taxable profit for any year to The Royal Mencap Society.

#### 4. EMPLOYEES

All staff engaged in the activities of the company are employed by The Royal Mencap Society who charge the company with the actual staff costs incurred. The company thus has no employees.

None of the directors received any remuneration during the year for their services to this company (2006 - £nil).

**MENCAP LIMITED****NOTES TO THE ACCOUNTS  
YEAR ENDED 31 MARCH 2007****5. TAXATION**

	2007 £	2006 £
Analysis of tax charge on ordinary activities		
U K corporation tax at 30% based on result for year	-	-

**6. DEBTORS**

	2007 £	2006 £
Debtors	1,096	-
Accrued income and prepayments	45,186	58,077
	<u>46,282</u>	<u>58,077</u>

**7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2007 £	2006 £
Other creditors	13,175	33,049
Amounts owed to group undertakings	53,824	226,107
	<u>66,999</u>	<u>259,156</u>

**8. CALLED UP SHARE CAPITAL**

	2007 £	2006 £
Authorised. 100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
	2007 £	2006 £
Called up, allotted and fully paid 2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

**9. RECONCILIATION IN MOVEMENT OF SHAREHOLDERS' FUNDS**

	2007 £	2006 £
Result for the financial year	-	-
Opening shareholders' funds	<u>2</u>	<u>2</u>
Closing shareholders' funds	<u>2</u>	<u>2</u>

**10. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY**

In the opinion of the directors the ultimate parent company and controlling party of the company is The Royal Mencap Society, a company registered in England and Wales. That company heads the

## **MENCAP LIMITED**

### **NOTES TO THE ACCOUNTS YEAR ENDED 31 MARCH 2007**

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smallest and largest groups for which consolidated accounts are prepared. Copies of the group financial statements of The Royal Mencap Society may be obtained from Mencap National Centre, 123 Golden Lane, London EC1Y 0RT

#### **11. CASH FLOW STATEMENT**

Advantage has been taken of the exemption from preparing a cash flow statement under Financial Reporting Standard 1 "Cash Flow Statements"

#### **12. RELATED PARTIES**

Mencap Limited has taken advantage of the exemption within FRS 8 "Related Party Disclosures" from disclosure of transactions in the financial statements of subsidiary undertakings, 90% or more of whose voting rights are controlled within the group

Related parties of Mencap Limited are The Royal Mencap Society and its other wholly owned subsidiaries.