

Company registration number: 00889191

**Mencap Limited**

Report and financial statements  
31 March 2018

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Mencap Limited

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Mencap Limited

## **Officers and professional advisers**

### **Directors**

A Buxton (appointed 8 January 2018)  
G Cousins (resigned 27 June 2017)  
S Kelly  
C McLeod (resigned 21 December 2017)  
D Williams (appointed 3 April 2018)

### **Secretary**

G Cousins (resigned 27 June 2017)

### **Company number**

00889191

### **Registered office**

123 Golden Lane  
London  
EC17 0RT

### **Bankers**

Barclays Bank PLC  
Level 28  
1 Churchill Place  
London  
E14 5HP

### **Auditor**

Crowe U.K. LLP  
St Bride's House  
10 Salisbury Square  
London  
EC4Y 8EH

## **Directors' report**

This directors' report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 relating to companies subject to the small companies regime.

The directors present their report and the audited financial statements for the year ended 31 March 2018.

## **Activities**

The principal activities of the company were expanding during the year. It continued to retail cards and gifts, as well as operating the retail gift aid scheme in Mencap shops.

In June 2017, Mencap Limited took over from its parent, Royal Mencap Society, in providing Disclosure Barring Service (DBS) checks for other charities, companies and single applicants, as well as Mencap staff and volunteers.

With effect from 1<sup>st</sup> April 2018, Mencap Limited has taken over activities related to the organisation of promotional activities from Mencap Promotions Limited, also a subsidiary of Royal Mencap Society.

## **Review of results and future prospects**

The results for the year to 31 March 2018 are set out in the attached financial statements. The company made an operating profit of £75,071 (2017: loss of £21,563). The directors intend to continue with the present activities of the company, including those taken over from Mencap Promotions Limited.

## **Directors**

The following directors served during the year and to the date of signing this report:

A Buxton (appointed 8 January 2018)  
G Cousins (resigned 27 June 2017)  
S Kelly  
C McLeod (resigned 21 December 2017)  
D Williams (appointed 3 April 2018)

## **Statement of directors' responsibilities**

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

## Mencap Limited

Company law requires the directors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they 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 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;
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The following statements have been affirmed by each of the directors of the company:

- so far as each director is aware, there is no relevant audit information (that is, information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and
- each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### **Auditor**

Crowe U.K. LLP have expressed their willingness to be reappointed as statutory auditor in accordance with Section 485 of the Companies Act 2006.

In preparing the directors' report advantage has been taken of the small companies' exemption.

## **Independent auditor's report to the members of Mencap Limited**

### **Opinion**

We have audited the financial statements of Mencap Limited for the year ended 31 March 2018 which comprise the profit and loss account, the balance sheet and notes to the financial statements, 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, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of 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.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors 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.

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the 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.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion based on the work undertaken in the course of our audit

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in directors' 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 by the company, 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors 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 directors report and from the requirement to prepare a strategic report.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors 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 directors 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.

Mencap Limited

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 auditor's report.

N. Hashemi

Naziar Hashemi  
Senior Statutory Auditor

For and on behalf of  
Crowe U.K. LLP  
Statutory Auditor  
London

Date: 17/10/18

## Profit and loss account

Year ended 31 March 2018

	Note	2018 £	2017 £
<b>Turnover</b>	1	517,068	99,446
Cost of sales		(268,822)	(33,888)
<b>Gross profit</b>		248,246	65,558
Administration expenses		(173,175)	(87,121)
<b>Operating profit</b>	2	75,071	(21,563)
Payment under gift aid	3	-	-
<b>Profit on ordinary activities before taxation</b>		75,071	-
Provision for tax		-	-
<b>Profit on ordinary activities after taxation</b>		75,071	-

The turnover and profit on ordinary activities in the current and preceding financial years derive from continuing activities.

The notes on pages 13 to 15 form part of these financial statements

## Balance sheet

Year ended 31 March 2018

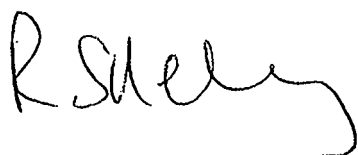
Company registration number: 00889191

	Note	2018 £	2017 £
<b>Current assets</b>			
Stocks – finished goods		27,526	44,196
Debtors	6	84,666	7,071
Cash at bank and in hand		14,495	4,218
		<u>126,687</u>	<u>55,485</u>
Creditors: Amounts falling due within one year	7	(150,623)	(154,492)
<b>Net current assets / (liabilities)</b>		<u>(23,936)</u>	<u>(99,007)</u>
<b>Capital and reserves</b>			
Profit and loss account		(23,938)	(99,009)
Called up share capital		2	2
<b>Shareholders' funds</b>		<u>(23,936)</u>	<u>(99,007)</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A – small entities.

These financial statements were approved by the board of directors and authorised for issue on 16 July 2018.

Signed on behalf of the board of directors.



Director

The notes on pages 13 to 15 form part of these financial statements.

## Notes to the accounts

Year ended 31 March 2018

### 1. Accounting policies

#### Statutory information

Mencap Limited is a private company, limited by shares, domiciled in England and Wales, registration number 00889191. The registered office is 123 Golden Lane, London EC1Y 0RT.

#### Accounting convention

The accounts have been prepared in accordance with the Financial Reporting Standard for Small Entities effective April 2008 and the provisions of FRS 102 Section 1A – small entities. There were no material departures from that standard.

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

The financial statements are prepared under the historical cost convention in £ sterling.

#### Turnover

Turnover arises from the company's principal activity carried out in England, Wales and Northern Ireland. All income is recognised in the profit and loss account when the conditions for income receipt have been met and there is reasonable assurance of income receipt.

#### Stocks

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

#### Debtors and creditors

Short term debtors are measured at transaction price less any impairment. Short term creditors are measured at transaction price.

#### Going concern

The financial statements have been prepared on a going concern basis as the company considers that it has adequate resources to continue in operational existence for the foreseeable future.

## 2. Operating profit

	2018	2017
	£	£
Operating profit on ordinary activities is stated after charging:		
Auditor's remuneration – audit fees	5,675	5,200

## 3. Payment under gift aid

The company covenants to pay over its taxable profit for any year to Royal Mencap Society. The company did not make any payment under gift aid to Royal Mencap Society for the year ended (2017: nil) as carried forward losses were available to offset the taxable profit.

## 4. Employees

All staff engaged in the activities of the company are employed by Royal Mencap Society which charges 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 (2017: nil).

## 5. Taxation

The company did not incur a tax charge in respect of its operating profit as carried forward losses were available to offset the taxable profit.

## 6. Debtors

	2018	2017
	£	£
Trade debtors	75,117	7,071
Prepayments	8,280	-
Other debtors	1,269	-
	<u>84,666</u>	<u>7,071</u>

## 7. Creditors

	2018	2017
	£	£
Trade creditors	1,185	602
Amounts owed to group undertakings	91,746	141,222
Other creditors	3,795	7,553
Accruals and deferred income	53,897	5,115
	<u>150,623</u>	<u>154,492</u>

## 8. Ultimate parent company and controlling party

In the opinion of the directors the ultimate parent company and controlling party is Royal Mencap Society, a company registered in England and Wales. This company heads the largest and smallest groups for which consolidated accounts are prepared. Copies of the group financial statements of Royal Mencap Society may be obtained from Mencap, 123 Golden Lane, London EC1Y 0RT.