

MENCAP LIMITED
FINANCIAL STATEMENTS

31 MARCH 2000

Registered number: 889191 (England & Wales)

F.W.BERRINGER & CO
CHARTERED ACCOUNTANTS

Bromley



MENCAP LIMITED

COMPANY INFORMATION

31 March 2000

REGISTERED NUMBER	889191 (England & Wales)
DIRECTORS	F A Heddell B J Davis Mrs B Brettell R Smythe A M Dyckhoff D Lawrence D Scott-Ralphs
SECRETARY	F A Heddell
REGISTERED OFFICE	117-123 Golden Lane London EC1Y 0RT
AUDITORS	F.W.Berringer & Co Chartered Accountants Lygon House 50 London Road Bromley Kent BR1 3RA

MENCAP LIMITED

FINANCIAL STATEMENTS

for the year ended 31 March 2000

CONTENTS

	Page
Company information	1
Directors' report	2
Statement of directors' responsibilities	3
Auditors' report	4
Profit and loss account	5
Balance sheet	6
Notes	7 - 9

MENCAP LIMITED

DIRECTORS' REPORT

31 March 2000

The directors present their report and the audited financial statements for the year ended 31 March 2000.

Principal activity

The principal activity of the company in the year under review was that of retailing cards and gifts.

Directors

The directors of the company during the year and their interests in the shares of the company as recorded in the register of directors' interests were as follows:

	31 March 2000 Ordinary shares	1 April 1999 Ordinary shares
F A Heddell	-	-
B J Davis	-	-
Mrs B Brettell	-	-
R Smythe	-	-
A M Dyckhoff	-	-
D Lawrence	-	-
D Scott-Ralphs	-	-

Auditors

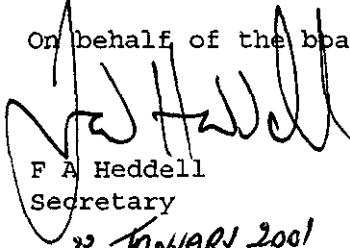
The Company has elected to dispense with the annual appointment of auditors. In the absence of a specific resolution to the contrary, F.W.Berringer & Co will continue in office.

Small company exemptions

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements on pages 5 to 9 have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

On behalf of the board


F A Heddell
Secretary

23 JANUARY 2001

117-123 Golden Lane
London
EC1Y 0RT

MENCAP LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

MENCAP LIMITED

AUDITORS' REPORT

Auditors' report to the members of

Mencap Limited

We have audited the financial statements on pages 5 to 9 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities, under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion


We conducted our audit in accordance with Auditing Standards 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 judgements 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 that the financial statements are free from material misstatement, whether caused by fraud or error or other irregularity. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

F.W.Berringer & Co
Lygon House
50 London Road
Bromley
Kent
BR1 3RA



REGISTERED AUDITORS &
CHARTERED ACCOUNTANTS

24 JANUARY 2001

MENCAP LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31 March 2000

	Note	2000 £	1999 £
Turnover	2	1,381,154	1,466,287
Cost of sales		(1,294,477)	(1,296,983)
Gross profit		86,677	169,304
Net operating expenses			
Administrative expenses		(79,004)	(72,274)
Profit on ordinary activities before taxation		7,673	97,030
Taxation	6	-	-
Profit on ordinary activities after taxation		7,673	97,030
Payable under Deed of Covenant	5	(7,673)	(97,030)
Retained profit for the year		-	-

MENCAP LIMITED

BALANCE SHEET

at 31 March 2000

	Note	2000 £	1999 £
Fixed assets			
Tangible assets	7	804	-
Current assets			
Stocks	8	11,869	9,474
Debtors	9	83,122	128,573
Cash at bank and in hand		406,119	271,215
		<u>501,110</u>	<u>409,262</u>
Creditors: amounts falling due within one year	10	(501,912)	(409,260)
Net current (liabilities)/assets		<u>(802)</u>	<u>2</u>
Total assets less current liabilities		<u>2</u>	<u>2</u>
Capital and reserves			
Called up share capital	11	2	2
Profit and loss account		-	-
Total shareholders' funds		<u>2</u>	<u>2</u>

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The financial statements on pages 5 to 9 were approved by the board of directors on 1 Sept 2000 and signed on its behalf by:



D Lawrence
Director

NOTES ON FINANCIAL STATEMENTS

31 March 2000

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement as conferred by Financial Reporting Standard No. 1 (Revised 1996) on the grounds that it qualifies as a small company under the Companies Act 1985.

Turnover

Turnover represents the net invoiced sales of goods, commission and royalties excluding value added tax.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Computer equipment	25% - straight line method
--------------------	----------------------------

2 Turnover

In the opinion of the directors, none of the turnover of the company is attributable to geographical markets outside the UK (1999 nil).

3 Operating profit

	2000 £	1999 £
Operating profit is stated after charging:		
Auditors' remuneration	3,600	4,500
Depreciation of tangible fixed assets (note 7):		
Owned assets	268	-

4 Directors

All staff engaged in the activities of the company are employed by the Royal Society for Mentally Handicapped Children and Adults who charge the company via a management charge with the actual staff costs incurred. The company thus has no employees.

No director received any remuneration during the year.

5 Deed of Covenant

The company has covenanted to pay over its taxable profit for the year to the Royal Society for Mentally Handicapped Children and Adults after deduction of income tax.

MENCAP LIMITED

NOTES ON FINANCIAL STATEMENTS

31 March 2000

6 Taxation

No liability for corporation tax arises on the results for the year.

7 Tangible fixed assets

Cost	Computer Equipment £
Additions	1,072
31 March 2000	1,072
Depreciation	
Charge for the year	268
31 March 2000	268
Net book amount	
31 March 2000	804

8 Stocks

	2000 £	1999 £
Stocks	11,869	9,474

9 Debtors

	2000 £	1999 £
Trade debtors	83,122	128,573

10 Creditors: amounts falling due within one year

	2000 £	1999 £
Other creditors	97,664	131,968
Parent company (note 12)	404,248	277,292
	501,912	409,260

MENCAP LIMITED

NOTES ON FINANCIAL STATEMENTS

31 March 2000

11 Called up share capital

	2000		1999	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary shares of £1 each	100	100	100	100
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Allotted, called up and fully paid				
Ordinary shares of £1 each	2	2	2	2
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

12 Parent company

The company is a wholly owned subsidiary of the Royal Society for Mentally Handicapped Children and Adults, a company limited by guarantee, registered in England and Wales.