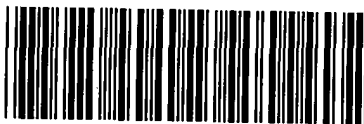


Registered number: 1957299
Charity number: 293140

AdCare Foundation Limited
(A company limited by guarantee)

Trustees' report and financial statements
for the year ended 31 March 2014

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AdCare Foundation Limited
(A company limited by guarantee)

Contents

	Page
Chairperson's statement	1
Reference and administrative details of the charity, its trustees and advisers	2
Trustees' report	3 - 4
Independent auditors' report	5 - 6
Statement of financial activities	7
Balance sheet	8
Notes to the financial statements	9 - 12

AdCare Foundation Limited
(A company limited by guarantee)

Chairperson's statement

As Chair of AdCare together with my colleague trustees, we continue to be committed to ensuring that good and appropriate leisure activities are available to people with a learning disability.

We have continued to build strong alliances with other bodies to ensure that resources are effectively allocated and secured for this work.

AdCare, I believe, has been very effective in providing a strong focus for this activity and encouraging others to join with us to ensure our impact is greater.

We are very conscious of the need to continue this work and the AdCare board have given this matter much thought during the year.

After much thought and discussion, the board have decided that the best way forward and the most effective way of maintaining the impetus and energy of AdCare would be to wind up our activities and to ask one of our partners, Royal Mencap Society to continue our work.

AdCare has worked closely with Royal Mencap Society for a number of years and all our operational delivery has been undertaken with them.

This decision is one we came to after much thought, we believe the enthusiasm and energy that AdCare has brought to this work will be best continued by Royal Mencap Society, a much larger organisation, who we believe will be able to take over our work and together with the other wider operational activities Mencap is involved with ensure that the importance of leisure continues to be highlighted and mainstreamed in the lives of people with a learning disability.

As a board, we would like to wind up the organisation transferring its significant assets to Royal Mencap Society, confident that our work will continue. The process will be carried out in the 2014/15 financial year.

I would like to take this opportunity to thank my colleagues for all their hard work and wise advice over the years.

In drawing to an end the operation of the charity, we will follow the requirements of company and charity law together with guidance issued by the Charity Commission.



Ann Crook
Chairperson

AdCare Foundation Limited
(A company limited by guarantee)

**Reference and administrative details of the company, its trustees and advisers
for the year ended 31 March 2014**

AdCare Foundation Limited was formed as a company limited by guarantee on 12 November 1985 constituted by the Memorandum and Articles of Association

Trustees A Crook, Trustee
 J Hinde, Trustee
 T Gadd, Trustee (appointed 17 June 2013)

No trustee had any interests in the charity.

Method of election of trustees

Trustees are appointed by Royal Mencap Society.

**Company registered
number** 1957299

**Charity registered
number** 293140

Registered office 123 Golden Lane
 London
 EC1Y 0RT

Company secretary O Smyth

Auditor Crowe Clark Whitehill LLP
 St Bride's House
 10 Salisbury Square
 London
 EC4Y 8EH

Bankers Barclays Bank plc
 Level 28
 1 Churchill Place
 London
 E14 5HP

Investment Managers Aberdeen Asset Manager
 1 Bread Street
 London
 EC4M 9HH

AdCare Foundation Limited
(A company limited by guarantee)

Trustees' report
for the year ended 31 March 2014

The trustees of the AdCare Foundation Limited submit their annual report and the audited financial statements for the year ended 31 March 2014.

Objects and activities

The principal objectives of the Foundation are to undertake or to assist in or support the relief, treatment, comfort or care of persons suffering from mental infirmity, disease or disorder and who by reason of such infirmity, disease or disorder are in need of the same.

The principal activity during the year was the awarding of grants to support people with learning disabilities.

Public Benefit Statement

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aim and objectives and in planning the future activities and setting the grant making policy.

Financial report for the year

The net movement in funds for the year was an increase of £111,129 (2013: £209,504 decrease).

Grant making policies

The trustees have set policies in respect of grant making, with monies being available for the provision of leisure activities in the community, such that groups, clubs and individuals are supported to get the most from their leisure time.

Reserves

The trustees have reviewed the reserves of the charity and have agreed that their long-term aim is to run down reserves in order that beneficiaries receive the benefit of accumulated reserves.

Risks

The trustees confirm that the major risks to which the charity is exposed, as identified by the trustees, have been reviewed and systems have been established to mitigate those risks. The process of identifying these risks has been documented in the trustees' report for the Royal Mencap Society.

Future prospects

We have decided to merge AdCare into Royal Mencap Society. We will still provide the activities but this will cut down on the administration and overhead costs. This process will be completed in 2014-15.

Investments

During the year, investments were disposed of in their entirety. The market valuation prior to their disposal decreased by £17,633 (2013: £57,038 increase).

Related parties

AdCare Foundation is a wholly owned subsidiary of the Royal Mencap Society. The trustees consider the related parties to be Royal Mencap Society and its other subsidiary companies. The accounts of the parent company can be obtained from the head office at 123 Golden Lane, London EC1Y 0RT.

AdCare Foundation Limited
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 March 2014

Statement of trustees' responsibilities

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

Company law requires the Trustees 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 Trustees 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 charitable company and of its net incoming / outgoing resources for that period. In preparing these financial statements, the Trustees are required to:


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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 charitable company will continue to operate.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charitable company's constitution. They are also responsible for safeguarding the assets of the charitable 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 Trustees of the charitable company:

- so far as each Trustee 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 Trustee has taken all the steps that he/she ought to have taken as a Trustee 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.

Approved by the trustees and signed on their behalf.



Ann Crook
Trustee

Date: 25/07/14

AdCare Foundation Limited
(A company limited by guarantee)

Independent auditor's report to the members of AdCare Foundation Limited

We have audited the financial statements of AdCare Foundation Limited for the year ended 31 March 2014 set out on pages 6 to 11.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable 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 charitable 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then end

AdCare Foundation Limited
(A company limited by guarantee)

Independent auditor's report to the members of AdCare Foundation Limited

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

N. Hashemi

Naziar Hashemi
Senior Statutory Auditor
for and on behalf of
Crowe Clark Whitehill LLP

St Bride's House
10 Salisbury Square
London
EC4Y 8EH
~~25 July 2014~~

3 October 2014

AdCare Foundation Limited
(A company limited by guarantee)

**Statement of financial activities
for the year ended 31 March 2014**

	Note	Unrestricted funds 2014 £	Total funds 2013 £
INCOMING RESOURCES			
Incoming resources from generated funds:			
Legacy income		396,284	5,377
Investment income	3	64	3
TOTAL INCOMING RESOURCES		<u>396,348</u>	<u>5,380</u>
RESOURCES EXPENDED			
Costs of generating funds:			
Investment management expenses	4	987	2,209
Charitable activities	5	264,589	268,055
Governance costs	6	2,010	2,040
TOTAL RESOURCES EXPENDED	2	<u>267,586</u>	<u>272,304</u>
NET INCOMING RESOURCES / (RESOURCES EXPENDED) BEFORE INVESTMENT ASSET DISPOSALS		128,762	(266,924)
Gains on disposals of investment assets		122,742	382
NET INCOME/ (EXPENDITURE)		<u>251,504</u>	<u>(266,542)</u>
Gains/(losses) on revaluations of investment assets	8	(140,375)	57,038
NET MOVEMENT IN FUNDS FOR THE YEAR		<u>111,129</u>	<u>(209,504)</u>
Total funds at 1 April		<u>661,614</u>	<u>871,118</u>
TOTAL FUNDS AT 31 MARCH		<u>772,743</u>	<u>661,614</u>

All activities relate to continuing operations.

The notes on pages 9 to 12 form part of these financial statements.

There are no recognised gains or losses for the current or preceding years other than as stated above.

AdCare Foundation Limited
(A company limited by guarantee)
Registered number: 1957299

Balance sheet
as at 31 March 2014

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Investments			-		1,041,821
CURRENT ASSETS					
Cash at bank		786,085		37,739	
CREDITORS: amounts falling due within one year	9	<u>(13,342)</u>		<u>(417,946)</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>772,743</u>		<u>(380,207)</u>
NET ASSETS			<u>772,743</u>		<u>661,614</u>
CHARITY FUNDS					
Unrestricted funds			<u>772,743</u>		<u>661,614</u>
TOTAL FUNDS			<u>772,743</u>		<u>661,614</u>

The financial statements were approved and authorised for issue by the trustees on 25 July 2014 and signed on their behalf by:



Anne Crook, Trustee

The notes on pages 9 to 12 form part of these financial statements.

AdCare Foundation Limited
(A company limited by guarantee)

1. Accounting policies

The financial statements are prepared in accordance with the Companies Act 2006, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 and applicable United Kingdom accounting standards. The particular accounting policies adopted by the trustees are described below.

Accounting convention

The financial statements are prepared under the historical cost convention as modified by the revaluation of investments.

Incoming resources

All income is recognised in the statement of financial activities when the conditions for receipt have been met and there is reasonable assurance of receipt. The following accounting policies are applied to income:

Investment income

Investment income is accounted for when receivable and includes the related tax recoverable.

Legacies

Material legacies receivable at the yearend are included at their probate value. Legacies received in the form of property or investments are accounted for at the lower of probate or market value.

Charitable expenditure

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Included within charitable expenditure is the following:

Grants payable

Grants payable are accounted for when the trustees have accepted a legal or constructive obligation to make the grant.

Governance costs

These costs comprise the costs associated with the governance arrangements of the charity as opposed to those costs associated with fundraising or charitable activities. These include external audit costs and trustee costs.

Fund accounting

The charity's funds consist of general unrestricted funds representing funds which are expendable at the discretion of the trustees in the furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.

Investments

Investments are stated at market value. Realised and unrealised gains and losses are shown separately in the appropriate section of the statement of financial activities.

AdCare Foundation Limited
(A company limited by guarantee)

**Notes to the financial statements
for the year ended 31 March 2014**

2. Net expenditure for the year

Net incoming resources are stated after charging:

	2014 £	2013 £
Auditor's remuneration - audit fees	2,010	2,040
Auditor's remuneration - non-audit	<u>-</u>	<u>1,470</u>

3. Investment income

	Unrestricted funds 2014 £	Total funds 2013 £
Investment interest	64	3
	<u>64</u>	<u>3</u>

4. Investment management costs

	Unrestricted funds 2014 £	Total funds 2013 £
Investment management fees	<u>987</u>	<u>2,209</u>

5. Charitable expenditure

	Unrestricted funds 2014 £	Total funds 2013 £
Grants	250,000	249,916
Management Fee	15,000	15,000
Other	(411)	3,139
	<u>264,589</u>	<u>268,055</u>

A single grant (2013: 2) was awarded during the year and was related to the Gateway Beacon Project.

AdCare Foundation Limited
(A company limited by guarantee)

**Notes to the financial statements
for the year ended 31 March 2014**

6. Governance costs

	2014 £	2013 £
Audit fees	2,010	2,010
Miscellaneous	-	30
Total governance costs	<u>2,010</u>	<u>2,040</u>

7. Information regarding employees and trustees

AdCare Foundation has no employees as work is performed by members of the Royal Mencap Society.

For 2014 AdCare Foundation was charged a management fee of £15,000 (2013: £15,000).

None of the trustees, or persons related or connected by business to them, has received any remuneration from the charity during the current or preceding year.

During the year no expenses were reimbursed to the trustees (2013: £nil).

8. Fixed asset investments

	2014 £	2013 £
Market value at 1 April	1,041,821	987,126
Acquisitions	1,023,629	35,181
Disposals	(2,047,817)	(37,524)
Net investment gains	(17,633)	57,038
	<u>-</u>	<u>1,041,821</u>
Market value at 31 March		
Cost at 31 March	<u>-</u>	<u>901,446</u>

	2014 £	2013 £
Investments comprise the following:	-	-
UK bonds, cash and cash instruments	-	1,041,821
Total	<u>-</u>	<u>1,041,821</u>

AdCare Foundation Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2014

9. Creditors:
Amounts falling due within one year

	2014 £	2013 £
Amounts owed to Royal Mencap Society	11,332	413,910
Accruals	2,010	4,036
	<u>13,342</u>	<u>417,946</u>

10. Expenses of the Trustees

During the year, one trustee (2013:0) was reimbursed for out-of-pocket expenses in relation to travel and subsistence. The total amount reimbursed amounted to £102. Members of the board of trustees are not remunerated.

11. Taxation

The charity's activities are exempt from taxation on income and capital gains under Sections 466 to 493 Corporation Tax Act 2010 to the extent that such income or gains are applied to exclusively charitable purposes.

12. Cash flow statement

Advantage has been taken of the exemption from preparing a cash flow statement under Financial Reporting Standard FRS1 (revised 1996) 'Cash flow statement.'

13. Members

The charity is incorporated as a company limited by guarantee having no share capital and, in accordance with the Memorandum of Association, every member is liable to contribute a sum of £5 in the event of the company being wound up. At 31 March 2014, there were two members (2013: 2 members).

14. Ultimate parent company and controlling party

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

15. Related Parties

The charity has taken advantage of the exemption within Financial reporting Standard 8 "Related Party Disclosures" for wholly owned subsidiaries not to disclose transactions with group companies.