

**MID-WARWICKSHIRE SOCIETY FOR
MENTALLY HANDICAPPED CHILDREN AND
ADULTS
A COMPANY LIMITED BY GUARANTEE -
NOT HAVING A SHARE CAPITAL**

**FINANCIAL STATEMENTS
31 MARCH 2008**

**Registered Company No: 2560195
Registered Charity No: 1040654**

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**MID-WARWICKSHIRE SOCIETY FOR MENTALLY HANDICAPPED CHILDREN AND ADULTS
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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2008

REFERENCE & ADMINISTRATIVE INFORMATION

CHARITY NAME: Mid-Warwickshire Society for Mentally
Handicapped Children

CHARITY REGISTRATION NO: 1040654

COMPANY REGISTRATION NO: 2560195

REGISTERED OFFICE

4 Scar Bank
Millers Road
Warwick
CV34 5DB

EXECUTIVE COMMITTEE

Sheila Cunningham
Dr Michael Shepherd
Gillian Williams
Elizabeth Savage
Barbara Sidebottom
Michael Sheldon
Frances Truswell

Members of the committee are directors of the Company and Trustees of the Charity.

SENIOR MANAGEMENT TEAM

R Smart	Chief Executive (resigned September 2007)
Louise Waters	Compliance Manager
Helen Hawkins	Registered CSCI Manager
Lorraine Plant	Finance Manager

SECRETARY

Michael Sheldon

AUDITORS

Michael Harwood & Co
Greville House
10 Jury Street
Warwick
CV34 4EW

BANKERS

Lloyds TSB Plc
73 The Parade
Leamington Spa

SOLICITORS

Button Legal LLP
25 Warwick Road
Coventry
CV1 2EZ

Wright Hassell LLP
Olympus Avenue
Leamington Spa
CV34 6BF

DIRECTORS' REPORT

The Mid-Warwickshire Society for Mentally Handicapped Children and Adults is a charitable company limited by guarantee known as Way Ahead Support Services. The directors present their report and the financial statements for the year ended 31 March 2008. The financial statements have been prepared in accordance with the Charity Commission's Statement of Recommended Practice 2005 and all applicable Accounting and Reporting standards.

GOVERNING DOCUMENT

The company is a registered charity (Number 1040654) and a company limited by guarantee, having no share capital (company number 2560195). The company was established under a Memorandum and Articles which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

The company is affiliated to the National Royal Mencap Society and pays an annual affiliation fee. The company derives no other financial benefit from this affiliation.

RECRUITMENT AND APPOINTMENT OF EXECUTIVE COMMITTEE

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Executive Committee. Under the requirements of the Memorandum and Articles of Association the members of the Executive Committee are elected to serve annually and must be re-elected at each Annual General Meeting.

The charity's work focuses on care and support for learning disabled adults and young people. Part of the support includes the provision of suitable accommodation. The Executive Committee seeks to ensure that the needs of this group are appropriately reflected through the diversity of the trustee body.

The majority of the current members of the executive committee are mainly related to individuals being supported by it and have long term connections with, and understanding of the charity.

The more traditional business and care skills are well represented on the Executive Committee.

TRUSTEE INDUCTION AND TRAINING

Most trustees are already familiar with the practical work of the charity having been actively involved for many years.

During the last year the Trustees have specifically focused on developing their skills and knowledge base. Specific training sessions have been held on the following areas:

- Trustees responsibilities - Chairman and Secretary
- H & S responsibilities
- Charities Act 2006 checklist of responsibilities
- Corporate Manslaughter and Corporate Homicide Act 2007
- Management procedure for clients
- Financial Risk Assessment for clients
- SORP
- Move towards tailor made budgeting for individuals
- Risk Assessment
- Information and Consultation of Employment Regulations

Additionally, new trustees are invited and encouraged to attend a series of short training sessions (of no more than an hour) to familiarise themselves with the charity and the context within which it operates. These are jointly led by the Chair of the Executive Committee and the Chief Executive of the charity and cover:

- The obligations of Executive Committee members.
- The main documents which set out the operational framework for the charity including the Memorandum and Articles.
- Resourcing and the current financial position as set out in the latest published accounts.
- Future plans and objectives.
- Familiarisation visits to the charity's properties.

DIRECTORS' REPORT

A copy of the Charity Commission's guide "The Essential Trustee" is distributed to all new trustees along with the Memorandum and Articles and the latest financial statements.

The charity is currently developing a Trustee handbook which will be available to new Trustees.

STAFF TRAINING

All support staff have now completed the LDAF (Learning Disability Award Framework) training. This has been replaced by LDQ (Learning Disability Qualification) and any new staff will be registered to commence this training.

Many staff now have a minimum of NVQ2 with more being enrolled for later in the year. Training has also been completed in other areas including Support Planning, Risk Assessment, Health & Safety, Epilepsy and Quality Assurance.

ORGANISATIONAL STRUCTURE

The charity has an Executive Committee of up to 12 members who meet monthly and are responsible for the strategic direction and policy of the charity. At present the Committee has 8 members from a variety of professional backgrounds relevant to the work of the charity.

A scheme of delegation is in place and day to day responsibility for the provision of the services rest with the Chief Executive along with the 3 Managers. The Chief Executive is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. The Services Managers have responsibility for the day to day operational management of the charity, individual supervision of the staff team and also ensuring that the team continue to develop their skills and working practices in line with good practice.

OBJECTIVES AND ACTIVITIES

The Company is established to promote and provide the support, care and education of children and adults with a learning disability.

PLANS FOR THE FUTURE

Way Ahead Support Services has to respond to the immediate future following the joint service reviews by Supporting People and Social Services. These reviews have had two consequences. There is a reduction in the volume of services required and a major switch from being 85% Supporting People and 15% Social Services to move nearer equal shares. The financial effect is seen in total income being £190,000 less in a full year, and a reduction in Supporting People from £930,000 per annum to £445,000 per annum but an increase from Social Services to £450 per annum from £155,000 per annum.

On the one hand WASS is now no longer so dependent on Supporting People but on the other is that Supporting People intend to tender for services during 2008/09. WASS has a contract with Supporting People until January 2009 with the option of an extension for up to a year. WASS therefore faces a major risk of having to complete for nearly half its business.

It is difficult to determine the precise impact on WASS as Supporting People timetable is not yet firm.

WASS has reviewed the rents and the charges for its accommodation as these were no longer economic and as its reserves are no longer sufficient to continue previous level of subsidy. The impact on clients is minimal as most rents are paid by Housing Benefit.

WASS has been exploring a potential merger with a major charity in the West Midlands, in order to try and strengthen WASS' competitiveness.

RISK MANAGEMENT

The trustees have a risk management strategy with a fully established risk register which is viewed at regular intervals. This was done in July 2007, November 2007, and March 2008.

Particular attention has been focused on the financial risks with all changes being considered by Warwickshire County Council and also to Health and Safety which have been regularly reviewed. Emphasis has been placed on the systems and procedures to mitigate risks.

The trustees intend to review Health and Safety at quarterly intervals.

WASS has invested £15,500 in 2007/08 in bringing nearly all the flats in 32 Heath Terrace to modern standards.

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DIRECTORS' REPORT (Cont)

FINANCIAL REVIEW

In 2007 the trustees produced a two year business plan reflecting the challenges and uncertainty setting out the various outcomes facing the Charity. The Trustees continued its policy of using its funds to top care packages for clients and providing support for people with learning disabilities and spent of £117,826 doing this.

The Trustees having regard to its liquidity and its reserves policy of having funds available has placed them with COIF. The Charity was fortunate in receiving a large legacy in the amount of £173,344

RESERVES POLICY

The Trustees consider it is prudent to operate with unrestricted reserves of cash or cash equivalents equating to 3 months expenditure, these reserves being available to augment the resources provided by Supporting People and Social Services.

INVESTMENT POLICY

The Executive Committee have considered the most appropriate policy for investing funds and have decided that at least three month's worth of expenditure should be kept in directly accessible cash. The Executive Committee has invested the cash in high interest bank deposits and Treasury funds. The Executive Committee considers the return on these funds is satisfactory. In order to improve the returns, the company continues to use the Charities Official Investment Fund (COIF).

EXECUTIVE COMMITTEE RESPONSIBILITIES

Company law requires the Executive Committee 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 surplus or deficit of the company for that period. In preparing those financial statements, the Executive Committee is required to:

- select suitable accounting policies and then 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 Executive Committee is 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.

MEMBERS OF THE EXECUTIVE COMMITTEE

Members of the Executive Committee, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year end and up to the date of this report are set out on page 1.

In accordance with company law, as the company's directors we certify that:

- So far as we are aware, there is no relevant audit information of which the company's auditors are unaware and;
- As the directors of the company we have taken all the steps we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

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DIRECTORS' REPORT (Cont)

AUDITORS

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Michael Harwood & Co be re-appointed as auditors of the company will be put to the Annual General Meeting.

The director's report has been prepared in accordance with special provisions of Part VII of the Companies Act 1985 relating to small companies (s246(8)(b)).

By order of the board.

A handwritten signature in dark ink, appearing to read 'M. C. Sheldon', with a horizontal line drawn underneath it.

Michael Sheldon
Secretary

Dated 22 October 2008

We have audited the financial statements of Mid-Warwickshire Society for Mentally Handicapped Children and Adults for the year ended 31 March 2008 on pages 7 to 15. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' (who are also the directors of Mid-Warwickshire Society for Mentally Handicapped children and Adults for the purposes of company law) responsibilities for preparing 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 Trustees' Responsibilities.

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. We also report to you whether in our opinion the information given in the Trustees' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charity 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 is not disclosed.

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

Basis of audit opinion

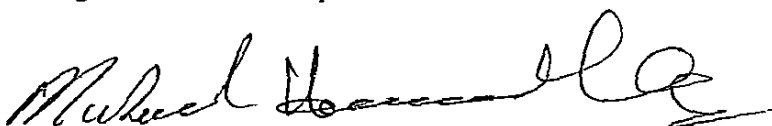
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity'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 other irregularity or error. 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31 March 2008 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Trustees' Report is consistent with the financial statements.



MICHAEL HARWOOD & CO
Chartered Accountants
Registered Auditors
Greville House
10 Jury Street
Warwick
CV34 4EW

[Date]

22 October 2008

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STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating the Income and Expenditure Account) for the year ended 31 MARCH 2008

	Notes	Unrestricted £	Restricted £	2008 Total £	2007 Total £
INCOMING RESOURCES					
Incoming resources from generated funds					
<i>Voluntary Income</i>					
Donations and gifts	2	177,479	-	177,479	7,830
General grants	2	-	-	-	10,000
<i>Investment income</i>					
Bank interest		24,363	-	24,363	24,233
Rent		84,977	-	84,977	83,690
Incoming resources from charitable activities					
Grants	3	-	1,074,367	1,074,367	1,086,987
Respite care	3	-	11,165	11,165	11,389
Other incoming resources					
Miscellaneous income		21,910	-	21,910	15,601
TOTAL INCOMING RESOURCES		<u>308,729</u>	<u>1,085,532</u>	<u>1,394,261</u>	<u>1,239,730</u>
RESOURCES EXPENDED					
Charitable activities					
Housing management	5	113,385	-	113,385	112,577
Support Services	5	37,417	1,179,696	1,217,113	1,278,891
Governance costs	5	8,245	-	8,245	8,909
TOTAL RESOURCES EXPENDED		<u>159,047</u>	<u>1,179,696</u>	<u>1,338,743</u>	<u>1,400,377</u>
NET INCOME/(EXPENDITURE) FOR THE YEAR		<u>149,682</u>	<u>(94,164)</u>	<u>55,518</u>	<u>(160,647)</u>
NET MOVEMENT IN FUNDS		<u>149,682</u>	<u>(94,164)</u>	<u>55,518</u>	<u>(160,647)</u>
TRANSFERS BETWEEN FUNDS		<u>(94,164)</u>	<u>94,164</u>	<u>-</u>	<u>-</u>
GAIN ON INVESTMENT ASSETS		<u>20,937</u>	<u>-</u>	<u>20,937</u>	<u>-</u>
NET MOVEMENT IN FUNDS		<u>76,455</u>	<u>-</u>	<u>76,455</u>	<u>(160,647)</u>
FUND BALANCES BROUGHT FORWARD AT 1st APRIL 2007		<u>829,728</u>	<u>-</u>	<u>829,728</u>	<u>990,375</u>
FUND BALANCES CARRIED FORWARD AT 31 MARCH 2008	14	<u>906,183</u>	<u>-</u>	<u>906,183</u>	<u>829,728</u>

The notes on pages 9 – 15 form part of these financial statements.

The deficit for the period arises from the company's continuing operations.

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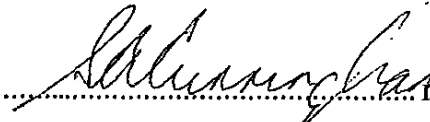
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**BALANCE SHEET
31 MARCH 2008**

	Notes	2008 £	2007 £
FIXED ASSETS			
Tangible assets	9	569,194	594,616
Investments	10	194,281	-
CURRENT ASSETS			
Debtors	11	67,244	101,696
Cash at bank and in hand		405,254	626,995
		<u>472,498</u>	<u>728,691</u>
CREDITORS			
Amounts falling due within one year	12	(329,790)	(493,579)
NET CURRENT ASSETS		<u>142,708</u>	<u>235,112</u>
NET ASSETS		<u><u>906,183</u></u>	<u><u>829,728</u></u>
FUNDS AND RESERVES			
Restricted	14	-	-
Unrestricted	14	844,183	752,228
Designated	14	37,000	52,500
Revaluation reserve	14	25,000	25,000
		<u><u>906,183</u></u>	<u><u>829,728</u></u>

The financial statements have been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies.

Approved by the board on [Date] 22nd October 2008

 Director

S. Cunningham

 Director

M. Sheldon

The notes on pages 8 to 14 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 MARCH 2008**

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

a) Basis of accounting

The financial statements are prepared under the historical cost convention as modified by the revaluation of freehold land and buildings and comply with the Companies Act 1985, the Charity Commissions' Statement of Recommended Practice: Accounting and Reporting by Charities issued in 2005 and all applicable accounting and financial reporting standards.

b) Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Grants receivable are accounted for on an accruals basis.
- General donations, gifts, subscriptions and legacies are brought into account when received.
- Donations and grants given for specific purposes are treated as income in the year of receipt. Unspent restricted income is included under restricted funds as it is fully committed.

c) Resources expended

Expenditure is included on an accruals basis.

Activities in furtherance of the charity's objects comprise the 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.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on a basis consistent with budgeted use of resources.

d) Expenditure categories

Expenditure is allocated to one of two functional categories which reflect the charitable activities of the company:

**Maintenance of Rental
Properties**

The upkeep and associated costs of the various properties.

Support Services

To support and supply the provision of clinics, workshops and other associated services. This also includes the provision of short term care for people with a learning disability. Oakwood Grove has a number of beds which are used for respite care.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 MARCH 2008

e) Fixed assets

Fixed assets are stated at cost or valuation and in the case of donated assets at an approximate valuation. Items costing less than £100 are not capitalised.

Depreciation is provided to write off the costs of fixed assets over their estimated useful lives as detailed below.

Property	over 48 years
Furniture and Equipment	15% to 25% reducing balance
Improvements to short leasehold property	over 21 years
Motor vehicles	25% reducing balance

f) Pension Costs

The assets of the schemes are held separately from those of the company in an independently administered fund. The pension costs represent the contributions payable by the company to the funds.

g) Operating leases

Operating lease rentals are charged to the income and expenditure account as they become due.

h) Fund accounting

Unrestricted funds are available for use at the discretion of the Executive Committee in furtherance of the general objectives of the company.

Restricted funds are funds subject to specific restricted conditions imposed by donors. The purposes and use of the restricted funds are set out in note 15 to the financial statements.

2. INCOMING RESOURCES FROM GENERATED FUNDS

	2008 £	2007 £
Donations and gifts	4,135	7,830
Other	-	10,000
Legacy	173,344	-
	<u>177,479</u>	<u>17,830</u>

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2008 £	2007 £
Supporting People grant	908,977	931,676
Social Services (including respite care)	176,555	166,700
	<u>1,085,532</u>	<u>1,098,376</u>

4. INTANGIBLE INCOME FROM DONATED FACILITIES

The charity has the use rent free of two properties. The intangible benefit arising from the rent free use of the donated properties is difficult to quantify given their specialist nature. The financial statements do not reflect this income.

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**NOTES TO THE FINANCIAL STATEMENTS
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5. RESOURCES EXPENDED

	Housing Management £	Support Services £	2008 Total £	2007 Total £
Direct costs				
Wages and Agency staff	-	993,649	993,649	1,080,323
Motor & travel	-	18,392	18,392	20,316
Rent & rates	-	23,500	23,500	29,904
Utilities	17,467	7,899	25,366	24,742
Insurance	164	17,390	17,554	24,920
Telephone	3,500	11,585	15,085	11,910
Professional fees	-	115,658	115,658	45,166
New Era HA	565	-	565	7,339
Staff training	-	1,301	1,301	13,893
Recruitment	-	1,425	1,425	2,473
Repairs maintenance and cleaning	63,001	332	63,333	54,917
Sundry	3,066	2,677	5,743	11,429
Office expenses	-	20,867	20,867	33,428
Support costs				
General office costs	200	2,438	2,638	3,804
Depreciation	25,422	-	25,422	26,904
	<u>113,385</u>	<u>1,217,113</u>	<u>1,330,498</u>	<u>1,391,468</u>

	2008 £	2007 £
Governance costs		
Audit & other financial advice	5,400	5,000
Trustee meeting	920	400
Indemnity insurance	683	683
Registration for Social Care Inspections	1,242	2,826
	<u>8,245</u>	<u>8,909</u>

6. NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging:		
Auditors remuneration	5,400	5,000
Accountancy and other financial advice	19,364	18,135
Depreciation	25,422	26,904
	<u>40,186</u>	<u>49,039</u>

7. STAFF COSTS AND NUMBERS

	2008 £	2007 £
Staff costs during the year amounted to:		
Salaries	882,454	968,382
Social security costs	78,312	86,484
Pension costs	1,172	-
	<u>961,938</u>	<u>1,054,866</u>
Average number of staff during the year	<u>48</u>	<u>52</u>

No employees received emoluments above £60,000

NOTES TO THE FINANCIAL STATEMENTS
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8. TRUSTEE REMUNERATION AND RELATED PARTY TRANSACTIONS

No members of the Management Committee received any remuneration during the year.

Expenses amounting to £256 (2007: £307) were reimbursed to 2 (2007: 2) members of the Executive Committee. No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity.

Indemnity insurance has been purchased for the directors at a cost of £683

9. TANGIBLE FIXED ASSETS

COST OR VALUATION

	Improvements to short leasehold £	Freehold land and building £	Furniture and Equipment £	Motor vehicles £	Total £
1 April 2007	342,464	306,737	80,958	20,500	750,659
Additions	-	-	-	-	-
31 March 2008	<u>342,464</u>	<u>306,737</u>	<u>80,958</u>	<u>20,500</u>	<u>750,659</u>
DEPRECIATION					
1 April 2007	62,945	22,065	60,479	10,554	156,043
Charge for year	16,307	3,333	3,296	2,486	25,422
31 March 2008	<u>79,252</u>	<u>25,398</u>	<u>63,775</u>	<u>13,040</u>	<u>181,465</u>
NET BOOK VALUE					
31 March 2008	<u>263,212</u>	<u>281,339</u>	<u>17,183</u>	<u>7,460</u>	<u>569,194</u>
31 March 2007	<u>279,519</u>	<u>284,672</u>	<u>20,479</u>	<u>9,946</u>	<u>594,616</u>

All the fixed assets are used in direct furtherance of the charity's objectives.

The property at 37 Oakwood Grove was re-valued by Black Horse Agencies on 11 February 1999 on an open market basis. The Trustees subsequently reviewed the valuation and considered that it should be increased to £160,000. The Trustees are not aware of any further material changes in the value.

The historical cost of this property is £60,628

Improvements to short leasehold property comprise the refurbishment and extension of 38 Oakwood Grove.

10. INVESTMENTS

	2008 £	2007 £
Market Value 1 April 2007	-	-
Additions in Year	173,344	-
Movement in Market Value	20,937	-
	<u>194,281</u>	<u>-</u>

The Investments comprise listed securities.

11. DEBTORS

	2008 £	2007 £
Board and Lodgings	57,267	92,233
Prepayments and accrued income	9,977	9,463
	<u>67,244</u>	<u>101,696</u>

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**NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 MARCH 2008**

12. CREDITORS	2008 £	2007 £
Amounts falling due within one year:		
Trade creditors	54,314	113,196
Social security and other taxes	21,390	24,414
Accruals	5,400	5,000
Other creditors	201,564	200,969
Loan	-	150,000
Deferred Income	47,122	-
	<u>329,790</u>	<u>493,579</u>

Deferred income represents Supporting People
Instalments relating to April 2008

13. OPERATING LEASE COMMITMENTS	2008 £	2007 £
Annual commitments under operating leases expiring:		
Within one year	3,200	6,420
In the second to fifth year	23,500	-
After five years	-	23,500
	<u>26,700</u>	<u>29,920</u>

14. MOVEMENT ON RESERVES

	Balance 1 April 2007 £	Income in Year £	Expenditure In Year £	Transfers In Year £	Investment Gains £	Balance 31 March 2008 £
Restricted Funds						
Supporting People (note 18)	-	908,977	(968,621)	59,644	-	-
Social Services	-	176,555	(211,075)	34,520	-	-
	<u>-</u>	<u>1,085,532</u>	<u>(1,179,696)</u>	<u>94,164</u>	<u>-</u>	<u>-</u>
Unrestricted Funds						
Designated Funds	52,500	-	(15,500)	-	-	37,000
Unrestricted Funds	752,228	308,729	(143,547)	(94,164)	20,937	844,183
Revaluation reserve	25,000	-	-	-	-	25,000
	<u>829,728</u>	<u>308,729</u>	<u>(159,047)</u>	<u>(94,164)</u>	<u>20,937</u>	<u>906,183</u>
Total Funds	<u>829,728</u>	<u>1,394,261</u>	<u>(1,338,743)</u>	<u>-</u>	<u>20,937</u>	<u>906,183</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 MARCH 2008

Restricted Funds (cont)

Supporting People fund - This represents the receipt and application of monies from Supporting People as disclosed in note 18 to the financial statements.

Social Services fund – This represents the receipt and application of monies from Social Services in respect of specific clients.

The designated fund represents monies set aside to meet major maintenance costs which may arise in respect of the charity's properties.

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets £	Investment £	Net Current Assets £	Total £
Restricted Funds	-	-	-	-
Unrestricted Funds	569,194	194,281	142,708	906,183
	-----	-----	-----	-----
	569,194	194,281	142,708	906,183
	-----	-----	-----	-----

16. TAXATION

No corporation tax has been provided for in these financial statements because income of the company, a registered charity, is within the exemptions granted by Section 505 of the Income and Corporation Taxes Act 1988. The company has borne VAT on its expenditure where appropriate.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 MARCH 2008

17. SUPPORTING PEOPLE

	Heath Terrace £	Outreach Support £	Oakwood Grove £	Woodloes £	Total 2008 £
Income	311,470	236,756	137,137	223,614	908,977
Expenditure					
Wages	281,412	184,165	135,316	184,581	785,474
Mileage	2,013	7,906	1,804	3,270	14,993
Rent and insurance	11,585	8,996	5,241	8,064	33,886
Utilities	2,279	1,701	1,015	1,557	6,552
Office expenses	4,742	3,522	2,108	3,224	13,596
Mobiles on call	2,716	1,529	1,014	1,872	7,131
Telephones	868	658	387	590	2,503
Professional fees	33,024	25,053	14,817	22,820	95,714
IT Costs	1,310	1,005	586	899	3,800
Staff training	310	292	275	214	1,091
Recruitment	-	430	254	393	1,077
Sundry expenses	657	59	4	60	780
Support costs	694	527	305	498	2,024
Total costs	341,610	235,843	163,126	228,042	968,621
Net deficit subsidised by the charity	(30,140)	913	(25,989)	(4,428)	(59,644)

**MID-WARWICKSHIRE SOCIETY FOR MENTALLY HANDICAPPED CHILDREN
AND ADULTS
A COMPANY LIMITED BY GUARANTEE – NOT HAVING A SHARE CAPITAL**

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**INCOME AND EXPENDITURE ACCOUNT
For the year ended 31 MARCH 2008**

	2008 £	2007 £
INCOMING RESOURCES		
Rent	84,977	83,690
Respite Care	11,165	11,389
Support Services	1,074,367	1,086,987
Grants	-	10,000
Legacy	173,344	-
Bank Interest	24,363	24,233
Donations	4,135	7,715
Subscriptions	-	115
Other income	21,910	15,601
	<u>1,394,261</u>	<u>1,239,730</u>
EXPENDITURE		
Agency Staff	32,884	25,457
Salaries/Administration	960,765	1,054,866
Travelling	18,392	20,316
Staff Recruitment	1,425	2,473
Staff Training	1,301	13,893
Rent and Rates	23,500	29,904
Utilities	25,366	24,742
New Era HA	565	7,339
Telephone	15,085	11,910
Insurance	17,544	24,920
Printing, Stationery and Office Expenses	23,505	37,232
Professional Charges	115,658	45,166
Repairs and Renewals	63,333	54,917
Miscellaneous Expenses	5,743	11,429
Depreciation	25,422	26,904
GENERAL OFFICE COSTS		
Audit and other financial information	5,400	5,000
Trustee Meetings	920	400
Indemnity insurance	683	683
CSCI Registration	1,242	2,826
	<u>1,338,743</u>	<u>1,400,377</u>
SURPLUS /(DEFECIT) FOR THE YEAR	<u>55,518</u>	<u>(160,647)</u>