

Merton Home Tutoring Service

Financial Report for the 14 months to 31 July 2018.

We decided to change our financial year end from 31 May to 31 July, as this matches the teaching year for our classes and home tutoring and better reflects the pattern of our spending. The accounts for the period being presented are therefore for the 14 months to 31 July 2018.

At 1 June 2017 we had £40,318 in the bank, being £23,509 of our own funds (general reserves) and £16,809 relating to restricted funds to be used against costs in new financial year. In the 14 months to 31 July 2018 we were able to secure funding of £101,512:

Restricted funds received in the period:

	£
Big Lottery - Reaching Communities	71,625
Big Lottery- Awards for All	9,937
Henry Smith	17,500
Santander Bank	<u>2,450</u>
	<u>101,512</u>

This was the final year of our grant from Big Lottery – Reaching Communities (for the year to 31 May 2018). At 31 May we still had £8,142, and the Big Lottery have been very generous in allowing us to keep these funds to help meet our costs in this new financial year. We made a new application for a second 3-year grant from Reaching Communities but we were not successful this time due to the very high number of applications they received. They are very supportive of MHTS and of the work we do and have encouraged us to apply again. We are immensely grateful for the financial support given to us by the Big Lottery and for the help they have given us. We were extremely pleased to secure a one-year grant of £9,937 from the Big Lottery Awards for All programme to help with the Home Tutoring service.

In the early summer we were very concerned about our funding for this year and had measures in place to reduce the level of service we could provide in the coming year. Thankfully, one of the many applications for funding that we submitted was successful and The Henry Smith Charity granted us a total of £90,000, spread over 3 years. This funding is to support our classes and Home Tutoring and will provide us with a very welcome platform to secure other funding. We also secured £2,450 from Santander Bank to help with tutor training and staff costs in this year.

At this time, and are confident that we have sufficient funding in place to keep our home tutoring and Stepping Stones classes at the current level without seriously depleting our general reserves. We will apply again to the Big Lottery Reaching Communities, and are exploring other possible funders and preparing applications for funding for the remainder of this year for new projects and for the period beyond July 2019.

In the 14 months to 31 July 2018 we were able to add £8,738 to our general reserves, taking our reserves to £32,247. We are able to use these funds to meet any unexpected costs or to meet fluctuations in our income.

We were supported by donations of £2,927 in the period, from supporters and learners, including £500 from Councillor Chung's Mayor's Fund as a contribution towards the cost of upgrading our website. We also received another donation of £500 for this purpose. Thanks to Virgin Money we were given a place in the London Marathon and our runner was very generous in raising £2,677 on our behalf. The Music Night in November 2017 raised £1,642 (after expenses) and a further £204 of income came from a very enjoyable International Afternoon Tea event organised by our learners in the Time to Talk class. The sale of our booklets brought in £537 and we were able to reclaim gift aid of £495 in the year.

Financial Results

The total income received in the year was £110,272, some of which is in respect of a period after 31 July 2018 and has been carried forward into the new financial year. In addition, we brought forward £40,318, giving us a total of £150,590 to meet our costs both in this period to 31 July 2018 and the following financial year. We spent £88,255 in the 14 months and had £62,336 available to bring forward into this current year. We were able to increase our own funds (general reserves) from £23,509 to £32,247.

Reserves Policy

The trustees of MHTS have agreed that we should aim to have general reserves equivalent to 25% of the annual running costs. These reserves are to allow the charity to continue as smoothly as possible when funding is uncertain.

General reserves are funds held by a charity that are not restricted for a specific purpose, and can be used to meet any of its costs.

At 31 July 2018, a reserves policy of 25% of our expected costs for the year to 31 July 2019 would represent general reserves of around £16,000. This figure is based on our pared down budget for this year. The trustees recognise that our more normal level of costs would be closer to £85,000 and therefore that reserves of around £21,000 would be our preferred level. The trustees will continue to review the level of reserves needed in the light of the increased level of activities.

Anne Worlledge C.A.

Hon. Treasurer

Merton Home Tutoring Service

Receipts and payments account for the year ended 31 July 2018.

	Unrestricted funds £	Restricted funds £	14 months to 31 July 2018 £	12 months to 31/05/2017 £
Receipts				
Donations	2,927	-	2,927	6,393
Grants received	-	101,512	101,512	67,859
Fundraising Income	5,296	-	5,296	3,111
Sale of booklets	537	-	537	253
Total income	8,760	101,512	110,272	77,616
Payments				
Fundraising Costs	772	-	772	1,210
External evaluation	-	3,000	3,000	60
Volunteer expenses	43	1,496	1,539	833
Training of tutors	-	1,112	1,112	1,633
Cost of Stepping Stones classes	-	25,432	25,432	13,614
Books, stationery and teaching aids	20	498	518	649
Staff costs	-	48,009	48,009	34,637
Attendance at conferences and subscriptions to other organisations	-	671	671	1,452
Insurance	-	826	826	416
Events with learners	190	537	727	439
Telephone and postage	54	1,257	1,311	913
Sundry expenses	-	150	150	376
Finance commission	94	-	94	-
Website development costs	-	2,295	2,295	-
Commissioning booklets	-	1,321	1,321	1,147
Equipment	-	127	127	573
				423
Cost of AGM and Annual Report	-	350	350	-
	1,173	87,081	88,255	58,375
Total payments	1,173	87,081	88,255	58,375
Net receipts	7,586	14,431	22,018	19,241
Cash funds brought forward	23,509	16,809	40,318	21,077
Transfers between funds	1,152	(1,152)	-	-
Cash funds at the year end.	32,247	30,088	62,336	40,318

Statement of assets and liabilities as at 31 July 2018.

	Unrestricted funds	Restricted funds	Total	12 months to 31/05/2017
	£	£	£	£
Cash balances held at HSBC, Wimbledon	32,247	30,088	62,336	40,318
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	32,247	30,088	62,336	40,318
Liabilities	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	32,247	30,088	62,336	40,318

Independent examiner's report on the accounts

Report to the members of Merton Home Tutoring Service on accounts for the 14 months ended 31st July 2018 set out on pages 1-2 above.

Respective responsibilities of trustees and examiner

The Services members are responsible for the preparation of the accounts. The members consider that an independent examination is needed in line with section 144 of the Charities Act 2011 (the Charities Act) .

It is my responsibility to:

examine the accounts under section 145 of the Charities Act,

to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and

to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the service and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the members concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Acta. have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed:



Date:

2/11/2018

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