

MOSAIC CLUBHOUSE
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2019

COMPANY NO: 03403522

REGISTERED CHARITY NO: 1071705

MOSAIC CLUBHOUSE
ANNUAL REPORT & FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2019

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**MOSAIC CLUBHOUSE
ANNUAL REPORT & FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2019**

REFERENCE AND ADMINISTRATIVE DETAILS

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| Governing Document | Memorandum and Articles of Association |
| Charity Number: | 1071705 |
| Company Number: | 03403522 |
| Trustees: | Peter Cardell (Resigned 4 th July 2019) (Chair until date of resigning as a Trustee) Kate Jopling Michael Barrett Philippa de Lacy (resigned 18 th November 2018) Dr Charlotte Augst Patrick Gillespie Mary Robertson Amy Galea Aneta Wodyczko (resigned 7 th March 2019) Lucy Hastings (Chair from 4 th July 2019) Jordan Jarrett Bryan (appointed 3 rd May 2018) Mark Hubbard (appointed 10 th January 2019) James Kavanaugh (appointed 10 th January 2019) |
| Chief Executive and Company Secretary: | Chris Thomas (appointed 19 th November 2018) Maresa Ness (resigned 18 th November 2018) |
| Registered Office: | 65 Effra Road Brixton London SW2 1BZ |
| Auditors: | MHA MacIntyre Hudson New Bridge Street House 30-34 New Bridge Street London EC4V 6BJ |
| Bankers: | National Westminster Bank 128 Balham High Road London SW12 9AE |
| Accountants: | JS2 Limited One Crown Square Woking Surrey GU21 6HR |
| Solicitors: | Bates, Wells & Braithwaite London LLP 2-6 Cannon St London EC4M 6YH |

Mosaic Clubhouse is a member of Clubhouse International, New York

MOSAIC CLUBHOUSE

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31ST MARCH 2019

The Trustees of Mosaic Clubhouse are pleased to present their report together with the audited Financial Statements for the year ended 31 March 2019.

Mosaic Clubhouse is a Lambeth based charity that provides opportunities for people who have been socially and vocationally disadvantaged by mental health problems to regain the confidence and skills necessary to lead productive and satisfying lives. It is founded on the belief that all people have the potential as well as the right to work, and to be respected as co-workers, neighbours and friends.

As an accredited part of the international clubhouse movement, we are organised around the belief that work and work relationships are restorative and provide a firm foundation for growth and important individual achievement, and that social and recreational opportunities are an important part of a person's path to recovery.

Mosaic Clubhouse was established in 1994 jointly by the London Borough of Lambeth and the then Lambeth Healthcare NHS Trust as an innovative community-based service. Their principle aim was to reduce the need from people experiencing mental health problems for avoidable and expensive council placements and NHS hospital beds. Mosaic became an independent charity in 1997 and today we have an active membership of 400 people, testament to the ongoing need for our services and the vision and continued support of the council and NHS in Lambeth.

1. OUR CHARITABLE OBJECTS

The charity is established to relieve persons suffering from mental illness and those who have been socially or vocationally disabled by mental illness through the provision of opportunities. This allows individuals to regain the confidence and the skills necessary to achieve their potential and to enjoy their right to productive, dignified and satisfying work and relationships. The charity also provides training and support to persons who are providing, or who wish to provide or organise, similar services to those provided by Mosaic.

Derived from our objects the charity strives to ensure that:

- People who suffer from mental health problems have the right to be productive, achieve their potential and be respected as co-workers, neighbours and friends.
- Access is promoted to meaningful educational and employment opportunities, assistance is provided to members in accessing and sustaining their own employment and a range of support and social opportunities are offered to match members' needs and aspirations.
- Training and support programmes are provided to other clubhouses, both in the UK and worldwide, based on the accredited Clubhouse International model.

Ensuring our work delivers our aims

Mosaic Clubhouse provides opportunities for people in Lambeth with severe and often enduring mental health problems, to regain the confidence and skills necessary to lead productive and satisfying lives. Two central tenets of Mosaic are the concept of membership of the clubhouse, with the clubhouse community helping one another, and that work and the return to paid employment is a key means of regaining confidence and self-esteem. Members are therefore the key stakeholders of the organisation and can participate in all of the clubhouse's work, decision-making and governance opportunities.

Members work on a voluntary basis and can attend Mosaic as little or as often as they are able, or choose to. It is the role of our staff to encourage and facilitate members to engage in as wide a range of opportunities at Mosaic as they are able.

Mosaic Clubhouse is therefore an *opportunity centre*, open to people in Lambeth with a history of mental ill health to become members. Members who stop attending may return at any time they choose without being re-referred.

2. HOW WE DELIVER PUBLIC BENEFIT

Who benefits from our work?

Our services are open access to people aged 16 or over. Any person with a mental health problem in Lambeth can join us as a member, either as a self-referral or through a referral from local mental health services, social services, etc. The Evening Sanctuary service and the Information Hub are open to anyone in Lambeth without having to be a member.

During the year ended 31 March 2019 the following people benefited from Mosaic Clubhouse services:

- 633 people accessed the Clubhouse and enablement programme
- 1,066 visits were made to the Information Hub
- 79 people accessed the Clubhouse on average each day
- 238 members were involved in the design, development, delivery, management and review of our services

MOSAIC CLUBHOUSE

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- 715 partnership activities were hosted
- 107 people accessed the Evening Sanctuary on 1,780 occasions
- 2 International Clubhouse training courses were hosted for 22 colleagues from 4 countries.

The majority of members are referred to Mosaic Clubhouse by Community Mental Health Teams at South London & Maudsley NHS Trust (SLaM), and are therefore in receipt of secondary mental health services. Lambeth has some of the highest prevalence of mental health needs in London. It also has high and increasing deprivation levels. Although we do not currently record data on the income levels of our members, most are in receipt of out of work benefits or on low incomes.

97% of our current membership resides in the London Borough of Lambeth. Those who don't are likely to have moved out of the Borough after starting with us. The Borough of Lambeth has a population of 318,000 and a young demographic, with 21% of the population (68,000) under 20 and an average age of 34. Lambeth is also ethnically diverse, including 40% who identify as white Irish or British, 15% as white European or other, 25% as Black and 9% as Asian¹.

In comparison the membership of Mosaic Clubhouse has 13% aged 16 – 30 and an ethnic diversity that includes 26% identifying as white Irish or British, 7.4% as white European or other, 15% as Black or Black British African, 19% Black or Black British Caribbean, 6% Black other, 7% Asian, 4% Chinese or Vietnamese and 9% with mixed ethnicity.

How do we provide services?

- Work ordered day

Mosaic Clubhouse is based around a work ordered day that operates between 09:00-17:00. All work is exclusive to the operation and enhancement of the clubhouse community and is organised within the following lively work units:

- Business and Administration
- Education, Employment and Information
- Café/Garden and Maintenance

Each unit provides a wide range of tasks appropriate to the capabilities and interests of individual members. The aim is to engage staff and members, side by side, in the daily running of the clubhouse. This approach enables members to gain skills, confidence and self-esteem in the safe environment of the clubhouse and helps members move towards accessing employment and educational opportunities within the wider community.

- Education and employment programme

As a right of membership, Mosaic Clubhouse provides opportunities to access paid work placements in business and industry and, thereafter, support to enter and thrive in more sustainable employment. Mosaic Clubhouse also provides opportunities to access educational courses and workshops, which are provided by external colleges and partners as well as members within the clubhouse; these are many and varied and offer members the ability to claim a new identity as a learner and to progress into mainstream educational provision. Our employment and education partner organisations regularly compliment Mosaic Clubhouse on its determination to see members succeed, together with the support it provides to promote members' success.

During the year ended 31 March 2019 we identified the need and secured funding for a full-time youth worker coordinator and a full time youth worker. Sitting within our education and employment unit these positions will help to meet our ambitions for our growing youth worker programme.

"I am currently waiting to start my 3rd year of university to study Computing and System Development. I have also recently started work as a private hire driver. If it was not for the incredible and massive support I received from the members of staff and my key worker at Mosaic Clubhouse it would have been impossible to be where I am, at this current stage of my life, so I am always grateful and thankful".

"To improve and develop my IT and administration skills I signed up to a TEP (Transitional Employment Placement) where you can gain work experience and confidence. I started a new job in an Administration office in Brixton. I was trained by a great person, whose warm and compassionate attitude and fantastic teaching skills have helped me to build my confidence and learn something new. This job has given me the opportunity to seek further employment in the future."

¹ Lambeth State of the Borough 2016. <https://www.lambeth.gov.uk/>

MOSAIC CLUBHOUSE

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FOR THE YEAR ENDED 31ST MARCH 2019

- Information Hub

The Information Hub offers rapid information, signposting and onward referral to a range of organisations – including those specialising in benefits, housing advice, physical wellbeing and smoking cessation – alongside supporting access to local mental health services. Mosaic Clubhouse provides this service for Lambeth residents who need non-clinical support or advice for their own or others' mental health problems.

During the year ended 31 March 2019:

- 470 people used the Information Hub
- 1,066 visits, telephone calls and emails were received
- 417 hours of help was given to Lambeth residents.

Supported in its work by a number of trained members, Mosaic Clubhouse has an ongoing aim to extend the reach of the Information Hub by forging closer working relationships with health centres and GP surgeries across Lambeth.

"I walked down Effra Road. Why I do not know, perhaps it was destiny calling or is that infinity? I looked up, I saw the Mosaic sign, negativity nearly overcame the potential but I made a point of visiting the next morning.

What would I say? The complexity of my life was ringing in my mind like the Lambeth Town clock. I got up in the morning and added kindle to my previous night thought. I attended, I asked for help.

Initially strangers over time came to understand and supported my situation and they did what I at first thought they would not. Over time, listening ears and humility managed to navigate and to improve the situation. Genuine interest and investment of time and efforts brought positive results.

The Mosaic's constant kind hearted spirit restored a damaged faith in society. Actively processing problems donated real solutions. Six months later I am now away from initial danger, more stable and me and man's best friend are now housed. The result? A resolve to continue to build up and upon. In two words ... THANK YOU."

- Evening, weekend and holiday programmes

Additional to work opportunities Mosaic Clubhouse also provides social and recreational programming. These activities are always scheduled outside of the work day and are available to all members, including those who are in education and/or employment. Attendance at socials enables members to get to know each other in a different context and many friendship groups are formed as a result. Peer-to-peer support is an important part of our self-help and recovery ethos. Members also have the opportunity to go on a short educational break to a farm, funded from a legacy.

- Community and housing support

People living with mental illness often require a range of on-going support to assist them with their recovery, rehabilitation and reintegration into the community. Through the work day at Mosaic Clubhouse, members are given help in accessing the best quality services available in their community. This includes support in accessing quality, affordable and dignified housing, benefits support, good mental health and general medical services. This also includes support with budgeting, household finance and home maintenance.

Members and staff from the clubhouse provide this support wherever possible. Strong links are maintained with other partner organisations – for example being a part of Lambeth's Living Well Network provides formal links to complementary services that can help our members. Regular visits are also made to patients on local psychiatric wards, giving them information and support.

- Reach out

Part of the daily work at Mosaic Clubhouse involves keeping track of all its members. When any member does not attend the clubhouse or is in hospital, a *reach out* telephone call or visit is made to the absent member. Each member is reminded that he or she is missed, welcome and needed at the clubhouse. This process not only encourages members to participate, but it is an early warning system for those members who are experiencing difficulties and may need extra help.

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- Wellbeing programme

Mosaic Clubhouse is committed to supporting members in becoming healthier, recognising that individuals living with a mental health condition are likely to die 20 years earlier than the general population. As part of this programme various activities and support is offered, including keep fit, yoga, Pilates, gym, walking groups, a healthy eating group, smoking cessation advice and the services of a dietician to advise on weight management and diabetes. A football team has also started up in 2019.

- Evening Sanctuary

Mosaic Clubhouse provides a sanctuary service where people can access activities such as exercise classes, art, videos or music, can make themselves snacks, or relax in a quiet space with peers to listen and chat to. Introductions must be made by a health professional. Since May 2015 the Evening Sanctuary has been open for five nights each week, from Wednesday to Sunday, operating with two trained members of staff. Other clubhouse members also act as peer supporters.

This service is a key part of the Lambeth Living Well Collaborative’s ambition to support people with mental health issues more effectively. It was developed in response to the crisis care concordat that encourages the development of alternatives to hospital stays. The Evening Sanctuary was co-designed with service users who visited out of hours crisis services elsewhere: across the country, the voluntary sector, A&E and SLaM.

During the year ended 31 March 2019 the Evening Sanctuary provided crisis support to 107 people on 1,086 occasions. Additional funding was also secured to extend the service to seven nights a week.

“To be honest what I got from the Sanctuary was over and above what I was expecting. Interaction with other people has been great. Playing cards, speaking to people, watching football. Being out in the evening rather than being at home. I have started setting little goals, things that are achievable, small things like listening to music has really helped. It has stopped me seeing the whole future as bleak”.

3. OUR ACHIEVEMENTS IN 2018/19

Every year the Board of Trustees reviews the priorities of Mosaic Clubhouse as part of business planning. This is how we met our objectives for year ended 31 March 2019.

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| We said we would: |
| Continue to contribute to people’s wellbeing and demonstrate the impact and evidence of the model. |
| What we did: |
| 647 were registered as members, with an average daily attendance of 79. Gained reaccreditation by Clubhouse International, which will last three years. This involved an international inspection team auditing Mosaic Clubhouse on International Clubhouse standards and included measuring members’ experience and evidence of impactful practice. Started a reassessment of our impact measures; with the aim of revising our measurement processes in 2019/20. |

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| We said we would: |
| Spread the Clubhouse model to enable more people to benefit and achieve a better quality of life. Increase our profile locally and nationally through partnerships. Share the value of the Clubhouse model locally, nationally and internationally using our training experience. |
| What we did: |
| Delivered two comprehensive Clubhouse International colleague training courses, which were attended by 22 people from 6 Clubhouses in 4 countries (Netherlands, Norway, Republic of Ireland & Finland). Six of our members, staff and Trustees attended colleague training in Oslo and New York. International practice was shared and implemented as part of continual improvement. Received high profile PR, including featuring in the NHS 70 Film and support for the Clubhouse model at the Liberal Democrats Autumn Conference 2018. Testimony from one of our members was shown at the Conference, with a message of support for a Clubhouse in every community in England. |

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| We said we would: |
| Future proof Mosaic Clubhouse; ensuring we maintain our place and funding within Lambeth's new alliance structure. |
| What we did: |
| Confirmed with Commissioners that Mosaic will remain a key part of Lambeth's mental health provision as we move towards the Alliance Contract. Our current contract runs until the end of September 2020. Submitted a successful bid for additional funding from Lambeth to extend the Evening Sanctuary service from 5 nights to 7 nights a week. This is viewed as a critical service for the people of Lambeth in a crisis. |

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| We said we would: |
| Continue to expand and broaden employment opportunities for members. |
| What we did: |
| Secured six new Transitional Employment Placements – 4 receptionist positions, 1 gardener and 1 carpet cleaner. Provided access to TEPs for 25 members – a 32.5% increase on the previous year – including: <ul style="list-style-type: none"> • Holding TEPs with 10 separate employers, 3 of which fell under the SLaM umbrella • Supporting 9 members access their own sustainable open or supported employment with a very wide range of employers, overwhelmingly in the private sector • Extending partnerships with Public Health England and the Alliance Rehabilitation Team to include more long-term supported employment positions • Continuing a partnership with Pret-a-Manger's Rising Stars programme • Developing a new arrangement with Animal Equality, a campaigning charity which offers intensive one week employment placements to our members. |

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| We said we would: |
| Continue to broaden our engagement and successfully meet the needs of younger people (age 16-30) in Lambeth. |
| What we did: |
| Supported 107 young members, with an average of 32 people attending each month and 60 each month also being supported through outreach and attendance. Expanded the range of support and activity for, and led by, young people. Highlights include: <ul style="list-style-type: none"> • Young members leading a poetry project (6 week workshop), a sharing event at the Brixton Pound Café and workshops in drawing and avoiding isolation • Formation of a new football group that meets weekly • One young member training for and completing the London Marathon for Mosaic • Young members delivering Mental Health Awareness Training to a group of staff and young people at Hope UK in York, and delivering Hospital Outreach work on the adolescent ward in Lambeth • Two young members attending Colleague Training in Gothenburg and New York. |

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| We said we would: |
| Identify and develop diversify sources of income. |
| What we did: |
| Continued to secure about a third of our total income from donations, grants and legacies. Secured an award from the Big Lottery of £266,880 over 3 years from September 2018, which included continuation funding for a support worker in our Education and Employment Unit and new funding for a full time youth support worker. Continued to receive support from our main corporate partner, Osborne Clarke LLP. Appointed as Charity of Year by the Mayor of Lambeth and support for a number of high profile charity events that raised funds for Mosaic. |

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Our delivery partners across the year included:

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| <ul style="list-style-type: none"> • Age UK, Lambeth • Arts Admin • Black Prince Trust • Brixton Advice Centre • Carers Hub Lambeth • Cygnet Churchill Hospital • Clubhouse International • Centre 70 • CNBC (Consumer News Business Channel) • Creative • Community Connectors • Disability advice Service Lambeth • Dress for Success • Employ SE1 • Every Pound Counts • Faith Together • First Step Trust • Groundworks • GT Stewart Solicitors & Advocates • Harris Global • Helplines Partnership • Hope Community Homes • Impact International • Jobcentre Plus/ Green Man Skills Zone • Kings college hospital • Knecco Training • Lambeth College • Lambeth Law Centre • Lambeth Living Well Collaborative • Lambeth Living Well Network Hub • Lambeth & Southwark Mind • Lambeth Smoking Cessation • Lambeth Talking Therapies • LB Lambeth Business, Growth and Regeneration • Livity • LEAP • Loughborough Farm • Money and Mental Health | <ul style="list-style-type: none"> • McPin Foundation • Media Trust • Mental Health Provider's Forum • Morley College • Nine Elms on the South Bank • Opportunity Lambeth • Osborne Clark LLP • Oasis • Pop Brixton • Pret a Manger • Public Health England • Reader's Group • Remploy • Redthread • South Themes College • St Luke Hub • SPEAR Resurgo • Spiral • Sharp Team • Shelter • SHP • Spires • SLAM Recovery College • SLAM Vocational Services • Solidarity in Crisis • Trussel Trust • Tree Shepherd • Tulse Hill Advice Centre • The Princes Trust • Transport for all • Volunteering Matters • Well centre • Westminster Kingsway Youth Employment Project • We Rise • Workers' Educational Association • Young Carers |
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4. STRATEGIC OBJECTIVES FOR 2019/20

Every year the Board of Trustees meets to review the objectives and business plans of Mosaic Clubhouse for the year ahead. These are the priorities for the year ended 31 March 2020:

- To future proof mosaic clubhouse; ensuring that we maintain a place for the clubhouse model within the new alliance structure in Lambeth
- To continue to contribute to our member's wellbeing and demonstrate the impact and evidence of the model
- To strengthen mosaic clubhouse as a local asset; to support our delivery goals and attract greater involvement from the diverse communities
- To raise our profile, and promote the clubhouse model; locally, nationally, and internationally
- To continue to broaden our engagement and successfully meet the needs of younger members (aged 18-25).

5. STRUCTURE, GOVERNANCE AND MANAGEMENT

Decision-making and governance are an important part of clubhouse work. Mosaic Clubhouse has an independent Board of Trustees that has ultimate responsibility for the clubhouse, and two Trustee subcommittees. Members and staff meet in open forums to discuss policy issues and future planning for the clubhouse.

MOSAIC CLUBHOUSE

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31ST MARCH 2019

The Board of Trustees are satisfied that Mosaic Clubhouse demonstrably meets the Charity Commission's guidelines with regard to delivering public benefit.

The Financial Statements comply with current statutory requirements and the current Statement of Recommended Practice, *Accounting and Reporting by Charities* (revised 2015), and are subject to annual external audit in line with the Charities Act and Company Law requirements. We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, we have considered how planned activities will contribute to the aims and objectives that we have set.

The reference and administrative details set out on page one forms part of this report.

Mosaic Clubhouse is a Charitable Company Limited by Guarantee, incorporated on 15th July 1997 and registered as a charity on 25th September 1998. The company was established under a Memorandum of Association, 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 £10.

Recruitment, appointment and training of Trustees

The Directors of the company are also charity Trustees for the purposes of charity law. Under the requirements of the Memorandum and Articles of Association, one third of the Trustees who are subject to retirement by rotation retire from office. The Trustees to retire by rotation are those who have been longest in office since their last appointment, after which they may be re-elected at the next Annual General Meeting.

Trustees of Mosaic Clubhouse have adopted the following recruitment process for new Trustees:

- Interested parties complete an application form
- They are invited to an informal meeting with the Chief Executive
- They are given a tour and the opportunity to meet members of the community
- They formally meet with at least two Trustees for an interview
- The Trustees then nominate the successful candidate to the whole board for approval and appointment.

All new Trustees receive information about Mosaic Clubhouse including: recent management accounts; recent board minutes and agendas; business plans; clubhouse standards and recent newsletters. Trustees are encouraged to spend some time in the clubhouse, and to join a board sub-committee to enable them to get a better understanding of the clubhouse. On an ongoing basis Trustees are also given the opportunity to attend and take part in Clubhouse Colleague Training – within the last year two Trustees attended the International Clubhouse conference in Colorado, USA.

The Board of Trustees also seeks to ensure that the skills they have are what is needed to ensure the best services for the clubhouse members. In order to do this all Trustees complete an annual skills audit, which gives an up to date picture of skills currently on the Board. These are measured against the skills that are needed on the board. At least two Trustees positions are held by members of the community.

Organisational structure

The Board of Mosaic Clubhouse currently comprises eleven Trustees. The Chief Executive carries out the role of Company Secretary. Trustees are provided with relevant background information before board meetings, enabling well-informed decisions to be made. The Board usually meets six times a year and is supported in its work by two subcommittees: the Finance & Performance Committee and the Development Committee. Each subcommittee reports directly to the Board and neither has decision making authority.

Day-to-day responsibility for the provision of services rests with the Chief Executive. The Chief Executive is responsible for ensuring that the Clubhouse delivers against its objectives and the service requirements of its main contractual relationship.

Principal risks and uncertainties

The Board of Trustees conducts regular reviews of the major risks to which the charity is exposed and the corporate risk register is amended accordingly. Where appropriate, systems or procedures have been established that mitigate the risks the charity faces. The Trustees have identified the following as the two key risks and uncertainties that the charity faces:

- Statutory funders are under increasing financial pressure. In addressing this risk, Mosaic seeks to achieve a diversity of funding sources;
- New models of partnership working are being developed within the local mental health environment, which could involve different ways of working in the future. Mosaic engages with these developments with the Chief Executive regularly attending local collaborative meetings.

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Internal control risks are minimised by the procedures that are in place. These procedures ensure compliance with health and safety of staff, volunteers, clients and visitors. Procedures are also in place for delivering the services of the charity. These procedures are regularly reviewed and updated by the Chief Executive and Board, ensuring that they continue to meet the needs of the charity.

6. FINANCIAL REVIEW INCLUDING REMUNERATION

Mosaic Clubhouse's total income for 2018/19 was £1,100,287 (2017/18: £1,050,517) comprising £152,424 restricted income (2017/18 £74,062) and £947,863 unrestricted income (2017/18 £976,455). The increase in total income was due mainly to the receipt of enhanced grants and donations compared with the prior year.

Expenditure incurred by Mosaic Clubhouse includes staffing, facilities and equipment required to run the services it provides. This includes salaries and employer on-costs, utilities, insurance, service charges and other running costs. Overall expenditure for the year was £1,093,214 (2017/18: £1,083,183) thus resulting in a surplus for the year of £7,073 (2017/18: deficit £32,666). While overall expenditure remained broadly consistent with the prior year, an increase in the costs of maintaining the clubhouse premises and operating clubhouse activities was offset by a decrease in asset depreciation and costs of running the Cafe.

The Board undertakes an annual review as to whether Mosaic Clubhouse can be regarded as a going concern. Funding arrangements for NHS providers of mental health services in Lambeth will change when the new alliance contracting arrangement goes live, which may be achieved in 2020 for Mosaic. At its meeting on 5th September 2019 the Board considered this forthcoming re-structuring of funding arrangements together with any other relevant issues. Having taken into account the levels of ongoing secured grant funding and available unrestricted reserves, the Board considered that the uncertainties about the nature, timing and potential impact of changes on Mosaic Clubhouse would not be material over the foreseeable future period, defined as 12 months from the date of this Report. Therefore, in the Board's view Mosaic remains a going concern.

Remuneration Policy

The remuneration policy for key management personnel is consistent with the pay policy for all employees: Mosaic Clubhouse aims to pay slightly above London market rates for charity staff at a similar job level to ensure that we continue to employ and retain good quality staff. We believe this approach leads to long-term cost savings as a result of reduced staff turnover and facilitates knowledge and skill development amongst our employees, hence leading to the delivery of a better quality service for our beneficiaries. The Board of Trustees reviews pay for the Chief Executive and employees annually. The senior management personnel of the Charity currently comprises the Trustees (who are not remunerated), the Chief Executive, the Fundraising Manager, the Business Manager and the Programme Manager.

Reserves Policy

To meet the Charity Commission's guidance on reserves and in line with best practice, Trustees are required to build and maintain free reserves available to meet potential general commitments (as opposed to restricted funds given for specific purposes). These reserves need to be distributable reserves and relatively quickly realisable for the charity (represented by its undesignated unrestricted funds). Mosaic Clubhouse's policy is to build and maintain reserves that would allow continuation of operations for up to six months, possibly with a reduced total expenditure. The Board of Trustees reviews this policy annually.

As at the date of the closing balance sheet there were free reserves of £379,717 (2017/18: £370,958). In extremis this would allow Mosaic to continue all core services for a period of over four months without realising any income during this period or without making any reduction to total expenditure. This could be extended out towards six months when taking account of the reduction in services that would occur, together with related expenditures, during the gradual placing of members in other services across the period. The Board therefore considers the current level of reserves to be in line with the policy.

In addition to free reserves in the general fund, the Trustees have designated funds totalling £64,358 set aside for specific purposes. These are set out in note 14 to the accounts.

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FOR THE YEAR ENDED 31ST MARCH 2019

Principal funding sources and fundraising

Funding from Lambeth Social Services and Lambeth Clinical Commissioning Group (CCG) continues to be main source of funds. 38% (2018: 32%) of the total 2018/19 incoming resources were generated from other sources, including grant making incomes, charitable donations and self-generated donations.

As a Board we are working with partners to support and respond to the new agenda, and expect to maintain similar levels of funding next year. We are also aware that during 2019 the planned alliance contracting mechanism will be formalised for all mental health services in Lambeth. Our contract was renewed on the 1st April 2019 and continues as normal until September 2020, after which it is anticipated that all existing voluntary sector mental health contracts in the borough will be moved into the new arrangement. This and other increasing restraints on statutory expenditure are the reason for our continued exploration of other possible income streams. Based on our track record of fundraising to date, the Board is confident that we will continue to achieve similar levels of funding from non-statutory and other sources in 2019/20 and beyond.

The Board of Trustees therefore places on record its gratitude on behalf of members for the financial support received in the year ended 31 March 2019 from the following trusts, foundations and grant making bodies:

- The National Lottery Community Fund, Reaching Communities
- The Stone Family Foundation
- The Henry Smith Charity
- The Leathersellers' Company Charitable Fund
- Lambeth Community Fund, Youth Social Action Fund
- The Progress Foundation
- LCF Lambeth Giving Fund
- The Walcot Foundation
- Sir Walter St John Education Charity
- Sam & Bella Sebba Charitable Trust
- The Kenneth & Susan Green Charitable Foundation
- Garfield Weston Foundation
- Corporate partner Osborne Clarke LLP
- William Allen Young
- Persula Foundation

As we do not employ an external fundraising agency or have any dedicated community fundraising capacity, we only raise a limited amount of funding from community events. In particular we would like to thank all our runners who ran for us in the London Marathon, our continued support from colleagues at Osborne Clarke LLP, and the (former) Lambeth Mayor who appointed Mosaic Clubhouse as his charity of the year, in his Mayoral year.

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7. STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also Directors of Mosaic Clubhouse for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Board of Trustees are responsible for keeping adequate accounting records that 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. 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.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

The charity's auditors, MHA MacIntyre Hudson, have indicated their willingness to continue in office and offer themselves for re-appointment.

PREPARATION OF THE REPORT

This report has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006. This report was approved and authorised for issue by the Board of Trustees on 5th September 2019 signed on its behalf by

Lucy Hastings, Chair

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MOSAIC CLUBHOUSE (REGISTERED COMPANY NO. 03403522)

Opinion

We have audited the financial statements of Mosaic Clubhouse (the 'charitable company') for the year ended 31 March 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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).

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 2019, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- 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.

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 charitable 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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable 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 Trustees 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report (incorporating the Directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MOSAIC CLUBHOUSE (REGISTERED COMPANY NO. 03403522) (continued)

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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, 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 Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement Trustees' annual report, 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, and for such internal control as the Trustees 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 Trustees are responsible for assessing the charitable 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 Trustees either intend to liquidate the charitable 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.

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. This description forms part of our auditor's report.

Use of our report

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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sudhir Singh FCA (Senior Statutory Auditor)
For and behalf of MHA MacIntyre Hudson
Chartered Accountants and Statutory Auditors
New Bridge Street House
30-34 New Bridge Street
EC4V 6BJ

Date

MOSAIC CLUBHOUSE

STATEMENT OF FINANCIAL ACTIVITIES (includes income and expenditure account)

FOR THE YEAR ENDED 31ST MARCH 2019

| | Note | Unrestricted Funds 2019 £ | Restricted Funds 2019 £ | Total Funds 2019 £ | Total Funds 2018 £ |
|--------------------------------------|------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| INCOME | | | | | |
| Donations | 3 | 190,493 | 77,269 | 267,762 | 221,797 |
| Income from charitable activities | | | | | |
| Grants and Contracts | 3 | 686,291 | 75,155 | 761,446 | 754,500 |
| Café Mosaic | | 42,507 | - | 42,507 | 40,879 |
| Clubhouse Model Training | | 25,793 | - | 25,793 | 31,358 |
| Other Income | | 2,299 | - | 2,299 | 1,880 |
| Income from investments | | 480 | - | 480 | 103 |
| TOTAL INCOME | | 947,863 | 152,424 | 1,100,287 | 1,050,517 |
| EXPENDITURE | | | | | |
| Expenditure on raising funds | | 34,404 | - | 34,404 | 23,087 |
| Expenditure on charitable activities | | 918,958 | 139,852 | 1,058,810 | 1,060,096 |
| TOTAL EXPENDITURE | 4 | 953,362 | 139,852 | 1,093,214 | 1,083,183 |
| Net income/ (expenditure) | | (5,499) | 12,572 | 7,073 | (32,666) |
| Transfers between funds | 13 | 2,867 | (2,867) | - | - |
| NET MOVEMENT IN FUNDS | | (2,632) | 9,705 | 7,073 | (32,666) |
| TOTAL FUNDS BROUGHT FORWARD | | 446,707 | - | 446,707 | 479,373 |
| TOTAL FUNDS CARRIED FORWARD | | 444,075 | 9,705 | 453,780 | 446,707 |

All of the Charity's operations are continuing.

MOSAIC CLUBHOUSE (REGISTERED COMPANY NO. 03403522)**BALANCE SHEET****AS AT 31ST MARCH 2019**

| | Note | £ | 2019 £ | £ | 2018 £ |
|---|------|------------------|----------------|------------------|----------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 10 | | 18,356 | | 23,771 |
| CURRENT ASSETS | | | | | |
| Debtors | 11 | 171,911 | | 192,631 | |
| Cash at bank and in hand | | 387,457 | | 342,414 | |
| | | 559,368 | | 535,045 | |
| Creditors: amounts falling due within one year | 12 | (123,944) | | (112,109) | |
| NET CURRENT ASSETS | | | 435,424 | | 422,936 |
| NET ASSETS | | | 453,780 | | 446,707 |
| FUNDS | | | | | |
| Restricted funds | 13 | | 9,705 | | - |
| Unrestricted funds | | | | | |
| Designated funds | 14 | 64,358 | | 75,749 | |
| General fund | 15 | 379,717 | | 370,958 | |
| | | | 444,075 | | 446,707 |
| | | | 453,780 | | 446,707 |

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved, and authorised for issue, by the trustees on 5 September 2019 and signed on their behalf by:-

Lucy Hastings, Chair

MOSAIC CLUBHOUSE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2019

| | 2019 | | 2018 | |
|---|---------|---------|----------|---------|
| | £ | £ | £ | £ |
| Cash provided by/ (used in) operating activities | | | | |
| Net movement in funds | 7,073 | | (32,666) | |
| Add back depreciation charge | 14,967 | | 19,912 | |
| Less interest income | (480) | | (103) | |
| Decrease in debtors | 20,720 | | 34,550 | |
| Increase/ (decrease) in creditors | 11,835 | | (29,404) | |
| Net cash provided by/ (used in) operating activities | | 54,115 | | (7,711) |
| Cash flows (used in)/ provided by investing activities | | | | |
| Interest income | 480 | | 103 | |
| Purchase of tangible fixed assets | (9,700) | | - | |
| Disposals of tangible fixed assets | 148 | | - | |
| Net cash (used in)/ provided by investing activities | | (9,072) | | 103 |
| Increase/ (decrease) in cash and cash equivalents in the year | | 45,043 | | (7,608) |
| Cash and cash equivalents at the beginning of the year | | 342,414 | | 350,022 |
| Total cash and cash equivalents at the end of the year | | 387,457 | | 342,414 |

MOSAIC CLUBHOUSE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2019

1. CHARITY INFORMATION

Mosaic Clubhouse is a private limited company (registered number 03403522) limited by guarantee which is incorporated and domiciled in the UK. The address of the registered office is 65 Effra Road, London, SW2 1B2. It is registered with the Charity Commission in England and Wales.

2. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently in dealing with items considered material in relation to the financial statements.

2.1 Basis of accounting

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Companies Act 2006, and UK Generally Accepted Practice as applied from 1 January 2015.

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Charity to continue as a going concern. In making their assessment, the Trustees have considered the uncertainty surrounding forthcoming changes to funding arrangements for jointly commissioned local authority and NHS providers of mental health services in the area of benefit (as outlined further in the Report of the Trustees), and the potential impact of those changes on the Charity. They have concluded there are no material uncertainties regarding going concern over the foreseeable future.

The Trustees have made their assessment for a period of at least one year from the date of approval of the financial statements. In particular the Trustees have considered the Charity's forecasts and projections. After making enquiries the Trustees have concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

The functional currency of Mosaic Clubhouse is considered to be in pounds sterling because that is the currency of the primary economic environment in which the charity operates. The financial statements are also presented in pounds sterling, rounded to the nearest £1.

2.2 Income and Expenditure

Fund Accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustees in accordance with the charitable objectives of the charity.

Designated funds comprise unrestricted funds set aside by the Trustees for specific future purposes or projects.

Restricted funds comprise monies raised for, and their use restricted to, a specific purpose, or donations subject to conditions imposed by the donor or through the terms of an appeal.

MOSAIC CLUBHOUSE
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST MARCH 2019

Income

Income is included in the Statement of Financial Activities when the charity is legally entitled to the income, it is probable that the income will be received and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

Donations and gifts where entitlement is not conditional on the delivery of a specific performance by the charity are recognised when the charity becomes unconditionally entitled to the income. Donated professional services and facilities are recognised on the basis of the value of the gift to the charity, which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market. A corresponding amount is then recognised in expenditure in the period of receipt. Payroll services were provided by South London and Maudsley NHS Foundation Trust until 30 September 2018, of which the value is immaterial and has not been recognised in the accounts. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

Income from charitable activities received by way of grants and contracts, including funding from government, is included in full in the Statement of Financial Activities when the Charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met these amounts are deferred.

Bank interest receivable is fully accrued at the balance sheet date.

Expenditure

Expenditure is recognised on an accruals basis when there is a legal or constructive obligation committing the charity to the expenditure. Expenditure includes any VAT which cannot be recovered and is reported as part of the expenditure to which it relates.

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

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 the basis of estimates of the proportion of time spent by staff on those activities.

2.3 Operating Leases

Rentals payable under operating leases are charged as incurred over the term of the lease.

2.4 Pension Costs

Contributions are charged in the year in which they are payable.

2.5 Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. The capitalisation threshold for fixed assets is £500.

Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, as follows:

| | |
|-----------------------|----------------------|
| Fixtures and Fittings | 25% straight line |
| Office Equipment | 25% straight line |
| Computer Equipment | 33.33% straight line |
| Leasehold Equipment | 20% straight line |
| Vehicles | 25% straight line |

MOSAIC CLUBHOUSE
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST MARCH 2019

2.6 Financial Instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously. With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See Note 20.

2.7 Debtors

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

2.8 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

2.9 Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method. Deferred income represents grants, contract funding and training fees relating to future period.

MOSAIC CLUBHOUSE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31ST MARCH 2019

3. DONATIONS, GRANTS AND CONTRACTS

| | Unrestricted Funds 2019 £ | Restricted Funds 2019 £ | Total Funds 2019 £ | Total Funds 2018 £ |
|---|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| The Stone Family Foundation | 134,000 | - | 134,000 | 134,000 |
| The Big Lottery Fund 2018-2021 | - | 62,675 | 62,675 | - |
| Quartet Community- Osborne Clarke LLP | 20,364 | - | 20,364 | - |
| Other donations | 17,129 | - | 17,129 | 7,282 |
| The Big Lottery Fund 2013-2018 | - | 14,594 | 14,594 | 34,729 |
| The Leathersellers' Company | 12,500 | - | 12,500 | 12,500 |
| Southside Partnership | 2,500 | - | 2,500 | 9,600 |
| Kenneth & Susan Green Charitable Foundation | 2,000 | - | 2,000 | - |
| William Allen Young | 1,000 | - | 1,000 | - |
| Persula Foundation | 1,000 | - | 1,000 | - |
| The Henry Smith Charity | - | - | - | 20,000 |
| The Worshipful Company of Basketmakers | - | - | - | 1,000 |
| London Community Foundation | - | - | - | 2,000 |
| Legacies | - | - | - | 686 |
| Donations and Legacies | 190,493 | 77,269 | 267,762 | 221,797 |
| London Borough of Lambeth and Lambeth Primary Care Trust | 516,178 | - | 516,178 | 571,000 |
| NHS Lambeth | 148,000 | - | 148,000 | 144,167 |
| Sir Walter St John: Education Youth Work Coordinator | - | 22,988 | 22,988 | - |
| London Borough of Lambeth: Grant re rent increase | 18,946 | - | 18,946 | - |
| The Progress Foundation | - | 18,000 | 18,000 | 13,500 |
| Walcot Educational Fund | - | 16,667 | 16,667 | 8,333 |
| The Sam & Bella Charitable Trust | - | 15,000 | 15,000 | - |
| London Community Foundation Youth Social Action Fund | - | 2,500 | 2,500 | 7,500 |
| Garfield Weston Foundation | 1,667 | - | 1,667 | - |
| Brixton Voices: Sir Walter St John | 1,500 | - | 1,500 | - |
| Battersea Foundation | - | - | - | 5,000 |
| The Smith and Mount Charitable Trust | - | - | - | 5,000 |
| Grants and contracts | 686,291 | 75,155 | 761,446 | 754,500 |

Income above includes the following grants from government towards the running of the Clubhouse:

| | 2019 £ | 2018 £ |
|---|-----------|-----------|
| London Borough of Lambeth and Lambeth Primary Care Trust | 535,124 | 571,000 |
| The Big Lottery Fund | 77,269 | 34,729 |

All conditions relating to these grants have been fulfilled in the year.

MOSAIC CLUBHOUSE
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST MARCH 2019

4. EXPENDITURE

| | Direct Staff costs £ | Other Direct costs £ | Support costs £ | Total 2019 £ | Total 2018 £ |
|-----------------------|----------------------------|----------------------------|-----------------------|------------------|------------------|
| Raising funds | 31,825 | - | 2,579 | 34,404 | 23,087 |
| Charitable activities | 688,176 | 314,867 | 55,767 | 1,058,810 | 1,060,096 |
| | <u>720,001</u> | <u>314,867</u> | <u>58,346</u> | <u>1,093,214</u> | <u>1,083,183</u> |

Support costs are detailed in Note 6. Support costs are considered to be any costs not directly associated with member activities. Such costs are allocated between operations and governance on the basis of staff time.

5. NET MOVEMENT IN FUNDS

| This is stated after charging: | 2019 £ | 2018 £ |
|--|---------------|---------------|
| Auditors' remuneration for audit (including VAT) | 11,400 | 10,200 |
| Rent of land and buildings | 76,661 | 56,500 |
| Other operating lease payments | 1,481 | - |
| Depreciation | <u>14,967</u> | <u>19,913</u> |

6. SUPPORT COSTS

| | 2019 £ | 2018 £ |
|----------------------|---------------|---------------|
| Governance costs: | | |
| Audit | 11,400 | 10,200 |
| Staff costs | 2,370 | - |
| Board meetings | 477 | 256 |
| | <u>14,247</u> | <u>10,456</u> |
| Other support costs: | | |
| Staff costs | 21,230 | 6,903 |
| Financial and Legal | 19,767 | 20,078 |
| Consultancy and HR | 3,102 | 32,027 |
| | <u>58,346</u> | <u>69,464</u> |

MOSAIC CLUBHOUSE
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST MARCH 2019

7. STAFF COSTS

| | 2019 | <i>2018</i> |
|--------------------------------|-----------------------|-----------------------|
| | £ | <i>Restated</i> |
| | | £ |
| Salaries | 655,133 | <i>651,599</i> |
| Social security | 62,208 | <i>62,892</i> |
| Employer Pension Contributions | 26,260 | <i>19,346</i> |
| | <u>743,601</u> | <i><u>733,837</u></i> |

The 2018 analysis has been restated to more accurately report disclosure categories.

| | 2019 | <i>2018</i> |
|---|--------------------|--------------------|
| | No. | <i>No.</i> |
| The average headcount during the year was as follows: | <u>25.8</u> | <i><u>23.8</u></i> |

The number of employees whose emoluments amounted to over £60,000 in the year (exclusive of employer pensions and employer National Insurance contributions) was as follows:

| | 2019 | <i>2018</i> |
|-------------------|-----------------|-----------------|
| | £ | <i>£</i> |
| £60,000 - £69,999 | <u>-</u> | <i><u>1</u></i> |

Employee benefits payable to key management personnel, defined as Trustees together with the Chief Executive, Programme Manager and Resources Development Manager, inclusive of employer pensions and employer National Insurance contributions, was £161,537 (2018: £160,142).

8. TRUSTEES' REMUNERATION AND REIMBURSEMENT OF EXPENSES AND RELATED PARTY TRANSACTIONS

Out of pocket expenses totalling £419 were reimbursed (relating to travel) to one Trustee in the year (2018: Nil). No Trustees received nor waived any remuneration for their services during the year (2018: Nil).

There were no related party transactions during the year (2018: Nil).

9. PENSION COMMITMENTS

Mosaic Clubhouse operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £26,260 during the year (2018: £19,346).

MOSAIC CLUBHOUSE
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST MARCH 2019

10. TANGIBLE FIXED ASSETS

| | Fixtures & Fittings, Vehicles and other equipment £ | Computer Equipment £ | Total £ |
|-----------------------|--|----------------------------|----------------|
| Cost | | | |
| At 1 April 2018 | 124,601 | 50,983 | 175,584 |
| Additions in the year | 6,833 | 2,867 | 9,700 |
| Disposals in the year | (645) | (2,326) | (2,971) |
| At 31 March 2019 | <u>130,789</u> | <u>51,524</u> | <u>182,313</u> |
| Depreciation | | | |
| At 1 April 2018 | 106,654 | 45,159 | 151,813 |
| Charge for the year | 10,587 | 4,380 | 14,967 |
| Released on disposal | (497) | (2,326) | (2,823) |
| At 31 March 2019 | <u>116,744</u> | <u>47,213</u> | <u>163,957</u> |
| Net book value | | | |
| At 31 March 2019 | <u>14,045</u> | <u>4,311</u> | <u>18,356</u> |
| At 31 March 2018 | <u>17,947</u> | <u>5,824</u> | <u>23,771</u> |

11. DEBTORS

| | 2019 £ | 2018 £ |
|--|----------------|----------------|
| Due within one year | | |
| Trade debtors | 116,371 | 155,469 |
| Grants receivable and other accrued income | 26,337 | 2,918 |
| Prepayments | 29,203 | 30,809 |
| Other debtors | - | 3,435 |
| | <u>171,911</u> | <u>192,631</u> |

12. CREDITORS

| | 2019 £ | 2018 £ |
|---------------------------------|----------------|----------------|
| Due within one year | | |
| Expense creditors | 7,538 | 71,880 |
| Deferred income | 92,062 | 23,667 |
| Accruals | 13,338 | 11,628 |
| Other creditors | 11,006 | 4,934 |
| | <u>123,944</u> | <u>112,109</u> |
| Deferred income: | | |
| Deferred income brought forward | 23,667 | 32,430 |
| Released in the year | (23,667) | (32,430) |
| Deferred in the year | 92,062 | 23,667 |
| Deferred Income carried forward | <u>92,062</u> | <u>23,667</u> |

Deferred income represents grants, contract funding and training fees relating to future periods.

MOSAIC CLUBHOUSE
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST MARCH 2019

13. RESTRICTED FUNDS

| | Brought Forward 1 April 2018 £ | Income £ | Expenditure £ | Transfers £ | Carried Forward 31 March 2019 £ |
|-----------------------------------|--|----------------|------------------|----------------|---|
| Support Worker | - | 152,424 | (139,852) | (2,867) | 9,705 |
| TOTAL RESTRICTED FUNDS | - | 152,424 | (139,852) | (2,867) | 9,705 |

Details of restricted fund

The support worker fund is funding to allow us to expand our staffing. We bid for costs specifically to add to our number of support workers in response to the significant rise in referrals and activity we have experienced year on year. Without these funds we would have had to introduce a waiting list for referrals. A transfer of £2,867 has been made out of the fund to the general fund representing the cost of fixed asset purchases charged against the support worker fund.

14. DESIGNATED FUNDS

| | Brought Forward 1 April 2018 £ | Income £ | Expenditure £ | Transfers £ | Carried Forward 31 March 2019 £ |
|-----------------------------------|--|-------------|------------------|----------------|---|
| 1. Business Development | 30,012 | - | - | - | 30,012 |
| 2. Fixed Asset Fund | 23,771 | - | - | (5,415) | 18,356 |
| 3. Clubhouse Model Training | 8,688 | - | - | (2,883) | 5,805 |
| 4. Sonia Burke legacy Fund | 13,278 | - | (3,093) | - | 10,185 |
| TOTAL DESIGNATED FUNDS | 75,749 | - | (3,093) | (8,298) | 64,358 |

MOSAIC CLUBHOUSE
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST MARCH 2019

14. DESIGNATED FUNDS (continued)

Details of designated funds

1. Business Development Fund

A fund set up to explore the possibilities to expand the Clubhouse model throughout the UK. This was used to fund a development director to develop a plan to open additional clubhouses in the UK.

Mosaic Clubhouse remains ambitious about the potential of the Clubhouse model and wants to see more clubhouses opening up and working towards accreditation. We want to play a role in promoting the clubhouse model, encouraging others to share our vision and supporting the development of new clubhouses wherever there is local opportunity and appetite.

Following an intense period of activity during 2017/18, through which a range of new resources were developed, this work will now be pursued through our ongoing programme of communications and marketing activity. We will continue to identify and respond to potential opportunities and interest in the development of new clubhouses on a case by case basis – whether they come from commissioners, funders, or potential providers – and will consider the dedication of specific resource to support these efforts accordingly.

2. Fixed Asset Fund

The fund represents the net book value of tangible fixed assets in use by Mosaic Clubhouse and therefore not available to meet future operational expenditure. A transfer is made each year to reflect the change in net book value.

3. Clubhouse Model Training Fund

Mosaic Clubhouse is an accredited training base for the Clubhouse model, receiving income and incurring expenditure in providing training to other Clubhouses. Surpluses arising on this training are taken to a designated fund to provide for ongoing staff training to ensure delivery of this international training is maintained at a high standard. The transfer of £2,883 in the year out of the fund to the general fund reflects the small deficit made on Clubhouse training in the year. The ongoing use of these funds will be reviewed annually by the Board.

4. Sonia Burke legacy Fund

Funds designated towards a new partnership with Magdalen Farms in Somerset, who provide breaks for disadvantaged groups. Magdalen Farms give the opportunity to engage with the life of a farm, participate in rural activities and experience life away from the inner city for the purposes of broadening horizons, learning new skills and challenges and providing time for fun, reflection and rest from daily pressures. We will continue to spend the fund until exhausted.

MOSAIC CLUBHOUSE
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST MARCH 2019

15. MOVEMENT OF FUNDS

| | Brought Forward 1 April 2018 £ | Income £ | Expenditure £ | Transfers £ | Carried Forward 31 March 2019 £ |
|--------------------|--|-------------------------|---------------------------|-----------------|---|
| Designated funds | 75,749 | - | (3,093) | (8,298) | 64,358 |
| General fund | 370,958 | 947,863 | (950,269) | 11,165 | 379,717 |
| | <u>446,707</u> | <u>947,863</u> | <u>(953,362)</u> | <u>2,867</u> | <u>444,075</u> |
| Restricted funds | - | 152,424 | (139,852) | (2,867) | 9,705 |
| TOTAL FUNDS | <u><u>446,707</u></u> | <u><u>1,100,287</u></u> | <u><u>(1,093,214)</u></u> | <u><u>-</u></u> | <u><u>453,780</u></u> |

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted Funds 2019 £ | Restricted Funds 2019 £ | Total Funds 2019 £ |
|-----------------------|------------------------------------|----------------------------------|-----------------------------|
| Tangible fixed assets | 18,356 | - | 18,356 |
| Net current assets | 425,719 | 9,705 | 435,424 |
| | <u><u>444,075</u></u> | <u><u>9,705</u></u> | <u><u>453,780</u></u> |

17. LEASE COMMITMENT

At the reporting end date the charity had the following future minimum lease commitments under non-cancellable operating leases which fall due as follows:

| | Land and buildings | | Other leases | |
|-----------------------|-----------------------|----------------------|----------------------|-----------------|
| | 2019 £ | 2018 £ | 2019 £ | 2018 £ |
| Less than 1 Year | 82,400 | 14,125 | 2,961 | - |
| Between 2 and 5 years | 267,800 | - | 10,364 | - |
| | <u><u>350,200</u></u> | <u><u>14,125</u></u> | <u><u>13,325</u></u> | <u><u>-</u></u> |

18. TAXATION

Mosaic Clubhouse is a registered charity and therefore is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

MOSAIC CLUBHOUSE
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST MARCH 2019

19. LIABILITY OF MEMBERS

Mosaic Clubhouse is constituted as a company limited by guarantee and has no share capital. The liability of the members in the event of the company being wound up is limited to a sum not exceeding £10 each. Members of the company are always the current Trustees of the charity.

20. FINANCIAL INSTRUMENTS

| | 2019 | <i>2018</i> |
|---|-----------------------|-----------------------|
| | £ | £ |
| Financial Assets | | |
| Cash at bank and in hand – held at face value | 387,457 | <i>342,414</i> |
| Debt instruments measured at amortised cost: | | |
| - Trade debtors | 116,371 | <i>155,469</i> |
| - Other debtors | - | <i>3,435</i> |
| - Grants receivable and other accrued income | 26,337 | <i>2,918</i> |
| | <u>530,165</u> | <i><u>504,236</u></i> |
| | 2019 | <i>2018</i> |
| | £ | £ |
| Financial Liabilities | | |
| Measured at amortised cost: | | |
| - Trade creditors | 7,538 | <i>71,880</i> |
| - Other creditors | 11,006 | <i>4,934</i> |
| - Accruals | 13,338 | <i>11,628</i> |
| | <u>31,882</u> | <i><u>88,442</u></i> |

MOSAIC CLUBHOUSE
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST MARCH 2019

21. STATEMENT OF FINANCIAL ACTIVITIES - PRIOR YEAR

| | <i>Unrestricted Funds 2018</i> | <i>Restricted Funds 2018</i> | <i>Total Funds 2018</i> |
|---|--|--------------------------------------|---------------------------------|
| | £ | £ | £ |
| <i>INCOME</i> | | | |
| <i>Donations</i> | 187,068 | 34,729 | 221,797 |
| <i>Income from charitable activities</i> | | | |
| <i>Grants and Contracts</i> | 715,167 | 39,333 | 754,500 |
| <i>Café Mosaic</i> | 40,879 | - | 40,879 |
| <i>Clubhouse Model Training</i> | 31,358 | - | 31,358 |
| <i>Other Income</i> | 1,880 | - | 1,880 |
| <i>Income from investments</i> | 103 | - | 103 |
| TOTAL INCOME | <u>976,455</u> | <u>74,062</u> | <u>1,050,517</u> |
| <i>EXPENDITURE</i> | | | |
| <i>Expenditure on raising funds</i> | 23,087 | - | 23,087 |
| <i>Expenditure on charitable activities</i> | 982,165 | 77,931 | 1,060,096 |
| TOTAL EXPENDITURE | <u>1,005,252</u> | <u>77,931</u> | <u>1,083,183</u> |
| <i>Net (expenditure)/ income</i> | (28,797) | (3,869) | (32,666) |
| <i>Transfers between funds</i> | - | - | - |
| NET MOVEMENT IN FUNDS | <u>(28,797)</u> | <u>(3,869)</u> | <u>(32,666)</u> |
| TOTAL FUNDS BROUGHT FORWARD | <u>475,504</u> | <u>3,869</u> | <u>479,373</u> |
| TOTAL FUNDS CARRIED FORWARD | <u>446,707</u> | <u>-</u> | <u>446,707</u> |

MOSAIC CLUBHOUSE
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST MARCH 2019

22. DONATIONS, GRANTS AND CONTRACTS - PRIOR YEAR

| | <i>Unrestricted Funds 2018 £</i> | <i>Restricted Funds 2018 £</i> | <i>Total Funds 2018 £</i> |
|---|--|--|---------------------------------------|
| <i>The Stone Family Foundation</i> | 134,000 | - | 134,000 |
| <i>The Big Lottery Fund</i> | - | 34,729 | 34,729 |
| <i>The Henry Smith Charity</i> | 20,000 | - | 20,000 |
| <i>The Leathersellers' Company</i> | 12,500 | - | 12,500 |
| <i>Southside Partnership</i> | 9,600 | - | 9,600 |
| <i>London Community Foundation</i> | 2,000 | - | 2,000 |
| <i>The Worshipful Company of Basketmakers</i> | 1,000 | - | 1,000 |
| <i>Other donations</i> | 7,282 | - | 7,282 |
| <i>Legacies</i> | 686 | - | 686 |
| <i>Donations and Legacies</i> | <u>187,068</u> | <u>34,729</u> | <u>221,797</u> |
| <i>London Borough of Lambeth and Lambeth Primary Care Trust</i> | 571,000 | - | 571,000 |
| <i>NHS Lambeth</i> | 144,167 | - | 144,167 |
| <i>The Progress Foundation</i> | - | 13,500 | 13,500 |
| <i>Walcot Educational Fund</i> | - | 8,333 | 8,333 |
| <i>London Community Foundation</i> | - | 7,500 | 7,500 |
| <i>Battersea Foundation</i> | - | 5,000 | 5,000 |
| <i>The Smith and Mount Charitable Trust</i> | - | 5,000 | 5,000 |
| <i>Grants and contracts</i> | <u>715,167</u> | <u>39,333</u> | <u>754,500</u> |

23. EXPENDITURE - PRIOR YEAR

| | <i>Direct Staff costs £</i> | <i>Other Direct costs £</i> | <i>Support costs £</i> | <i>Total 2018 £</i> |
|------------------------------|-------------------------------------|-------------------------------------|--------------------------------|-------------------------|
| <i>Raising funds</i> | 21,073 | - | 2,014 | 23,087 |
| <i>Charitable activities</i> | 705,861 | 286,785 | 67,450 | 1,060,096 |
| | <u>726,934</u> | <u>286,785</u> | <u>69,464</u> | <u>1,083,183</u> |

MOSAIC CLUBHOUSE
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST MARCH 2019

24. RESTRICTED FUNDS - PRIOR YEAR

| | <i>Brought Forward 1 April 2017 £</i> | <i>Income £</i> | <i>Expenditure £</i> | <i>Transfers £</i> | <i>Carried Forward 31 March 2018 £</i> |
|-------------------------------|---|---------------------|--------------------------|------------------------|--|
| <i>Support Worker</i> | 3,869 | 74,062 | (77,931) | - | - |
| TOTAL RESTRICTED FUNDS | 3,869 | | (77,931) | - | - |

25. DESIGNATED FUNDS - PRIOR YEAR

| | <i>Brought Forward 1 April 2017 £</i> | <i>Income £</i> | <i>Expenditure £</i> | <i>Transfers £</i> | <i>Carried Forward 31 March 2018 £</i> |
|--|---|---------------------|--------------------------|------------------------|--|
| <i>1. Business Development</i> | 50,000 | 5,000 | (24,988) | - | 30,012 |
| <i>2. Fixed Asset Fund</i> | 43,686 | - | - | (19,915) | 23,771 |
| <i>3. Clubhouse Model Training</i> | 7,711 | 31,358 | (30,381) | - | 8,688 |
| <i>4. Sonia Burke legacy Fund</i> | 15,536 | 686 | (2,944) | - | 13,278 |
| TOTAL DESIGNATED FUNDS | 116,933 | 37,044 | (58,313) | (19,915) | 75,749 |

26. MOVEMENT IN FUNDS - PRIOR YEAR

| | <i>Brought Forward 1 April 2017 £</i> | <i>Income £</i> | <i>Expenditure £</i> | <i>Transfers £</i> | <i>Carried Forward 31 March 2018 £</i> |
|-------------------------|---|---------------------|--------------------------|------------------------|--|
| <i>Designated funds</i> | 116,933 | 37,044 | (58,313) | (19,915) | 75,749 |
| <i>General fund</i> | 358,571 | 939,411 | (946,939) | 19,915 | 370,958 |
| | 475,504 | 976,455 | (1,005,252) | - | 446,707 |
| <i>Restricted funds</i> | 3,869 | 74,062 | (77,931) | - | - |
| TOTAL FUNDS | 479,373 | 1,050,517 | (1,083,183) | - | 446,707 |

MOSAIC CLUBHOUSE
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST MARCH 2019

27. ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

| | <i>Unrestricted Funds 2018 £</i> | <i>Restricted Funds 2018 £</i> | <i>Total Funds 2018 £</i> |
|------------------------------|--|--|---------------------------------------|
| <i>Tangible fixed assets</i> | 23,771 | - | 23,771 |
| <i>Net current assets</i> | 422,936 | - | 422,936 |
| | <u>446,707</u> | <u>-</u> | <u>446,707</u> |