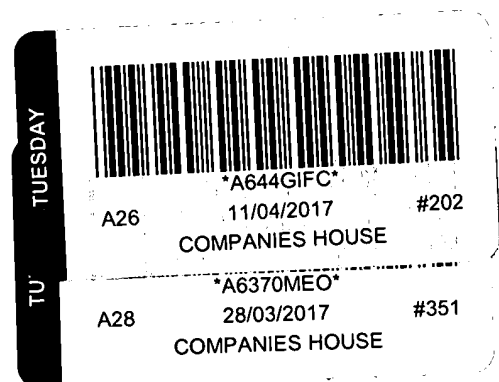


Company registration number: 03172304
Charity registration number: 1062754

THE PENYWAUN ENTERPRISE PARTNERSHIP
(A company limited by guarantee
and not having a share capital)

**REPORT OF THE TRUSTEES &
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**



Broomfield & Alexander Limited
Chartered Accountants & Statutory Auditors
Waters Lane Chambers
1-3 Waters Lane
Newport
NP20 1LA

THE PENYWAUN ENTERPRISE PARTNERSHIP

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**THE PENYWAUN ENTERPRISE PARTNERSHIP
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2016**

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2016 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

The charity's purposes, as set out in the objects contained in the company's Memorandum of Association, are to:

- Promote the benefit of the public within the benefit area (area known as the Trenant and Penywaun estates, Aberdare, Cynon Valley) by advancing education, industry and commerce, relieving poverty and providing facilities for recreation and leisure-time occupation;
- Promote any charitable purposes for the benefit of the residents of the benefit area through the skills of volunteers who undertake work for the benefit of the community;
- Promote the conservation, protection and improvement of the physical and natural environment and the heritage of the benefit area and to advance public education in environmental matters and the heritage of the benefit area and of better ways of conserving, protecting and improving the physical and natural environment;
- Provide child-care and pre-school facilities and facilities for after-school activities for children whose parents or guardians live or work in the benefit area; and
- Carry out such other charitable purposes for the benefit of those living or working in the benefit area as the trustees in their absolute discretion from time to time decide.

The charity has the general aim of contributing to the social, environmental and economic regeneration of the benefit area (the area known as the Trenant and Penywaun estates).

The Penywaun Enterprise Partnership strives to enhance the quality of life for residents living within the Penywaun Ward. Since 2001, Penywaun has been designated an area of high deprivation and has been in receipt of funding from the Welsh Governments Flagship Communities First Programme.

The objectives for the year 2015/16 remained the same as the previous year and are as follows:-

- To combat poverty and disadvantage by acting as lead body for the Welsh Assembly Government's Communities First programme.
- To pursue opportunities for community enterprise which will generate independent sources of income.
- To provide services for children and families in the benefit area.
- To work alongside the Penywaun Ward Communities First Partnership, and other agencies, to deliver positive outcomes in relation to health & wellbeing, the environment, education & training, jobs business & income generation and community safety.
- To support community groups, in particular Dapper FM, the local community radio station, which contributes to social cohesion, broadcasts valuable information and is leading on a digital inclusion project to build the confidence and skills of local people in the use of IT.

**THE PENYWAUN ENTERPRISE PARTNERSHIP
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2016**

Public benefit

We have referred to the guidance contained in the Charity Commissions' general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

ACHIEVEMENTS AND PERFORMANCE

As always, the sustainability of The Penywaun Enterprise Partnership (PEP) has been at the forefront of the minds of directors and staff throughout the last financial year. PEP continue to seek ways in which the Partnership can continue without the reliance of external funding.

Our commitment to the Penywaun Ward remains and we strive to deliver against the needs of the community. With the development of job clubs, family support provisions and our successful afterschool club, we have engaged with over 800 individuals of all ages.

PEP also support the community by being the 'hub' for residents to access support from outside agencies such as South Wales Police, Job Club support, Trivallis Housing, Health Visitors, Citizens Advice and Communities First, as well as the place to collect recycling bags, food bank vouchers and safe-start equipment, or just general information regarding services available. PEP also recognises the need for hands-on support for young people to achieve their potential in the job market therefore, over the past year PEP has continued to offer placements to training organisations including Rathbones, A4E and Educ8. Trainee placements are available in community work, administration and childcare and we encourage residents to take advantage of this excellent opportunity.

PEP still has responsibility for the delivery of Flying Start in Penywaun. This will continue until December 2017.

PEP staff, despite the changes to job roles that occurred previously, have remained flexible, adaptable and prepared to help anyone that requires support from the company therefore the directors wish to extend their thanks for their on-going commitment to the company.

As ever, PEP wish to thank all agencies that have supported us throughout the year and continue to do so.

In line with Trustees responsibilities the board instigated a full investigations of its financial systems and appropriately dealt with irregularities found. All processes were followed and adhered to safeguard the future of the company. All relevant bodies have been made aware of the circumstances and are reassured of the way forward with PEP.

FINANCIAL REVIEW

Total incoming resources for the year were £368,845 (2015: £359,476).

The charity made an unrestricted deficit of £31,118 for the year ended 31 March 2016 (2015: £75,490 deficit). Unrestricted reserves total £117,721 (2015: £148,839).

Total restricted reserves for the year ended 31 March 2016 amounted to £3,494 (2015: £34,042).

**THE PENYWAUN ENTERPRISE PARTNERSHIP
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2016**

Reserves

The trustees have established the level of reserves (that is those funds that are freely available) that the charity ought to have. Reserves are needed to bridge the funding gaps between spending on the charity's objectives and receiving resources through those grants that provide funding. Reserves are reviewed from time to time to ensure appropriate levels are maintained. Current total unrestricted reserves excluding fixed assets are £771 (2015:£20,518).

Investment powers and policy

Under the Memorandum and Articles of Association, the charity has the power to invest funds of the company not immediately required for the furtherance of its objects.

PLANS FOR FUTURE PERIODS

Going forward, The Penywaun Enterprise Partnership are still looking at developing business opportunities to sustain the charitable arm of the organisation.

STRUCTURE GOVERNANCE AND MANAGEMENT

The Penywaun Enterprise Partnership is a company limited by guarantee governed by its Memorandum and Articles dated 28 February 1996. It is registered as a charity with the Charity Commission.

Recruitment and appointment of trustees

As set out in the Articles of Association the chair of the trustees is elected from amongst the members of the Committee by the Committee at the first meeting of the Committee immediately following the Annual General Meeting and shall hold office until the next following Annual General Meeting, subject to the Articles of Association.

Members of the Committee are elected by members present and voting at the Annual General Meeting of the company and members of the Committee shall hold office until the end of the following Annual General Meeting.

The trustees of the Penywaun Enterprise Partnership are also directors of Penywaun Enterprise Partnership, a company limited by guarantee.

Induction training for directors/trustees

New directors/trustees will receive an induction pack, a handbook with all the policies and procedures adopted by the board and an induction from the company secretary.

Organisational structure

The Board meets at least six times per annum. A Partnership Manager is appointed to manage the day to day operations of the charity and has delegated authority to act on behalf of the Management Committee on a day to day basis.

Key Management Personnel

Key management personnel comprise of the trustees, Chief Executive officer. To April 2015 there was one Chief Executive Officer. From April 2015 to November 2016 there were two joint Chief Executive Officers. From January 2017 to their was one Chief Executive Officer and one deputy Chief Executive Officer. Trustees do not receive remuneration for their services. The other key management personnel are paid in line with market rates.

**THE PENYWAUN ENTERPRISE PARTNERSHIP
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2016**

Risks

The trustees have a risk management strategy which comprises:

- an annual review of the risks the charity may face
- the establishment of systems and procedures to mitigate those risks identified
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise

The main risk to the current business is that all finance is based on contracts renewable yearly. Funding needs to be bid for on a continuous basis. Both large contracts held have confirmed funding for the next year.

REFERENCE AND ADMINISTRATIVE DETAILS

Board of trustees	A Jenkins	
	A Larsen	
	G Roberts	- resigned 21 April 2015
	G Silva	- resigned 6 February 2017
	R Wilkins	- resigned 15 December 2015
	E Williams	
Secretary	H Boggis	- resigned 21 April 2015
Company number	03172304	
Charity number	1062754	
Registered office	Cana Centre Gwladys Street Penywaun Aberdare CF44 9DE	
Business address	Cana Centre Gwladys Street Peywaun Aberdare CF44 9DE	
Independent Examiners	Broomfield & Alexander Limited Independent Examiners Waters Lane Chambers 1-3 Waters Lane Newport NP20 1LA	
Bankers	HSBC 55 Cardiff Street Aberdare CF44 7DL	

**THE PENYWAUN ENTERPRISE PARTNERSHIP
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2016**

Solicitors

Geldards LLP
Dumfries House
Dumfries Place
Cardiff
CF10 3ZF

Key Management Personnel

H Boggis – CEO to April 2015
M Phillips – Joint CEO from April 2015 to November 2016
A Jenkins – Joint CEO from April 2015, deputy CEO from January 2017
E Williams – CEO from January 2017

Statement of Trustees' Responsibilities

The trustees (who are also directors of The Penywaun Enterprise Partnership for the purposes of company law) are responsible for preparing the Trustees' 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 judgments 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The 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.

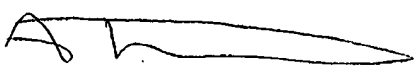
In so far as the trustees are aware:

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report was approved by the Board on 27 March 2017 and signed on its behalf by:

Trustee


Amanda Jenkins

**INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF THE PENYWAUN ENTERPRISE PARTNERSHIP**

I report on the accounts of the company for the year ended 31 March 2016, which are set out on pages 7 to 18.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention

Basis of independent examiner's report

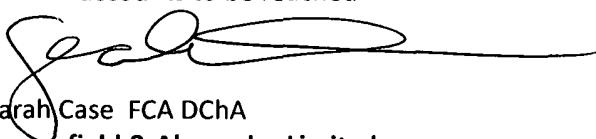
My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees 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 next statement.

Independent examiner's qualified statement

The Trustees Report and accounts disclose a misappropriation of cash during the year. The charity undertook an investigation into the matter and subsequently reported the incident to the Charity Commission and the police. The matter is being dealt with by the police.

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 386 of the Companies Act 2006 and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave 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



Sarah Case FCA DChA
Broomfield & Alexander Limited
Independent Examiners
Waters Lane Chambers
1-3 Waters Lane
Newport
NP20 1LA

Dated: 27-03-17

THE PENYWAUN ENTERPRISE PARTNERSHIP
STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating the Income and Expenditure Account)
FOR THE YEAR ENDED 31 MARCH 2016

	Note	Unrestricted funds £	Restricted funds £	Total funds 2016 £	Total funds 2015 £
Income and endowments from:					
Donations and legacies	2	-	-	-	1,008
Charitable activities	3	164,589	195,539	360,128	354,959
Other trading activities	4	8,717	-	8,717	3,450
Investments	5	-	-	-	59
Total income and endowments		173,306	195,539	368,845	359,476
Expenditure on:					
Charitable activities	6	234,356	196,155	430,511	412,955
Total expenditure		234,356	196,155	430,511	412,955
Net income/(expenditure)	7	(61,050)	(616)	(61,666)	(53,479)
Transfers between funds	13	29,932	(29,932)	-	-
Net movement in funds		(31,118)	(30,548)	(61,666)	(53,479)
Reconciliation of Funds					
Total funds brought forward	13,14	148,839	34,042	182,881	236,360
Total funds carried forward	13,14	117,721	3,494	121,215	182,881

All of the net outgoing resources are from continuing activities.

The company has no recognised gains or losses other than the above.

The notes on pages 9 - 18 form part of the financial statements

**THE PENYWAUN ENTERPRISE PARTNERSHIP
BALANCE SHEET
AS AT 31 MARCH 2016**

	Notes	2016		2015	
		£	£	£	£
Fixed assets					
Tangible assets	10		120,444		132,431
Current assets					
Debtors	11	15,137		4,801	
Cash at bank and in hand		<u>7,361</u>		<u>62,430</u>	
		22,498		67,231	
Liabilities:					
Creditors: Amounts falling due within one year	12	<u>(21,727)</u>		<u>(16,781)</u>	
Net current assets			771		50,450
Net assets			<u>121,215</u>		<u>182,881</u>
The funds of the charity:					
Restricted income funds	13,14		3,494		34,042
Unrestricted income funds	14		<u>117,721</u>		<u>148,839</u>
Total charity funds			<u>121,215</u>		<u>182,881</u>

For the year in question, the charitable company was entitled to exemption from an audit under section 477 of the Companies Act 2006.

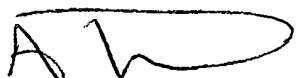
The members have not required the charitable company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The trustees/directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements were approved by the Board of Directors on 27 March 2017.

Trustee.



27/3/17

Amanda Jenkins

The notes on pages 9 - 18 form part of the financial statements

**THE PENYWAUN ENTERPRISE PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

1. ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by 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 2015 and amended on 2 February 2016; the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102); the Charities Act 2011; and the Companies Act 2006.

The Penywaun Enterprise Partnership meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Rounding

Figures contained in the financial statements have been rounded to the nearest pound.

Cash Flow

As a small charity, it has availed itself of the amendment to the Statement of Recommended Practice: Accounting and Reporting by 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 2015 and amended on 2 February 2016, and not prepared a cash flow statement.

Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required.

Transition to FRS 102

The opening fund balances at the date of transition were not required to be restated in making the transition to FRS 102. The transition date was 1 April 2014.

Presentation of the accounts on a going concern basis

The charity reported a net outflow of £61,666 for the year. This charity has limited free reserves and is monitoring results on a frequent basis. The trustees are of the view that on this basis the charity is a going concern and there are no material uncertainties about the charity's ability to continue as a going concern.

Taxation

As a registered charity, The Penywaun Enterprise Partnership is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

**THE PENYWAUN ENTERPRISE PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

1. ACCOUNTING POLICIES

Recognition of income

Income is included in the Statement of Financial Activities (SoFA) when:

- The charity have entitlement to the funds;
- any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity or its subsidiary;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

Grants and donations

Grants and donations are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS 102 SORP).

In the case of performance related grants, income must only be recognised to the extent that the charity has provided the specified goods or services, as entitlement to the grant only occurs when the performance related conditions are met (5.16 FRS 102 SORP).

Contractual income and performance related grants

This is only included in the SoFA once the charity has provided the related goods or services or met the performance related conditions.

Donations

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Settlement of insurance claims

Insurance claims are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS 102 SORP) and are included as an item of other income in the SoFA.

Expenditure Recognition and Irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Expenditure on charitable activities includes all costs relating to the furtherance of the charity's objectives as stated in the trustees report and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Support costs

The charity has incurred expenditure on support costs.

**THE PENYWAUN ENTERPRISE PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

1. ACCOUNTING POLICIES

Governance and support costs

Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, *eg allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.*

Redundancy cost

The charity recognises termination benefits as a liability and an expense only when the entity is demonstrably committed either to terminate the employment of an employee or group of employees before the normal retirement date or to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.

Tangible fixed assets for use by charity

These are capitalised if they can be used for more than one year, and cost at least £100. They are valued at cost.

The depreciation rates and methods used are noted below:

Freehold building & improvements	- 5% on cost
Fixtures, fittings & equipment	- 15% written down value

No depreciation is charged on freehold land.

Debtors

Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

Cash at Bank

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Provisions for liabilities

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts.

**THE PENYWAUN ENTERPRISE PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

1. ACCOUNTING POLICIES

Deferred income

No material item of deferred income has been included in the accounts.

Basic financial instruments

The charity accounts for basic financial instruments on initial recognition as per paragraph 10.7 FRS 102 SORP. Subsequent measurement is as per paragraphs 11.17 to 11.19, FRS 102 SORP.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity.

Restricted funds are donations and grants which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

Operating Lease

The charity classifies the lease of photocopier as operating leases; the title to the equipment remains with the lessor and the equipment is replaced every 5 years whilst the economic life of such equipment is normally 5 years. Rental charges are charged on a straight line basis over the term of the lease.

Pensions

The charity operates a defined contribution pension scheme for certain members of staff. The assets of the scheme are held separately from those of the charity. The contributions are charged to the income and expenditure account and allocated between unrestricted and restricted funds where applicable.

The regular cost of providing retirement pensions and related benefits is charged to the SoFA over the employees' service lives on the basis of a constant percentage of earnings. Any difference between the charge to the SoFA and the contributions paid to the scheme is shown as an asset or liability in the balance sheet.

THE PENYWAUN ENTERPRISE PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Donations	-	-	-	1,008
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,008</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Grants				
Communities First	20,622	194,000	214,622	209,855
Rhondda CBC	115,959	-	115,959	94,912
Rathbones	-	-	-	2,639
A4e Limited	-	-	-	2,436
Pembrokeshire College	-	-	-	6,349
Direct Education	-	-	-	291
Educ8 Ltd	-	1,539	1,539	2,354
Clybiau Plant Cymru	-	-	-	415
Children in Need	-	-	-	9,189
	<u>136,581</u>	<u>195,539</u>	<u>332,120</u>	<u>328,440</u>
Provision of childcare activities	28,008	-	28,008	26,519
	<u>164,589</u>	<u>195,539</u>	<u>360,128</u>	<u>354,959</u>

4. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Room rental	7,670	-	7,670	2,187
Payroll service	1,047	-	1,047	1,263
	<u>8,717</u>	<u>-</u>	<u>8,717</u>	<u>3,450</u>

THE PENYWAUN ENTERPRISE PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

5. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Bank interest	-	-	-	59
	-	-	-	59

6. EXPENDITURE ON CHARITABLE ACTIVITIES

	Charitable Unrestricted £	Charitable Restricted £	Governance Unrestricted £	Total 2016 £	Total 2015 £
Costs directly allocated to activities					
Staff costs	166,315	150,653	-	316,968	322,359
Termination payment	7,000	-	-	7,000	-
Travelling and subsistence	-	421	-	421	240
Project costs	9,351	10,212	-	19,563	14,203
Grant clawback	5,880	6,512	-	12,392	11,401
Printing, postage, stationery	-	1,681	-	1,681	3,261
Total direct costs	188,546	169,479	-	358,025	351,464
Support costs allocated to activities					
Premises	13,208	12,834	-	26,042	25,042
Independent Examiner fees and other costs	-	-	5,844	5,844	5,400
Sundry expenses	685	956	-	1,641	1,770
Depreciation	11,371	616	-	11,987	11,905
Printing, postage, stationery	45	100	-	145	120
Insurance	-	4,326	-	4,326	3,207
Telephone	-	7,844	-	7,844	8,820
Professional fees	1,728	-	-	1,728	1,728
Loss on disposal of assets	-	-	-	-	3,091
Bank charges	315	-	-	315	408
Misappropriated assets	12,614	-	-	12,614	-
Total support costs	39,966	26,676	5,844	72,486	61,491
Total resources expended	228,512	196,155	5,844	430,511	412,955

**THE PENYWAUN ENTERPRISE PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

7. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2016	2015
	£	£
Depreciation	11,987	11,905
<i>Independent Examiners fee</i>		
Independent Examiner fee	3,700	3,700
Other services	<u>2,000</u>	<u>1,700</u>

8. ANALYSIS OF STAFF COSTS

	2016	2015
	£	£
Staff costs during the year comprised of the following:		
Staff salaries	249,703	265,613
Social security costs	48,977	15,371
Pension costs	<u>28,471</u>	<u>41,375</u>
	<u>327,151</u>	<u>322,359</u>

There were no employees earning more than £60,000 per annum during the current or previous year.

The trustees did not receive any remuneration or benefits or reimbursement of expenses in connection with the performance of their duties.

Key Management Personnel

The key management personnel of the charity are as detailed in the Trustees report. The total employee benefits (including salary, employers national insurance, pension and benefits in kind) of the key management personnel of the charity were £73,047 (2015: £36,620).

9. STAFF NUMBERS

The average number of employees during the year was as follows:

	2016	2015
	Number	Number
Main project activities	15	10
Administration	3	3
Caretakers/cleaners	<u>1</u>	<u>1</u>
	<u>19</u>	<u>14</u>

THE PENYWAUN ENTERPRISE PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

10. TANGIBLE FIXED ASSETS

	Land and buildings freehold £	Fixtures & equipment £	Total £
Cost			
At 1 April 2015	<u>151,209</u>	<u>160,257</u>	<u>311,466</u>
At 31 March 2016	<u>151,209</u>	<u>160,257</u>	<u>311,466</u>
Depreciation			
At 1 April 2015	50,960	128,075	179,035
Charge for the year	<u>7,160</u>	<u>4,827</u>	<u>11,987</u>
At 31 March 2016	<u>58,120</u>	<u>132,902</u>	<u>191,022</u>
Net Book Values			
At 31 March 2016	<u>93,089</u>	<u>27,355</u>	<u>120,444</u>
At 31 March 2015	<u>100,249</u>	<u>32,182</u>	<u>132,431</u>

11. DEBTORS

	2016 £	2015 £
Other debtors	<u>15,137</u>	<u>4,801</u>

12. CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Accruals and deferred income	21,627	16,781
Other creditors	<u>100</u>	<u>-</u>
	<u>21,727</u>	<u>16,781</u>

**THE PENYWAUN ENTERPRISE PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

13. RESTRICTED FUNDS

	As at 1 April 2015 £	Income £	Expenditure £	Transfer £	As at 31 March 2016 £
Communities First fixed assets	4,110	-	(616)	-	3,494
Communities First	-	194,000	(194,000)	-	-
Rhondda Cynon Taf – Flying Start	29,932	-	-	(29,932)	-
Educ8 Ltd	-	1,539	(1,539)	-	-
	<u>34,042</u>	<u>195,539</u>	<u>(196,155)</u>	<u>(29,932)</u>	<u>3,494</u>

Purpose of restricted funds

Communities First fixed assets

This represents freehold land and buildings and fixtures and equipment originally acquired using restricted funds. The balance will fund future depreciation.

Communities First

This grant funds salaries and support costs for Penywaun communities and improves the living conditions and prospects of the most disadvantaged communities in Wales and targets the poorest areas.

Rhondda Cynon Taf – Flying Start

Rhondda Cynon Taf distributes funds on behalf of the Children & Youth Partnership for the county. Funds are used for salaries and resources in relation to children's services.

Educ8 Ltd

This grant helps fund a job post within the charity.

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	116,950	3,494	120,444
Net current assets	771	-	771
Net assets at 31 March 2016	<u>117,721</u>	<u>3,494</u>	<u>121,215</u>

**THE PENYWAUN ENTERPRISE PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

15. OPERATING LEASE COMMITMENTS

	2016 £	2015 £
The charity has the following commitments:		
Fittings and equipment:		
Due in one year	2,000	-
Due in 2-5 years	2,000	386
	<u>4,000</u>	<u>386</u>

16. RELATED PARTY TRANSACTIONS

During the year the charity charged a payroll servicing fee to FADS A Family Service. The charity is related due to common trusteeship.

17. COMPANY LIMITED BY GUARANTEE

Every member of the company undertakes to contribute to the assets of the company. In the event of the company being wound up, the liability of each member is limited to £1.

18. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds 2015 £
Income and endowments from:			
Donations and legacies	1,008	-	1,008
Charitable activities	47,211	307,748	354,959
Other trading activities	3,450	-	3,450
Investments	59	-	59
Total income and endowments	<u>51,728</u>	<u>307,748</u>	<u>359,476</u>
Expenditure on:			
Charitable activities	127,218	285,737	412,955
Total expenditure	<u>127,218</u>	<u>285,737</u>	<u>412,955</u>
Net movement in funds	(75,490)	22,011	(53,479)
Reconciliation of Funds			
Total funds brought forward	224,329	12,031	236,360
Total funds carried forward	<u>148,839</u>	<u>34,042</u>	<u>182,881</u>

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS OF
THE PENYWAUN ENTERPRISE PARTNERSHIP
FOR THE YEAR ENDED 31 MARCH 2016**

In accordance with our terms of engagement and in order to assist you to fulfil your duties under the Companies Act 2006, we have compiled the financial statements of the company for the year ended 31 March 2016 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 company and the company's Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England & Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the Balance Sheet as at 31 March 2016 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 2006. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.



Broomfield & Alexander Limited
Chartered Accountants
Waters Lane Chambers
1-3 Waters Lane
Newport
NP20 1LA

Date 27-3-17