

**NEW SANDFIELDS AND ABERAFAN  
SUSTAINABLE REGENERATION  
(A COMPANY LIMITED BY GUARANTEE)  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2007**



Bevan & Buckland  
Chartered Accountants  
and Registered Auditors  
S W A N S E A  
+++++

**NEW SANDFIELDS AND ABERAFAN  
SUSTAINABLE REGENERATION**

**CONTENTS**

	<b>PAGE</b>
Director Trustees' Report	1 - 16
Auditors' Report	17 - 18
Statement of Financial Activities	19
Balance Sheet	20
Notes to Financial Statements	21 - 29
The following page does not form part of the accounts	
Detailed Income and Expenditure Account	30 - 31

## NEW SANDFIELDS AND ABERAFAN SUSTAINABLE REGENERATION

1

### REPORT OF THE BOARD OF DIRECTOR TRUSTEES for the year ended 31 March 2007

The Board of Director Trustees presents its report and financial statements for the year ended 31<sup>st</sup> March 2007

#### REFERENCE AND ADMINISTRATION INFORMATION

**Charity Name:** New Sandfields and Aberafan – Sustainable Regeneration  
**General Name:** New Sandfields Aberavon or (NSA)  
**Charity registration number:** 1088934  
**Company registration number:** 3674953  
**Registered Address:** The Community Development Centre  
Bevin Avenue  
Sandfields  
Port Talbot  
SA12 7RX

#### Board of Director/Trustees:

Gary Roberts	Chair	Jim Ryan	
David Davies	Vice-Chair and Treasurer	Leonard Lawrence	
Ted Cumming	Editor Making Waves Magazine	Jane Thomas	
Cllr Pam Thomas		Margaret Deeney	
Cllr Colin Crowley		Derek Edwards	
Cllr John Sullivan		Sylvia Jones	(Appointed 28 09 06)
Roger Itzstien			
Avril Harris			

**Company Secretary /**  
**Chief Executive Officer** Ian David Isaac

#### Auditors

Bevan and Buckland  
Chartered Accountants  
Russell House  
Russell Street  
Swansea  
SA1 4HR

#### Bankers

Lloyds TSB  
115 Station Road  
Port Talbot  
SA13 1NR

#### Solicitors

John Collins & Partners LLP  
Venture Court  
Waterside Business Park  
Valley Way  
Enterprise Park  
Swansea SA6 8QP

**NEW SANDFIELDS AND ABERAFAN  
SUSTAINABLE REGENERATION****REPORT OF THE BOARD OF DIRECTOR TRUSTEES  
for the year ended 31 March 2007****Structure, Governance and Management****Governing Document**

The organisation is a charitable company Limited by Guarantee, incorporated on the 27<sup>th</sup> November 1998. The company was established under a memorandum which established the objects and powers of the company and is governed under its Articles of Association. The Company became a charity pursuant to Special Resolutions passed at its Annual General Meeting held on the 27<sup>th</sup> June 2001 and written resolution dated 26<sup>th</sup> September 2001. Subsequent amendments widening the area of beneficiaries to include the Electoral ward of Aberavon and thereby a name change were adopted dated 29<sup>th</sup> September 2004 ratified with a written resolution on the 9<sup>th</sup> March 2005. In the event of the company being wound up the Director Trustees are required to contribute an amount not exceeding £10.

**Recruitment and Appointment of the Board of Director Trustees.**

The Directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as Director Trustees and members of the Board. Under the requirements of the Memorandum and Articles of Association the members of the Board are elected at the AGM. The Board has adopted byelaws to allow free membership of the organisation and ensure that of the 15 permitted Director Trustees that 9 shall be residents (3 from each respective electoral ward in Sandfields and Aberavon).

A Cllr from each of the 3 wards is nominated from the Council itself and 3 are appointed from Businesses in the area. Any vacancies within the Board are advertised prior to the AGM and appropriate nominations invited from the membership of the organisation or by way of introduction in the case of Business nominees.

The Board has appointed a paid Executive Director who shall carry out all Operations, Business Planning, Business Administration, Human Resource Management, Finance and Marketing of the Company's Community Regeneration mission.

*'To enhance the quality of life in Sandfields Aberavon and to raise the self esteem of residents so that the Community becomes empowered to identify and implement its own solutions'*

**Trustee Induction and Training**

All Trustees are familiar with the running of the organisation. They meet five times a year in scheduled Board meetings and set the Budget for the year and decide on the strategic direction of the company for the ensuing year. They have adopted a Business plan for the period 2003-2008 and are over half way through this plan which has a key strategic intent of Community Employment and Learning schemes as a means to tackle social disadvantage in the Sandfields Aberavon area with a population of 22,000 adults.

**NEW SANDFIELDS AND ABERAFAN  
SUSTAINABLE REGENERATION**

3

**REPORT OF THE BOARD OF DIRECTOR TRUSTEES  
for the year ended 31 March 2007**

**Structure, Governance and Management (Cont'd)**

**Trustee Induction and Training (Cont'd)**

Most Trustees have participated in a Charity Trustee Responsibilities training event which we bought in from the local Council for Voluntary Services

Most trustees are also involved as de facto leads in Development sub groups organised by our Sandfields First team in the community

Trustees are very familiar with the running of all aspects of the organisation by receiving the Executive Director's report and the Minutes of the Senior Management team on a monthly basis

During the Year the Charities Commission review team visited the charity and endorsed the work of the charity as being in line with best practice in terms of a financial check list and a self assessment check list

Three recommendations were given  
Minor amendments to the memorandum of Articles of Association for consistency of terminology,  
Provision for retirement and rotation of trustees,  
Trustees to sign a declaration to the effect that they are not disqualified from acting as trustee

The third recommendation was carried out immediately The first and second are an agenda item and the subject of implementation at the AGM due on the 27th September 2007

An extract of the reports recommendation is attached at the end of this report as appendix 1

There are various leaflets directly presented to the Trustees explaining the work of the organisation "A Guide to your Community Regeneration organisation" and every issue of the community Regeneration Magazine called "Making Waves"

Charity Commission bulletins are always passed directly to Trustees for their perusal

**Risk Management**

Policies are in place and procedures observed in respect of Health and Safety of our staff, volunteers, and customers at our premises, which are

- 1 The Community Development Centre, Bevin Avenue
- 2 New Sandfields Aberavon Local Action Centre, Lido Princess Margaret way
- 3-6 Units 18, 19, 11 and 4 Endeavour close Industrial Estate
- 7 Unit 28, Addison Road, Port Talbot Business Park

**NEW SANDFIELDS AND ABERAFAN****SUSTAINABLE REGENERATION****REPORT OF THE BOARD OF DIRECTOR TRUSTEES  
for the year ended 31 March 2007****Structure, Governance and Management (Cont'd)**

- 8-9 Demountables and Brick workshop at the STRIDES premises, St Hellier's Drive, SA12 7BE, Sandfields
- 10 Ty Arian, Sandfields, SA12 7RX a block of 6 flats proposed for converted to new Head Quarters purchased on the 30th March 2006

All necessary policies for employing staff are in place and these are reviewed annually Two or more policies are reviewed at each Board meeting.

**Organisational Structure**

New Sandfields Aberavon has a Board of Director Trustees which meets 5 times a year and are responsible for the Strategic direction and policy of the Charity At the year end the Board has 14 Director Trustees, therefore leaving one vacancy The Trustees represent a number of residents and community interests as well as three Councillors and those with business and professional backgrounds The Company Secretary also sits on the Board but has no voting rights

In the 2007 AGM the Board will announce a new structure whereby Residents from each ward will have 2 Trustees , Business as determined by the Board, will have 3, whilst Councillors in the three wards and Communities First Partnership will have nomination rights for 3 places each A vacancy will be filled by nomination right at the AGM

As referred to above a scheme of delegation is in place and the day to day responsibility for the delivery of all programmes, projects and services rest with the Chief Executive Director who also manages all Operations, Business Planning, Business Administration, Human Resource Management, Finance and Marketing of the Company's Community Regeneration mission

The Management structure is described in a document referred to as the "*New Sandfields Aberavon and Sandfields First Regeneration - A Structure for the Implementation of the Sandfields Aberavon Neighbourhood Plan*" –as reviewed October 2006

This document explains in detail the Management structure that is in place to implement the Plan and to deliver the Organisations operations In brief the organisation is managed by the Chief Executive Director who manages three Directorates Business Administration, Development Directorate and Operations Directorate In the case of Development and Operations the departments are headed up by a Director In the Case of the Business Administration Directorate this is headed up by a Business Manager who reports directly to the Chief Executive Director

**NEW SANDFIELDS AND ABERAFAN  
SUSTAINABLE REGENERATION****REPORT OF THE BOARD OF DIRECTOR TRUSTEES  
for the year ended 31 March 2007****Related parties**

In so far as it is complementary to the charity's aims the Charity is guided by the Welsh Assembly Governments Communities First programme, its policies on Social Enterprise, Social Inclusion and Regeneration, Life Long Learning and skills and Innovation, enterprise and networking. The NPTCBC Community plan and related community strategies that may from time to time complement the Charity's objects.

We work in Partnership with a number of Organisations who have interest in or a base in Sandfields Aberavon and who support residents in all aspects of the quality of their lives.

**Objects and Activities**

The Company's objects and principle activities are

- The promotion for the public benefit or urban or rural regeneration in areas of social and economic deprivation, and in particular, the electoral divisions currently known as Sandfields East, Sandfields West and Aberavon
- The advancement of education, training or retraining, particularly among unemployed people, and providing unemployed people with work experience
- To relieve sickness and to preserve and protect good health
- The relief of poverty
- To provide recreational facilities for the public at large or those who by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances, have need of such facilities
- The maintenance, improvement or provision of public amenities
- The promotion of public safety and the prevention of crime
- Such other means as may from time to time be determined subject to the prior written consent of the Charity Commissioners for England and Wales

***Community Profile:***

Sandfields and Aberavon are communities within the Local Authority area of Neath Port Talbot. Sandfields consists of two electoral divisions, Sandfields East and Sandfields West whilst Aberavon has a single ward. Combined there is a total population of 19,559, (**Source:** Census 2001)

The wards of Sandfields East, West and Aberavon are highly ranked in the Welsh Index of Multiple Deprivation, (WIMD), 2005. The aim of the WIMD is to model levels of deprivation in Wales, to support policy development and the targeting of resources.

**NEW SANDFIELDS AND ABERAFAN  
SUSTAINABLE REGENERATION****REPORT OF THE BOARD OF DIRECTOR TRUSTEES  
for the year ended 31 March 2007****Objects and Activities (Cont'd)**

In terms of unemployment the figures for each respective ward are as follows

Sandfields east- 4,210 adults of whom 4 3% are classed as unemployed on job seekers allowance whilst those who are economically inactive comprise 52 8% of the total number of adults

Sandfields West – 4,678 adults of whom 4 4% are classed as unemployed on Job seekers allowance whilst those who are economically inactive comprise 56 3 % of the total number of adults

Aberavon- 3,914 adults of whom 4 6% are classed as unemployed on job seekers allowance whilst those who are economically inactive comprise 43 0% of the total number of adults

The total is therefore 12,802 adults of working age of whom 4 4% are unemployed whilst the average economically inactive is 51 1%

Sandfields East and Aberavon have been granted Neighbourhood Area Renewal (NRA) status Whilst its greatest impact has been in improving housing stock and the immediate environment of the various housing conurbations there have been strong linkages with other strategies or schemes designed to address poor health, employment and education or other factors leading to social exclusion NSA takes the lead on all non housing developments and recommends projects for implementation to the executive group of the NRA Therefore, all non-housing elements of the NRA are incorporated into community development initiatives outlined from the Sandfields Aberavon Neighbourhood Plan

The objectives and activities for the year continued to be associated with building the capacity of the organisation and create the premises and assets to meet the needs of the community as articulated within the Sandfields Aberavon Neighbourhood plan published in June 2005 The strategies employed to assist the charity to meet these objectives included running and developing the following projects and programmes

***New Sandfields Aberavon Local Action Centre, (LAC)***

The LAC provides training courses and houses outreach service for the local community such as Want 2 Work, Shaw Trust and Broker Cymru

***PC Care***

A New Sandfields Aberavon ICT project focusing on ICT informal training, retail, technical advice and support and showcasing new technologies to local residents, organisations and businesses within Sandfields and Aberavon

***New Sandfields Aberavon STRIDES***

Sandfields Training Resource Initiative for Developing Employment Skills A project that encourages work based learning and gives the individual a choice of 5 courses (Hair and beauty, Plumbing, Painting and Decorating, Business Admin, Carpentry) tailored to meet the individual's needs The courses are for anyone aged 16-60 who would benefit from extra training



## NEW SANDFIELDS AND ABERAFAN SUSTAINABLE REGENERATION

### REPORT OF THE BOARD OF DIRECTOR TRUSTEES for the year ended 31 March 2007

#### ***Unit 18 - Community Maintenance Scheme***

A New Sandfields Aberavon Community Maintenance Project providing home and garden maintenance, DIY and Carpentry skills, manufacturing and small scale construction services to Voluntary organisations. It also provides informal training for local residents of Sandfields and Aberavon.

#### ***Unit 19 Training***

A carpentry workshop run by NSA in partnership with the WEA to develop carpentry skills along with basic skills and life skills to those who engage with the project.

#### ***Community Development Centre***

A Partnership project between NSA and the NPT Youth Offending Team based in Bevin Avenue, Sandfields that co-ordinates resources and services for young people of the deprived areas of Sandfields and Aberavon. It also provides office and conference facilities for organisations working with young people and others in the community.

#### ***Sandhopper***

NSA directed staff time and resources to take the lead in applying for a Welsh Office Grant to provide a community transport scheme run by Neath Port Talbot Community Transport to combat barriers to become socially included. A number of residents and groups have benefited from this initiative by the NSA Development Directive. The grant from this initiative is managed and administered by Neath Port Talbot Community Transport.

#### ***Making Waves***

A community magazine created and published by New Sandfields Aberavon which is distributed to 8,500 residents within Sandfields and Aberavon on a quarterly basis.

#### ***PCCare***

A project aimed at tackling digital inclusion within the community. It aims to help residents with all ICT issues including, operating, repairing, problem solving, on-line shopping and other IT solutions.

#### ***Sandfields First*** A communities first funded programme that aims to

- involve local people involved in improving their areas and their own prospects,
- bring in funding and support from a range of sources to make things happen,
- make sure improvements last,
- encourage flexibility, risk-taking and new ways of dealing with problems,
- involve everyone working together to identify and do something about their community's problems

**NEW SANDFIELDS AND ABERAFAN  
SUSTAINABLE REGENERATION****REPORT OF THE BOARD OF DIRECTOR TRUSTEES  
for the year ended 31 March 2007**

The aims and objectives of NSA are, in all aspects comparable with the vision framework of Communities First. Each Communities First area should produce a Community Action Plan that sets out what their community wants and how that will be achieved. Every plan should cover themes identified by both the WAG and the community. In Sandfields and Aberavon the following themes are incorporated in the Sandfields Aberavon Neighborhood Plan 2005-15

- Employment and Learning
- Health and Well Being
- Environment
- Community Safety
- Active Community
- Elderly
- Youth
- Transport
- Events
- CT

**Achievements and performance**

The main areas of charitable activity are the provision of Training, post 16 community education courses advice, information and support. Partnership working with youth providers, Workers Education Association, Neath Port Talbot New Learning Network, Sandfields Comprehensive School and many other agencies who are voluntary or statutory agencies who are working in the community.

NSA are the Grant Recipient Body for a number of funders. One example of this is the Communities first, the Welsh Assembly's social inclusion and anti poverty initiative. We have worked consistently since 2002 in the creation of a Communities first Partnership in Sandfields. The programme locally has become known as Sandfields First. The Co-ordinator of the Partnership was promoted to Development Director during 2005/06 as part of an integration initiative and the Community Development Officers were re-designated as Community Development Managers to reflect their role in implementing the Sandfields Aberavon Neighborhood plan.

The Development Directorate also steered the creation of development sub groups to cover the main Communities First themes and those identified by the plan. Over 580 (an increase of 200 the previous year) individuals, groups and organisations are joint members of the Partnership and NSA. Voting members are identified within the Partnership itself.

Key developments steered by Sandfields First include the following projects

STRIDES, Local Action Centre PCCare, Sandfields and Aberavon status, Volunteer Events (SAVE), the Café Bar project and The Sandhopper scheme delivered by NPT Community Transport.

**NEW SANDFIELDS AND ABERAFAN  
SUSTAINABLE REGENERATION  
REPORT OF THE BOARD OF DIRECTOR TRUSTEES  
for the year ended 31 March 2007**

Progress was made in the following initiatives

***NSA STRIDES.***

In October 2006 STRIDES opened its doors to beneficiaries following a period of adapting the recently purchased 2 demountables and Brick workshop in a leased area of the Sandfields Comprehensive School. By March 2007, 152 people had registered with STRIDES. 69 individuals had basic literacy and numeracy skills assessed. All beneficiaries had participated in the vocational activities on offer. These included Carpentry, Plumbing, Catering, Hair and Beauty and Business Administration. The Scheme is funded by WEFO from the Objective One ERDF and match funded by the DELLS Welsh Assembly former ELWA department. The ESTYN Report on Adult community based learning in NPT upheld STRIDES as a best practice project highlighting the excellent work of the staff.

***NSA Unit 19 Training***

An on going Partnership with WEA. Typical activities during the week are Monday Women's DIY, Tuesday and Wednesday Community day for adults male and female, Wednesday evening Port Talbot Woodcarvers, Thursday St Joseph's School 14-16 years and Friday Sandfields Comprehensive 14-16 year olds. The number of adults on Carpentry courses throughout the year was 24 whilst the number of School students at risk of exclusion from school now attending U19 was 43. There were 4 'Workways' assisted placements and 2 New Deal placements during the year.

***Unit 18 – Community Maintenance Scheme***

This unit was leased by the Board in preparation for a social Enterprise initiative carrying out small renovation and refurbishment jobs offering on the job training for beneficiaries.

***YLAC.***

This Youth Local Action Centre initiative was suspended as a project due to the fact that the Big Lottery rejected an application of funds after a nine month process citing lack of funds as the only reason for rejection. The scheme has therefore been suspended and will not be delivered in the near future. It is worth noting however that the scheme concept and design has been the subject of an application for funds to the Communities First programme via the Local Authority Youth Service for rolling out across the County Borough. NSA will now collaborate with that initiative.

***PCCare.***

This project was launched in July 2006 as a result of a successful application for funds from Communities @One a Welsh assembly funded scheme to tackle digital inclusion in areas of social disadvantage. The project is based in Unit 28 Port Talbot Business Units, Addison Road, Sandfields. 496 People have accessed training via PCCare. 533 items of ICT support have been carried out by 4 staff including support for NSA infrastructure, local groups and residents, call outs to the community and business.

**NEW SANDFIELDS AND ABERAFAN  
SUSTAINABLE REGENERATION**

**REPORT OF THE BOARD OF DIRECTOR TRUSTEES  
for the year ended 31 March 2007**

***New Sandfields Aberavon – Local Action Centre.***

This project continued to build on the success of its previous 2 years. It is a partnership between NSA and the NPTNLN for delivering an ESF initiative. NSA's management of the project together with creating an open plan welcoming environment for residents in the area resulted in it being a prime location for the delivery of other agencies schemes which we call Job Brokers such as Want2Work an ESF funded scheme by the department of employment and SHAW Trust a disability Employment Broker as well as Princes Trust and Broker Cymru. These organisations benefited from the informal referral of clients by the LAC Reception Desk and support worker during the year.

LAC output figures include other users of the Centre such as rehabilitation groups, friendly clubs and other community organisations. The total number of users, staff and volunteers attending the centre on an average week amounted to over 500.

The Project is coming to the end and notice has been given by NLN that the programme will come to an end by June 2007. NSA will build on the success of the project and particularly the additional features of employment support. We will aim to utilise the assets for the benefit of residents seeking these services in the Sandfields and Aberavon community over the next 6 years remaining on the lease of the premises.

Based on our monitoring systems we calculate that there were as many people seeking employment support as were seeking to sign up to classes in the centre (nearly 60% of which were IT) which itself is a key skill towards employability.

Users of the Local Action centre January 2004 - June 2007

Seeking Employment support	1,281
New Adult learners	759
Of which	
IT	(489)
Spanish	(24)
Guitars	(24)
Astronomy	(18)
English spoken as other Language	(27)
Return to Learn courses	(87)
Counseling	(21)
Digital Camera	(39)
Child Care	(30)

In almost 3 years of the ESF funded NLN programme the number of people using the centre for employment support was 1,281. Those signing up for adult learning classes was 759. There were 432 people on the data base who declared themselves to be disabled and there were 132 people from Black or ethnic backgrounds. The total who used the premises since January 2005 on a formal basis was 2,040. There were other community activities and groups who also used the centre on an informal basis for which we have no formal figures.

Café Bar Social Enterprise supported by DEIN former WDA

Work commenced in October 2006 on a Café Bar in a leased area adjacent to the Lido reception area. By the end of March 2007 the bulk of the capital renovation and conversion work had been completed whilst a Catering Partnership contract with SHAW TRUST Ltd, a charity supporting people with disabilities, was piloting a Café management service at their Llandarcy Head quarters and Disability Living Centre.

**NEW SANDFIELDS AND ABERAFAN  
SUSTAINABLE REGENERATION****REPORT OF THE BOARD OF DIRECTOR TRUSTEES  
for the year ended 31 March 2007*****Making Waves***

Three editions of making waves were published and distributed during the year and were delivered to 8,500 households in Sandfields East, West and Aberavon. The cost of production and distribution was partly paid for by the purchase of page space by organisations and was subsidised from NSA earned income.

***Work in Progress:***

2006/07 was a year of preparing facilities for occupying and use. Work commenced on 'Ty Arian' formerly Silver Court which was a rundown block of six flats which was converted to the organisation's Head quarters. 10 staff were relocated from the Community Development centre in Bevin Avenue. The Ty Arian base is also the HQ for the Communities First staff team for The CF Partnership and Sandfields West.

A lot of renovation work has been carried out as project work to enable trainees to experience a real work environment whilst specialist work such as electrical installations and security has been carried out by outside contractors.

Staff employed in the Charity Company's operations during 2005/2006

Executive Director	1
Senior Managers	3
Project Managers	4
Community Development staff	8
Project Staff	21
Main Office Staff (inc Finance)	<u>3</u>
Total	<u>40</u>

**NEW SANDFIELDS AND ABERAFAN  
SUSTAINABLE REGENERATION**

**REPORT OF THE BOARD OF DIRECTOR TRUSTEES  
for the year ended 31 March 2007**

**FINANCIAL REVIEW**

The total income of £1,486,501 ( 2006 -£1,027,107) was spent on direct charitable expenditure totalling £1,188,778 ( 2006 - £771,663) and governance costs of £12,190 ( 2005 - £9,825) This has resulted in net incoming resources of £285,533 ( 2006 - £245,619)

**Principle funding sources**

Principle funding sources

The principle sources of funding for the charity has been for the purpose of delivering employment training and education support and advice  
Awards for this have included the following

NSA Principles sources of Funding 2006/07

Core Big Lottery	60,926
WAG Communities First – Sandfields	
Development	313,633
Obj 1 STRIDES	175,502
DELLS STRIDES	309,207
DEIN WAG Café Bar	15,313
Community Regeneration Fund - Unit 19	10,000
Community Regeneration Fund - Development	
Centre	17,574
NSA LAC NLN ESF claims	38,911
WAG Communities @ One	99,309
NPTCBC Key Fund - Café Bar	12,735
	<hr/>
	1,053,110

**Investment Policy**

The Board has decided that where cash flow conditions allow that a sum of £100,000 be invested in a Treasury Deposit account with our Bankers A review of investment policy will take place ahead of the annual general meeting by the Board

**NEW SANDFIELDS AND ABERAFAN  
SUSTAINABLE REGENERATION****REPORT OF THE BOARD OF DIRECTOR TRUSTEES  
for the year ended 31 March 2007****Reserves policy**

The organisation has a policy to set aside an amount equivalent to six months running costs as reserves. The budgeted expenditure for 2007/08 is £1.5 million. Therefore the reserves needed to meet the working capital requirements of the charity is estimated to be approximately £650,000. At this level the Board are confident that they would be able to continue with the current activities in the event of a significant drop in funding.

This requirement will use unrestricted funds. Also funds not committed or invested in tangible fixed assets. To date a sum of £110,000 has been set aside for this purpose and £97,738 for the purpose of ensuring the company's obligations with respect to occupational pensions for staff.

The company aims during 2007/08 to adopt a contracted out scheme for its employees together with a Death in Service provision.

The present level of reserves falls significantly short of the target. Although the strategy is to continue to build reserves through non restricted income generation the Board is well aware that it is likely to take at least another 5 years before we reach the target for reserves.

In the meantime the Board has a strategy to manage both restricted and unrestricted income with prudence and controls are in place to keep expenditure to a minimum and to agreed levels only. A policy is in place for finance regulations and for levels of authority to spend within the three Directorates.

**Plans for future periods**

The charity plans for the future by referring to its business plan and its main strategic intent which is to provide facilities and activities in the community meeting the employment and learning needs of people in the community of Sandfields Aberavon. The Business plan is to be reviewed in October 2007 as part of the annual review process for the Sandfields and Aberavon Neighborhood plan itself.

This is augmented by the adoption of the reviewed Sandfields Aberavon Neighbourhood plan and the commitment of NSA to implement the plan over the period 2005-15.

Objectives for Communities First Partnership include

A Social Audit, Social Enterprise strategy development, Green Dragon Environment awards, Credit Union payment points and integrated working with the NSA Board of Director Trustees.

Development of a flagship scheme involving the creation of a Community Enterprise Centre on the Aberavon seafront is being pursued by the Company. This scheme will benchmark with the 'Galeri' in Caernarfon, North Wales which is also a Community Development Trust.

The scheme could well cost £5m and has been the subject of a £10,000 grant for a feasibility study from the Communities Investment Fund (CIF) administered by the WCVA.

A Loan of £250,000 has been agreed in principle for either the purchase of land for the new scheme or for its infrastructure in the event of lease transfer of land. The Board will decide on its strategic options by October 2007 dependent on the view of the Local Authority in releasing the land by Purchase or by asset transfer with a 99 year lease.

**NEW SANDFIELDS AND ABERAFAN  
SUSTAINABLE REGENERATION****REPORT OF THE BOARD OF DIRECTOR TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2007****Plans for future periods cont.**

The charity will continue to work in partnership with statutory agencies and voluntary organisations and seek new partnerships to facilitate and deliver services in support of the needs of people in the community

**Responsibilities of the Board of Director Trustees**

Company law requires that the Board prepare financial statements for each financial year which gives a true and fair view of the state of affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure for the financial year. In preparing those financial statements, the Board should follow best practice and

Select suitable accounting policies and then apply them consistently, make judgments and estimates that are reasonable and prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis

The Board is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The Board is 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

Members of the Board of Director Trustees, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 1

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

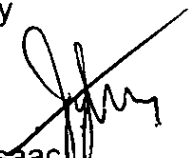
So far as we are aware there is no relevant audit information of which the company's auditors are unaware, and as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's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

**Auditors**

Bevan and Buckland Chartered Accountants were appointed as the Charity Company's auditors during the year and have expressed their willingness to continue in that capacity

This report has been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities

Approved by the Board of Director Trustees on 27/9 2007 and signed on its behalf by

  
Mr Ian Isaac  
Company Secretary



**NEW SANDFIELDS AND ABERAFAN  
SUSTAINABLE REGENERATION****REPORT OF THE BOARD OF DIRECTOR TRUSTEES  
for the year ended 31 March 2007****Appendix 1**

Objective C – To review key aspects relating to the charity's governance

**Governing Document**

The charity's governing document is the Memorandum and Articles of Association incorporated on 27 November 1998. The charity representatives confirmed no amendments other than that stated in 2.1 Charity details had been made to the document since that date.

**Recommendation** When next reviewing the charity's governing document, the trustees should amend articles 5, 10, 24, 29, 41(2), 51(4) to replace "trustee" with "director" to ensure consistency. They should also delete the final sentence in article 34 as it is repeated in article 35.

During discussions with the trustees it was evident that some trustee appointments are nominations from partnership local authorities. There is no problem with this insofar as it is the membership that elects trustees but the charity should be aware that local authorities or any other organisation do not have nomination rights to the charity. The method for electing trustees is contained within the charity's governing document. Should the trustees wish to formalise this practice they should amend the articles accordingly.

**Recommendation**

When next reviewing the charity's governing document, provision for retirement and rotation of trustees should be considered.

It was also pointed out to the trustees that, unusually, the charity's governing document does not make provision for retirement or rotation of trustees. Best practice would ensure that there is a provision within the governing document to allow for trustees to retire in rotation after serving a period of 3 years. Normally one third of trustees would retire each year so that all trustees retire from the charity within a three year period. Trustees can stand for re-election or decline from doing so if they wish. If desired, a trustee would normally serve two terms and then a gap of one year would allow a vacancy to arise. The gap of one year is not a mandatory provision. Retirement and rotation provisions allow the opportunity to bring new trustees on to the Board and fresh ideas and skills to the charity. It also allows those trustees who may feel obligated to serve as a trustee an opportunity to stand down from the charity.

**For reference** As the new Charities Act received Royal Assent on 8 November 2006, the need for the trustees to apply to the Charity Commission to amend clause 5 of the Memorandum of Association to allow the purchase of Trustees Indemnity insurance will be removed as the Act comes into force.

Although article 49 of the governing document contains the provision for indemnity, it is overridden by clause 5 of the Memorandum. Trustee indemnity insurance is provided as individual liability insurance for trustees and is therefore regarded as a benefit to trustees – specifically precluded by the charity's Memorandum. However, as the provisions of the new Charities Act are due to come into force early in 2007, the requirement to seek our authority to purchase trustees indemnity insurance will no longer be required. In those circumstances, it is not worth amending the governing document specifically for this provision. The Charity Commission website will update charities on the implementation of the Act.

**NEW SANDFIELDS AND ABERAFAN  
SUSTAINABLE REGENERATION**

**REPORT OF THE BOARD OF DIRECTOR TRUSTEES  
for the year ended 31 March 2007**

**Trustee Eligibility**

**Recommendation** The trustees should sign a declaration to the effect that they are not disqualified from acting as a trustee

Although Table A of the Companies Act sets out who is disqualified from being a director there is additional restrictions set out in section 72 of the Charities Act 1993. It is recommended that the charity get trustees to sign a self-declaration form

The Charity Commission would advise the trustees to introduce a procedure for checking the eligibility of potential trustees to act. Even when potential trustees are already known to the charity, it is important to check that they are not disqualified from acting as a charity trustee, for example under the provisions of section 72 of the Charities Act 1993. Trustees (Directors) of a charitable company already confirm their eligibility to act as company directors. However, the requirements in the Charities Act 1993 with regard to trustee eligibility are wider than the Companies Act requirements and trustees need to be aware of the additional rules around eligibility

It is recommended that new and existing trustees sign a declaration of eligibility to serve as charity trustees under the provisions of section 72(1) of the Charities Act 1993. Ideally such a declaration would list the reasons for disqualification lifted from the 1993 Act

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS  
OF  
NEW SANDFIELDS AND ABERAFAN  
SUSTAINABLE REGENERATION**

**(A COMPANY LIMITED BY GUARANTEE)**

We have audited the financial statements of New Sandfields and Aberafan Sustainable Regeneration for the period ended 31 March 2007 on pages 19 to 31 which have been prepared under the historical cost convention and accounting policies set out on pages 21 and 22

This report is made solely to the charitable company's members, as a body in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's members those matters that 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 that 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

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS**

As described on page 14 the Director Trustees are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland)

We report to you our opinion as to whether the financial statements give a true and fair view and are properly in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Director Trustees is consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding employees' remuneration and transactions with the charitable company is not disclosed

We read other information contained in the Director Trustees' Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to and other information

**BASIS OF OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the auditing practices board. An audit includes examination, in a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed

We planned and performed our audit so as to obtain all the information and explanation which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error or other irregularity. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements

INDEPENDENT AUDITORS REPORT TO THE MEMBERS  
OF  
NEW SANDFIELDS AND ABERAFAN  
SUSTAINABLE REGENERATION

(A COMPANY LIMITED BY GUARANTEE)

**OPINION**

In our opinion the financial statements

- Give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31<sup>st</sup> March 2007 and of its incoming resources for the year then ended and
- Have been properly prepared in accordance with the Companies Act 1985
- the information given in the report of the board of director trustees is consistent with the financial statements

In our opinion the information given in the report of the director trustees is consistent with the financial statements

*Bevan & Buckland*

RUSSELL HOUSE  
31 RUSSELL STREET  
SWANSEA

BEVAN & BUCKLAND  
CHARTERED ACCOUNTANTS  
AND REGISTERED AUDITORS

DATE

*27/9/2007*

**NEW SANDFIELDS AND ABERAFAN  
SUSTAINABLE REGENERATION**

**Statement of financial activities  
(Including Income and expenditure account)  
for the year ended 31 March 2007**

	Notes	Designated Fund 2007 £	General Funds 2007 £	Restricted Funds 2007 £	Total Funds 2007 £	Total Funds 2006 £
<b>INCOMING RESOURCES</b>						
<b>Incoming resources from generated funds:</b>						
Voluntary income						
Donations	2		5,350		5,350	3,945
Investment income			2,734		2,734	125
<b>Incoming resources from Charitable activities:</b>						
	2		363,868	1,114,549	1,478,417	1,023,037
<b>TOTAL INCOMING RESOURCES</b>		0	371,952	1,114,549	1,486,501	1,027,107
<b>RESOURCES EXPENDED</b>						
Charitable Activities	3		318,886	869,892	1,188,778	771,663
Governance costs	3		12,190		12,190	9,825
<b>TOTAL RESOURCES EXPENDED</b>		0	331,076	869,892	1,200,968	781,488
<b>Net incoming resources</b>		0	40,876	244,657	285,533	245,619
Transfer between funds		92,697	(50,000)	(42,697)	0	0
<b>Net movements in funds</b>		92,697	(9,124)	201,960	285,533	245,619
<b>Reconciliation of funds</b>						
Total funds brought forward		115,041	26,169	176,232	317,442	71,823
<b>Total funds carried forward</b>		207,738	17,045	378,192	602,975	317,442

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

**New Sandfields and Aberafan  
Sustainable Regeneration  
Balance Sheet  
as at 31 March 2007**

20

	Note	2007 £	2007 £	2006 £	2006 £
<b>Fixed assets</b>					
Tangible assets	8		612,613		296,683
<b>Current Assets</b>					
Debtors	9	206,762		112,469	
Cash at Bank and in Hand		<u>56,071</u>		<u>101,962</u>	
		262,833		214,431	
<b>Creditors: amounts falling due within one year</b>	10	(136,580)		(193,672)	
<b>Net current (liabilities)/ assets</b>			126,253		20,759
<b>Creditors: amounts falling due in more than one year</b>			(135,891)		
<b>Total assets Less current Liabilities</b>			<u>602,975</u>		<u>317,442</u>
<b>Capital and Reserves</b>					
General Funds	12		17,045		26,169
Designated Funds	12		207,738		115,041
Restricted Funds	12		26,824		628
Restricted Capital Funds	12		<u>351,368</u>		<u>175,604</u>
			<u>602,975</u>		<u>317,442</u>

These accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities

Approved by the Board of Director Trustees on 27/9 2007 and signed on its behalf by

  
DIRECTOR TRUSTEE

  
DIRECTOR TRUSTEE

27/9/07  
DATE

**NEW SANDFIELDS AND ABERAFAN  
SUSTAINABLE REGENERATION****NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 March 2007****ACCOUNTING POLICIES**

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

**a Basis of accounting**

The financial statements have been prepared under the historical cost convention and have been prepared in accordance with the Companies Act 1985 and the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005.

**b Fund accounting**

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- Designated funds are restricted funds earmarked by the Management Committee for particular purposes.
- Restricted funds are subjected to restrictions on their expenditure imposed by the grant provider.

**c Incoming resources**

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

- Voluntary income is received by way of grants and subscriptions and is included in full in the Statement of Financial Activities when receivable. Grants, 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 grant.
- Investment income is included when receivable.
- Incoming resources from charitable activities are accounted for when earned.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

**d Resources expended**

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

- Cost of generating funds comprise the cost associated with attracting voluntary income.

**NEW SANDFIELDS AND ABERAFAN  
SUSTAINABLE REGENERATION**

**NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 March 2007**

**ACCOUNTING POLICIES (CONT'D)**

- Charitable expenditure comprises those costs incurred by the charity in the deliverance of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

**e Leasing commitments**

Assets obtained under finance leases are capitalised in the balance sheet and depreciated over their estimated useful lives, or where relevant, the lease term, whichever is shorter.

Rentals paid under operating leases are charged to the income and expenditure account as incurred.

**f Fixed assets**

Fixed assets are stated at cost less accumulated depreciation. The cost of minor additions or those below £1,000 are not capitalised. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Motor vehicles	25% Reducing Balance
Fixtures, fittings & equipment	25% Straight Line
Improvements to property	4% Straight Line
Leasehold property	4% Straight Line
Freehold property	2% Straight Line

**g Pensions**

The company operates a money purchase scheme with a defined pension scheme called 'Pensions Trust'.

The organisation operates a pensions accrual policy whereby 8% of all staff salary irrespective of funded or unfunded posts are deducted and transferred to an Employer's designated fund to meet any future obligations and to ensure Staff have the right to apply to join the scheme and have their contributions and that of the employer back dated to commencement of employment. At present all employees except one have signed up to the pension scheme.



**NEW SANDFIELDS AND ABERAFAN  
SUSTAINABLE REGENERATION  
NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 March 2007**

**Note 2. INCOMING RESOURCES FROM ACTIVITIES**

	Unrestricted	Restricted	Total 2007	Total 2006
NAW - Capacity Building		-	-	39,265
NAW - Communities First		313,633	313,633	238,112
NAW - Dells		175,502	175,502	79,272
NAW - Objective 1		305,100	305,100	200,353
NAW - YLAC		1,741	1,741	54,237
NAW - Comm@1		99,309	99,309	
Big Lottery		60,926	60,926	58,292
Cloth Workers		16,000	16,000	
Comic Relief			-	5,000
Construction Youth Trust		4,308	4,308	10,000
CRF (Neath Port Talbot CBC)		34,434	34,434	27,574
Donations	5,350		5,350	3,945
Function Hire & Incidental Charges	60,159		60,159	59,576
Home Front			-	7,300
Key Fund		27,748	27,748	28,171
Lloyds TSB Foundation			-	5,894
New Opportunities Fund			-	-
NLN (ESF Claim)		42,903	42,903	57,086
PC Care Income	33,378		33,378	
REO Pupil incl		-	-	3,240
Sales Income	189,661		189,661	64,221
WCVA			-	4,810
WDA - DEIN grant		15,313	15,313	-
Workways		17,632	17,632	
Management Charges	80,670		80,670	80,634
	369,218	1,114,549	1,483,767	1,026,982

**NEW SANDFIELDS AND ABERAFAN  
SUSTAINABLE REGENERATION  
NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 March 2007**

Note 3

Cost Directly allocated to activities

	Strides	LAC-General and Restricted	Unit 19	PC Care	Bevin Av	Comm 1st	YLAC	Cap Build	Core	Digi Lab	Shaw		Beach Festival	Construction		Silver Court	2006
											Trust	Event/Eyeline		2007			
Staff Costs	165,100	63,825	22,453	43,070	17,826	162,024	1,614	42,856	53,427	4,378	12,822	-	-	-	-	589,396	353,761
Premises	4,901	3,884	18,477	3,094	641	28,404	3,770	-	17,758	-	-	-	-	-	-	80,928	57,759
Purchases,Repairs & Maintenance	47,777	24,271	56,185	23,502	5,541	45	2,272	-	4,522	70	9,263	4,748	-	986	-	179,183	31,814
Travelling & Expenses	1,101	97	832	-	675	1,240	55	408	923	-	-	-	-	307	-	5,637	4,249
General Admin Expenses	25,637	15,962	14,304	3,573	2,700	42,566	486	347	6,717	198	1,282	132	451	938	-	115,293	117,356
Management Charges	25,932	9,775	3,500	8,000	6,763	26,700	-	-	-	-	-	-	-	-	-	80,670	80,634
Depreciation	1,309	208	-	-	-	559	-	-	39,054	-	-	-	-	-	-	41,130	16,451
Support costs allocated to activities																	
Wages & Salaries	8,592	12,028	4,296	-	3,437	39,522	7,733	6,014	4,296	-	-	-	-	-	-	85,917	81,040
Premises Exp	258	204	972	163	34	1,495	198	-	935	-	-	-	-	-	-	4,259	1,922
Travel	58	5	44	-	36	65	3	21	49	-	-	-	-	16	-	297	1,006
Other Expenses	1,349	840	753	188	142	2,240	26	18	354	10	68	7	24	49	-	6,068	25,671
Governance									12,190							12 190	9 825
	282 013	131 099	121 817	81 590	37 795	304 861	16 156	49 664	140 224	4 657	23 434	4 887	1 784	987	1 200 968	781 488	

**NEW SANDFIELDS AND ABERAFAN  
SUSTAINABLE REGENERATION**

**NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 March 2007**

**4. NET INCOMING/ (OUTGOING) RESOURCES FOR THE YEAR**

This is stated after charging	<b>2007</b>	<b>2006</b>
Depreciation – owned	13,622	8,008
Depreciation – restricted assets	27,508	8,443
Auditors Remuneration	4,700	3,700
Operating lease rental	6,725	5,258

**5. STAFF COSTS AND NUMBERS**

Staff costs are as follows	<b>2007</b> £	<b>2006</b> £
Salaries and wages	588,054	431,564
Social Security costs	87,259	38,056
Pension Costs (Er's)	<u>11,728</u>	<u>( 30,380)</u>
Total	687,041 =====	439,240 =====

No employee received emoluments of more that £60,000

The average number of employees during the year, calculated on the basis of full time equivalents

	<b>2007</b> Number	<b>2006</b> Number
Executive Directors	1	1
Senior Managers	3	2
Project Managers	4	4
Community Development/Project Staff	29	14
Administration and support	<u>3</u>	<u>3</u>
Total	<u>40</u>	<u>27</u>

The charity operated a defined contribution pension scheme in respect of its employees. The scheme and its assets were held by independent managers. The pension charge represents contributions due from the company and amounts to £11,728 (2006 – (£30,380)). No contributions were outstanding at the year end.

**NEW SANDFIELDS AND ABERAFAN  
SUSTAINABLE REGENERATION**

**NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 March 2007**

**6. TRUSTEES REMUNERATION & RELATED PARTY TRANSACTIONS**

No members of the management committee received any remuneration during the year

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2006 – nil)

During the year the charity's Executive Officer received an additional payment of £4,000 for providing services as Company Secretary

**7. TAXATION**

As a charity, New Sandfields and Aberafan Sustainable Regeneration is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity

**8. TANGIBLE FIXED ASSETS**

	<b>Freehold Property</b>	<b>Leasehold Property</b>	<b>Improvement to Property</b>	<b>Motor Vehicles</b>	<b>Fixtures Fittings &amp; Office equip.</b>	<b>Total</b>
	£	£	£	£	£	£
<b>Cost</b>						
At 1 April 2006	120,000	138,619	7,780	15,507	51,123	333,029
Additions	-	221,729	123,395	-	20,383	365,508
Disposals	-	-	-	1,081	-	1,081
At 31 March 2007	<u>120,000</u>	<u>360,348</u>	<u>131,175</u>	<u>16,588</u>	<u>71,506</u>	<u>697,456</u>
	=====	=====	=====	=====	=====	=====
<b>Depreciation</b>						
At 1 April 2006	2,711	5,545	311	4,495	31,851	36,346
Charge for the year	2,400	14,414	2,828	2,704	18,783	41,130
Disposals	-	-	-	889	-	889
At 31 March 2007	<u>5,111</u>	<u>19,959</u>	<u>3,139</u>	<u>6,310</u>	<u>50,633</u>	<u>84,843</u>
	=====	=====	=====	=====	=====	=====
<b>Net Book Value</b>						
At 31 March 2007	<u>115,200</u>	<u>340,389</u>	<u>128,035</u>	<u>8,115</u>	<u>20,873</u>	<u>612,613</u>
	=====	=====	=====	=====	=====	=====
At 31 March 2006	<u>117,600</u>	<u>138,619</u>	<u>7,780</u>	<u>11,012</u>	<u>19,272</u>	<u>296,683</u>
	=====	=====	=====	=====	=====	=====

A charge is held on Silver Court, Sandfields by Lloyds TSB

**NEW SANDFIELDS AND ABERAFAN  
SUSTAINABLE REGENERATION**

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2007**

**9. DEBTORS**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Trade debtors	31,916	25,767
Prepayments and other debtors	<u>174,846</u>	<u>86,702</u>
	206,762	112,469
	=====	=====

**10. CREDITORS: AMOUNTS FALLING DUE  
WITHIN ONE YEAR**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Trade Creditors	23,261	6,177
Bank loans & Overdraft	13,359	122,962
Accruals and Other Creditors	<u>99,960</u>	<u>64,533</u>
	136,580	194,572
	=====	=====

**11. CREDITORS: AMOUNTS FALLING DUE  
WITHIN ONE YEAR**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Bank Loans & Overdraft	135,891	-
	=====	=====

**12. FUNDS**

	<b>Designated Funds £</b>	<b>General Funds £</b>	<b>Restricted Funds £</b>	<b>Restricted Capital £</b>	<b>Total £</b>
Opening funds	115,041	26,169	175,604	628	317,442
Net Movement of Funds	92,697	(9,124)	175,764	26,196	285,533
Balance at 31 March 2007	<u>207,738</u>	<u>17,045</u>	<u>351,368</u>	<u>26,824</u>	<u>602,975</u>
	=====	=====	=====	=====	=====

Designated funds represents

	<b>£</b>
Pension provision	97,738
Running costs	110,000
	=====

The Running costs are being set up with the aim to achieve six months of the current costs in any one year The Charity hopes to achieve this within the next five years

**NEW SANDFIELDS AND ABERAFAN  
SUSTAINABLE REGENERATION**

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2007**

**13. FUNDS (CONT'D)**

**RESTRICTED FUNDS**

	<b>Opening Balance</b>	<b>Income</b>	<b>Outgoing</b>	<b>Closing Capital Fund</b>	<b>Closing Revenue Fund</b>
NAW – Objective 1/DELLS	144,786	468,533	269,379	292,139	51,756
NAW – Comm 1 <sup>st</sup>	10,451	313,633	316,762	7,367	
NAW-Comm @ 1		99,309	82,437		16,872
NAW-ylac		1,741	1,741		
Key Fund	19,150	27,748	12,419	34,479	
CRF		34,434	34,434		
Comic Relief	163		41	122	
WCVA	323		81	242	
NLN (ESF Claim)		40,054	40,054		
Construction Youth Trust		4,308	4,308		
Big Lottery		60,926	60,926		
Awards for All	1,359		340	1,019	
WDA-DEIN		15,313	15,313		
Keep Wales tidy		893	-		893
Clothworkers foundation		16,000	-	16,000	
Workways		17,632	17,632		
Small grants		14,025	14,025		
	<u>176,232</u>	<u>1,114,549</u>	<u>869,892</u>	<u>351,368</u>	<u>69,521</u>
Transferred to Designated Reserve	-	(42,697)	-	-	(42,697)
	<u>176,232</u>	<u>1,071,852</u>	<u>869,892</u>	<u>351,368</u>	<u>26,824</u>
	=====	=====	=====	=====	=====

All capital restricted funds represent monies received for capital spends. The assets are included in the tangible fixed assets if purchased prior to the end of the financial year. The Clothworkers foundation grant was used to purchase a van at a cost of £14,500 shortly after the year end.

Revenue funds relate to minor under spends of revenue on projects during the year.

During the year the pension accrual calculation was updated and a sum of £42,697 was agreed to be transferred into a designated reserve in addition to the £55,041 that was already accruing. The accrual represents funding that has been put to one side to cover the cost of staff who are expected to join the pension scheme which has been designated a contracted out scheme with additional death benefits entitling beneficiaries to two years salary after the end of the financial year and will be entitled to back date the employers contributions to be made.

**NEW SANDFIELDS AND ABERAFAN  
SUSTAINABLE REGENERATION**

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2007**

**14. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**Restricted Funds**

	<b>Tangible Fixed Assets</b>	<b>Net Assets</b>	<b>Total</b>
	£	£	£
NAW – Objective 1	292,139	9,059	301,198
Key fund	34,479	-	34,479
Comic Relief	122	-	122
WCVA	242	-	242
NAW – Comm 1 <sup>st</sup>	7,367	-	7,367
NAW-Comm @ 1	-	16,872	16,872
Clothworkers Foundation	16,000	-	16,000
Awards for all	1,019	-	1,019
Keep Wales Tidy	-	893	893
	<u>351,368</u>	<u>26,824</u>	<u>378,192</u>
General Fund	261,245	(244,200)	17,045
Designated	-	207,738	207,738
	<u>612,613</u>	<u>(9,638)</u>	<u>602,975</u>
	=====	=====	=====

**15. OPERATING LEASE COMMITMENTS**

The following payments are committed to be paid within one year

**Operating Leases**

	<b>Land &amp; Buildings</b>		<b>Other</b>	
	<b>2007</b>	<b>2006</b>	<b>2007</b>	<b>2006</b>
	£	£	£	£
Expiring				
Within one year	3,984	-	-	374
Between 1 and 5 years	12,400	19,466	6,725	2,069
In more than 5 years	<u>13,800</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>30,184</u>	<u>19,466</u>	<u>6,725</u>	<u>2,443</u>
	=====	=====	=====	=====

**NEW SANDFIELDS AND ABERAFAN  
SUSTAINABLE REGENERATION  
NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2007**

**2007**

**2006**

**£**

**£**

**£**

**£**

**INCOME**

NAW - Comm 1st Capacity building	-	39,265
NAW - Dells	309,207	71,638
NAW - Objective 1	171,395	200,353
NAW - YLAC	1,741	54,237
NAW- Comm1st	313,633	245,746
NAW - Comm '@1	99,309	-
Awards for all	-	4,800
Big Lottery	60,926	29,593
Cloth Workers	16,000	-
Comic relief	-	5,000
Construction Youth Trust	4,308	10,000
CRF (NPTCBC)	34,434	27,574
Donations	5,350	3,945
Function hire & incidental charges	60,159	59,576
Home Front	-	7,300
Interest receivable	2734	125
Key Fund	27,748	28,171
Lloyds TSB Foundation	-	5,894
New opportunities fund	-	2,965
NLN ( ESF Claim)	42,903	57,086
REO Pupil incl	-	1,504
Hire	7,388	-
Various sales	7,937	64,221
Cafe sales	3,905	-
LAC cafe bar	12,337	-
Buffet	5,491	-
Prom bar	7,554	-
Unit 19	147,577	-
Unit 18	6,210	-
Shaw trust	24,641	-
WCVA	-	4,810
WDA (DEIN Grant)	15,313	-
Workways	17,632	-
Management charges	80,670	80,634
	<u>1,486,501</u>	<u>1,027,107</u>

**EXPENDITURE**

Wages & salaries	675,313	469,621
Staff pension costs	11,728	(30,380)
Various materials	26,339	23,746
Buffet costs	18,752	-
prom bar costs	2,070	-
PC care costs	48,074	-
Internal PC care purchases	15,349	-
Rent & Rates	5,293	5,700
Insurance	14,673	5,576



**NEW SANDFIELDS AND ABERAFAN  
SUSTAINABLE REGENERATION  
NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2007**

Cont..	2007		2006	£
	£	£	£	
Security	2,182		1,006	
Light & heat	14,345		9,994	
Cleaning	731		1,361	
Repairs & maintenance	29,317		22,752	
Printing postage stationary	19,117		13,674	
Advertising	2,898		4,011	
Office & IT equipment	39,281		37,710	
Telephone	17,828		12,689	
Functions & meetings	4,180		8,954	
Hire of equipment	20,344		588	
Motor expenses	721		1,684	
Travelling and expenses	5,934		3,571	
Leases	48,694		35,840	
Training & expenses	9,889		10,084	
General expenses	28,102		28,054	
Recruitment costs	347		3,939	
Depreciation on fixtures fittings & equipment	10,917		7,944	
Depreciation on assets funded by restricted grants	27,508		8,443	
Depreciation on motor vehicles	2,705		64	
Consultancy and Legal fees	3,468		5,529	
Accountancy	7,490		5,000	
Audit	4,700		3,700	
Management charges	80,670		80,634	
		1,200,968		781,488
<b>SURPLUS FOR THE YEAR</b>		<u>285,533</u>		<u>245,619</u>