

Company Registration Number - 06849950

The Charity Registration Number is :- 1150390

**Caerau Development Trust**  
**Unaudited Report and Accounts**  
**31 March 2018**



## **Caerau Development Trust**

### **Report and accounts for the year ended 31 March 2018**

#### **Contents**

	<b>Page</b>
Charity information	1
Trustees' Annual Report	1
Statement of directors' responsibilities	6
Independent Accountant's Report	8
<i>Funds Statements:-</i>	
Statement of Financial Activities	10
Statement of Financial Activities - Prior Year statement	11
Movements in funds	12
Revenue Funds	12
Income and Expenditure account	13
Summary of funds	12
Balance sheet	14
Notes to the accounts	15

## **Caerau Development Trust**

Company Registration Number - 06849950

### **Trustees' Annual Report for the year ended 31 March 2018**

The Trustees present their Report and Accounts for the year ended 31 March 2018, which also comprises the Directors' Report required by the Companies Act 2006.

#### **Reference and administrative details**

##### ***The charity name.***

The legal name of the charity is:- Caerau Development Trust

The charity is also known by its operating name, Caerau Development Trust

##### ***The charity's areas operation and UK charitable registration.***

The charity is registered in England & Wales with the Charity Commission in England & Wales (CCEW) with charity number 1150390

##### ***Legal structure of the charity***

The charity is constituted as a company limited by guarantee, registered under the Companies Acts . The governing document of the charity is the Memorandum and Articles of Association establishing the company under company legislation.

The Governing Document is dated: 17 March 2009

There are no restrictions in the governing documents on the operation of the Charity or on its investment powers other than those imposed by Charity Law.

By operation of law all, trustees are directors under the Companies Act 2006 and all directors are trustees under Charities legislation and have responsibilities, as such, under both company and charity legislation.

The trustees are all individuals.

## **Caerau Development Trust**

Company Registration Number - 06849950

### **Trustees' Annual Report for the year ended 31 March 2018**

**The principal operating address, telephone number, email and web addresses of the charity are:-**

The Community Centre,  
Woodlands Terrace, Caerau,  
Maesteg, CF34 0SR  
Telephone 01656 810225  
Email Address caeraudevelopmenttrust@gmail.com

The registered office of the charity for Companies Act purposes is the same as the operating address shown above.

#### **The Trustees in office on the date the report was approved were:-**

Graham Dawe  
Janice Dawe  
Barbara King  
Rev Ian Morris  
Ayshea King  
Paul Davies  
Karl Edwards  
Paul Nut  
Chris Pryme  
Christopher Davies (appointed 16 May 2018)  
Albert Williamson (appointed 10 September 2018)

#### **The following persons served as Trustees during the year ended 31 March 2018 :-**

The trustees who served as a trustee in the reporting period, and, if applicable, their dates of appointment or resignation during the year were:-

<b><i>Name</i></b>	<b><i>Appointed</i></b>	<b><i>Resigned/Retired</i></b>
Graham Dawe		
Janice Dawe		
Barbara King		
Rev Ian Morris		
Ayshea King		
Paul Davies		
Karl Edwards		
Paul Nut		
Chris Pryme		

At the Annual General Meeting the members retire as trustees, but are eligible for reappointment.

All the trustees are also members of the charity.

## **Caerau Development Trust**

Company Registration Number - 06849950

### **Trustees' Annual Report for the year ended 31 March 2018**

#### **Objects and activities of the charity**

##### ***The purposes of the charity as set out in its governing document.***

The objects for which the Charity is established are:

The promotion, for public benefit, of community and economic regeneration in Caerau in the County Borough of Bridgend, and the surrounding areas, by all or any of the following means:

- The relief of poverty in such ways as may be thought fit;
- The relief of unemployment in such ways as may be thought fit;
- The advancement of education and training;
- The maintenance, improvement or provision of public amenities;
- The provision or assistance in the provision of recreational facilities;
- The provision of public health and childcare facilities;
- The promotion of public safety and the prevention of crime;
- The protection and improvement of the natural environment and the conservation of local heritage;
- Other means as may from time-to-time be determined subject to the prior consent of the Charity Commission of England & Wales

##### ***The main activities undertaken in relation to those purposes during the year.***

The Charity supports a number of projects for the benefit of the people of Caerau, and the surrounding area, and some of the public benefits of these projects are detailed below.

##### ***The main activities undertaken during the year to further the charity's purpose for the public benefit.***

The principle activity of the Charity in the year under review was to further or benefit the residents of the Llynfi Valley and the surrounding areas, without distinction of gender, sexual orientation, race or of political, religious or other opinions by associating together the said residents and other agencies, sectors and service providers in a common effort to advance education and to provide facilities in the interests of social welfare for recreation leisure time occupation with the objective of improving the conditions of life for the residents.

The Charity maintains a community centre for the benefit of the local residents and the surrounding area.

Within the community centre there is a charity shop and a cafe. There is also an in-house food outlet offering free discounted groceries, and access to food bank vouchers.

Many courses are run from the centre for the benefit of the community. These include first aid training, table tennis, cookery, health & hygiene, job club, a spiritual group, a be-friending group, and a guitar club.

There are also various youth activities and bingo sessions.

The trustees have had regard to the Charity Commission's guidance on public benefit in managing the activities of the charity.

## **Caerau Development Trust**

Company Registration Number - 06849950

### **Trustees' Annual Report for the year ended 31 March 2018**

#### **The main achievements and performance of the charity during the year.**

Caerau Development Trust (CDT) is a community based charity located in the middle of Caerau, a former mining village at the head of the Llynfi Valley which is rated as one of Wales' poorest communities (rated 6 most deprived area in Wales according to Welsh Government's Index of Deprivation in 2014). CDT, which is entirely run by volunteers, provides a mix of vital services and social activities for local people. These include a second hand clothes shop, a free food collection point (similar in ethos to Fare Share), free IT access and we host drop ins from CAB, the Job centre, local solicitor's and the Credit Union as well as being the location for MP and AM surgeries. We also host social activities including a spiritual group and a music group and we are a location for children's parties and social events run by local clubs such as the OAP club, Men's Shed and others. We are always open to local clubs and groups to use our facilities, often at no charge (on the understanding that attendees use our cafe), and our intention is to provide a welcoming atmosphere where people feel able to come to things they want to do and access services that they need.

One of the greatest benefits of the centre to the local community is the access to free discounted groceries and to food bank vouchers. It is estimated that over 9,300 local people make use of this facility each year.

The biggest sources of income for the Charity is the rental of rooms within the centre to course providers, and Cafe Cwtch. During the year-ended 31 March 2018, these generated over £19,000 of income for the Charity. It is estimated that approximately 500 local people benefitted from these courses and 200-300 plus people make use of the cafe facilities.

#### ***The difference the charity's performance during the year has made to the beneficiaries of the charity and to wider society.***

Café Cwtch has continued to expand and offers nourishing, healthy meals at a budget price to all members of the local community.

The café is open five days a week and is attended by a large number of elderly single people and those with mental health issues. There is also increasing demand for formal dinners for community groups.

The charity shop is run entirely by volunteers and accepts donations of pre-used clothing and other goods which are then offered for re-sale.

The shop also operates a recycled school uniforms service and provides free clothing bundles for vagrants and recently discharged prisoners.

## Caerau Development Trust

Company Registration Number - 06849950

### Trustees' Annual Report for the year ended 31 March 2018

#### Structure, governance and management of the charity

##### *The methods used to recruit and appoint new charity trustees.*

The Trustees seek to appoint additional Trustees whenever necessary following recommendations from existing Trustees or the Directors. A potential Trustee would be invited to attend Trustees' meetings as an observer for a few meetings, before any decision is taken concerning their ongoing involvement as a Trustee.

Potential Trustees are provided with all the relevant guides from the Charity Commission before any appointment.

Bankers

Nat West Bank Plc, 15 Talbot Street, Maesteg, CF34 9BZ

#### Financial review

##### *The charity's financial position at the end of the year ended 31 March 2018*

The financial position of the charity at 31 March 2018 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

	2018 £	2017 £
Net expenditure	(21,265)	(2,979)
Restricted Revenue Funds	70,197	91,462
Total Funds	70,197	91,462

##### *Financial review of the position at the reporting date, 31 March 2018 .*

The board of trustees are satisfied with the performance of the charity during the year and the position at 31 March 2018 and consider that the charity is in a strong position to continue its activities during the coming year, and that the charity's assets are adequate to fulfil its obligations.

The trustees are please to report that agreement has been reached with the local authority to gain exemption from business rates. This has allowed the previous provisons for liabilities to be reversed, so enhancing the value of the funds held.

The trustees consider the financial performance by the charity during the year to have been satisfactory.

Specific changes in fixed assets are detailed in the notes to the accounts.

## **Caerau Development Trust**

Company Registration Number - 06849950

### **Trustees' Annual Report for the year ended 31 March 2018**

#### ***Policies on reserves.***

The Trustees aspire to maintain enough reserves to ensure the continued existence of the community centre.

All reserves are deemed to be restricted reserves, in that all monies raised, earned or granted are for the running of the centre.

#### ***Availability and adequacy of assets of each of the funds***

The board of trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

#### ***Plans For the Future***

##### **Summary of plans for the future and the trustees' perspective of the future direction of the charity.**

The trustees are in the process of developing a three-year plan and hope to secure grant funding to develop the activities of the charity further. Such matters would include: Consolidating the success of the café as a valid community asset; looking into means of alternative heating methods for the community centre; providing organised holidays to the local community; and becoming a centre for the Duke of Edinburgh's Award Scheme.

#### **Details of The Independent Examiner**

Robert Roger Cole  
Member of Chartered Certified Accountants  
Office 2 Llynfi Enterprise Centre  
Heol Ty Gwyn Industrial Estate  
Maesteg  
CF34 0BQ

#### **Statement of the Directors' and Trustees' Responsibilities**

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Companies Act 2006, the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the Trustees determined to interpret this responsibility as requiring them to follow current best practice and prepare the accounts according to the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in February 2016), (The SORP), .



## **Caerau Development Trust**

Company Registration Number - 06849950

### **Trustees' Annual Report for the year ended 31 March 2018**

In particular, the Companies Act 2006 and charity law require the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to :-

- to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;

The law requires that the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 2006 and comply with regulations made under the Charities Act. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are also responsible for the contents of the Trustees' report, and the statutory responsibility of the Independent Examiner in relation to the Trustees' report is limited to examining the report and ensuring that, on the face of the report, there are no material inconsistencies with the figures disclosed in the financial statements.

#### **Method of preparation of accounts - Small company provisions**

The financial statements are set out on pages 10 to 24.

The financial statements have been prepared implementing the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in February 2016), (The SORP), and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016)

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

This report was approved by the board of trustees on 27 November 2018.



Ayshea King  
Director and Trustee

## **Caerau Development Trust**

### **Report of the Independent Examiner to the Trustees of the charitable company on the accounts for the year ended 31 March 2018**

I report to the Trustees on my examination of the financial statements of the charitable company on pages 10 to 24 for the year ended 31 March 2018 which have been prepared in accordance with the Charities Act 2011 (the Act) and with the Financial Reporting Standard 102, (effective 1st January 2016) as modified by FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in February 2016), (The SORP), published by the Charity Commission in England & Wales (CCEW), and under the historical cost convention and the accounting policies set out on page 15.

#### **Respective responsibilities of the Trustees and the Independent Examiner and the basis of the report**

As described on page 6, you, the charitable company's Trustees, who are also the Directors of the Company for the purposes of Company law, are responsible for the preparation of the financial statements in accordance with the Companies Act 2006, the Charities Act 2011 and all other applicable law and with United Kingdom Generally Accepted Accounting Practice, applicable to smaller entities, and for being satisfied that the financial statements give a true and fair view.

The Trustees consider that the audit requirement of Section 144(1) of the Charities Act 2011 (the Act) does not apply, and that there is no requirement in the memorandum and articles of the charity for the conducting of an audit, and that the accounts do not require an audit in accordance with Part 16 of the Companies Act 2006 and that no member or members have requested an audit pursuant to Section 476 of the Companies Act 2006. As a consequence, the Trustees have elected that the financial statements be subject to independent examination.

Having satisfied myself that the financial statements are not required to be audited under any legal provision, or otherwise, and are eligible for independent examination, it is my responsibility to:-

- a) examine the financial statements of the charity under Section 145 of the Act;
- b) follow the applicable procedures in the Directions given by the Charity Commission under section 145(5)(b) of the Act.

#### **Basis of Independent Examiner's Statement and scope of work undertaken**

I report in respect of my examination of the charity's financial statements carried out under s145 of the Act. In carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act setting out the duties of an independent examiner in relation to the conducting of an independent examination. An independent examination includes a review of the accounting records kept by the charitable company and of the accounting systems employed by the charitable company and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you, as Trustees, concerning such matters. The purpose of the examination is to establish as far as possible that there have been no breaches of charity legislation and that, on a test basis of evidence relevant to the amounts and disclosures made, the financial statements comply with the SORP.

The procedures undertaken do not provide all the evidence that would be required in an audit, and information supplied by the Trustees in the course of the examination is not subjected to audit tests or enquiries and does not cover all the matters that an auditor would consider in arriving at an opinion. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide

## Caerau Development Trust

Consequently, I do not express an audit opinion on the view given by the financial statements, and in particular, I express no opinion as to whether the financial statements give a true and fair view of the affairs of the charity, and my report is limited to the matters set out in the statement below.

I planned and performed my examination so as to satisfy myself that the objectives of the independent examination are achieved and before finalising the report I obtained written assurances from the Trustees of all material matters.

### Independent Examiner's Statement, Report and Opinion

Subject to the limitations upon the scope of my work as detailed above, I have completed my examination: and can confirm that:-

The accounts of this charitable company are not required to be audited under Part 16 of the Companies Act 2006;

This is a report in respect of an examination carried out under 145 of the Act and in accordance with Directions given by the Charity Commission under section 145(5)(b) of the Act which may be applicable;

and that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:-

- accounting records were not kept in respect of the charity as required by Section 386 of the Companies Act 2006 and Section 130 of The Charities Act 2011;

- the financial statements do not accord with those records; or

- the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view, which is not a matter considered as part of an independent examination;

- have not been prepared in accordance with the methods and principles set out in the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in February 2016), (The SORP).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Robert Roger Cole - Independent Examiner  
Chartered Certified Accountants

Office 2 Llynfi Enterprise Centre  
Heol Ty Gwyn Industrial Estate  
Maesteg  
CF34 0BQ

This report was signed on 27 November 2018

**Caerau Development Trust - Statement of Financial Activities for the year ended 31 March 2018**

***Statement of Financial Activities (including the Income and Expenditure Account for the year ended 31 March 2018, as required by the Companies Act 2006)***

	SORP Ref	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
		2018 £	2018 £	2018 £	2017 £
<b>Income &amp; Endowments from:</b>					
Donations & Legacies	A1	-	4,581	4,581	4,683
Charitable activities	A2	-	15,747	15,747	25,773
Other trading activities	A3	-	6,381	6,381	6,359
<b>Total income</b>	<b>A</b>	<b>-</b>	<b>26,709</b>	<b>26,709</b>	<b>36,815</b>
<b>Expenditure on:</b>					
Charitable activities	B2	-	47,974	47,974	39,794
<b>Total expenditure</b>	<b>B</b>	<b>-</b>	<b>47,974</b>	<b>47,974</b>	<b>39,794</b>
<b>Net expenditure for the year</b>		<b>-</b>	<b>(21,265)</b>	<b>(21,265)</b>	<b>(2,979)</b>
<b>Net income after transfers</b>	<b>A-B-C</b>	<b>-</b>	<b>(21,265)</b>	<b>(21,265)</b>	<b>(2,979)</b>
<b>Net movement in funds</b>		<b>-</b>	<b>(21,265)</b>	<b>(21,265)</b>	<b>(2,979)</b>
<b>Reconciliation of funds:-</b>	<b>E</b>				
<b>Total funds brought forward</b>		<b>-</b>	<b>91,462</b>	<b>91,462</b>	<b>94,441</b>
<b>Total funds carried forward</b>		<b>-</b>	<b>70,197</b>	<b>70,197</b>	<b>91,462</b>

The 'SORP Ref' indicated above is the classification of income set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the Balance Sheet.

A separate Statement of Total Recognised Gains and Losses is not required as this statement includes all recognised gains and losses.

All activities derive from continuing operations

The notes attached on pages 15 to 24 form an integral part of these accounts.

**Caerau Development Trust - Statement of Financial Activities for the year ended 31 March 2018**

**Caerau Development Trust - Analysis of prior year total funds, as required by paragraph 4.2 of the SORP**

	SORP Ref	Prior Year Unrestricted Funds 2017 £	Prior Year Restricted Funds 2017 £	Prior Year Total Funds 2017 £
<b>Income from:</b>				
Donations & Legacies	A1	-	4,683	4,683
Charitable activities	A2	-	25,773	25,773
Other trading activities	A3	-	6,359	6,359
<b>Total income</b>	<b>A</b>	<b>-</b>	<b>36,815</b>	<b>36,815</b>
<b>Expenditure on:</b>				
Charitable activities	B2	-	39,794	39,794
<b>Total expenditure</b>	<b>B</b>	<b>-</b>	<b>39,794</b>	<b>39,794</b>
<b>Net expenditure for the year</b>		<b>-</b>	<b>(2,979)</b>	<b>(2,979)</b>
<b>Net income after transfers</b>		<b>-</b>	<b>(2,979)</b>	<b>(2,979)</b>
<b>Net movement in funds</b>		<b>-</b>	<b>(2,979)</b>	<b>(2,979)</b>
<b>Reconciliation of funds:-</b>	<b>E</b>			
<b>Total funds brought forward</b>		<b>-</b>	<b>94,441</b>	<b>94,441</b>
<b>Total funds carried forward</b>		<b>-</b>	<b>91,462</b>	<b>91,462</b>

All activities derive from continuing operations

A separate Statement of Total Recognised Gains and Losses is not required as this statement includes all recognised gains and losses.

The notes attached on pages 15 to 24 form an integral part of these accounts.

**Caerau Development Trust - Statement of Financial Activities for the year ended 31 March 2018**

**Caerau Development Trust - Resources applied in the year ended 31 March 2018 towards fixed assets for Charity use:-**

	2018 £	2017 £
Funds generated in the year as detailed in the SOFA	(21,265)	(2,979)
Resources applied on functional fixed assets	(648)	(1,155)
<b>Net resources available to fund charitable activities</b>	<b>(21,913)</b>	<b>(4,134)</b>

The resources applied on fixed assets for charity use represents the cost of additions less proceeds of any disposals.

**Movements in revenue and capital funds for the year ended 31 March 2018**

**Revenue accumulated funds**

	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £	Last year Total Funds 2017 £
Accumulated funds brought forward	-	91,462	91,462	94,441
Recognised gains and losses before transfers	-	(21,265)	(21,265)	(2,979)
	-	70,197	70,197	91,462
<b>Closing revenue funds</b>	<b>-</b>	<b>70,197</b>	<b>70,197</b>	<b>91,462</b>

**Summary of funds**

	Unrestricted and Designated funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £	Last Year Total Funds 2017 £
Revenue accumulated funds	-	70,197	70,197	91,462

The notes attached on pages 15 to 24 form an integral part of these accounts.

**Caerau Development Trust - Statement of Financial Activities for the year ended 31 March 2018**

**Caerau Development Trust  
Income and Expenditure Account for the year ended 31 March 2018 as required by the Companies Act 2006**

	2018 £	2017 £
<b>Income</b>		
Income from operations	26,709	36,815
Investment income		
<b>Gross income in the year before exceptional items</b>	<u>26,709</u>	<u>36,815</u>
<b>Gross income in the year including exceptional items</b>	<u>26,709</u>	<u>36,815</u>
<b>Expenditure</b>		
Charitable expenditure, excluding depreciation and amortisation	24,745	26,454
Depreciation and amortisation	22,629	12,727
Governance costs	600	613
<b>Total expenditure in the year</b>	<u>47,974</u>	<u>39,794</u>
<b>Net income before tax in the financial year</b>	(21,265)	(2,979)
Tax on surplus on ordinary activities	-	-
<b>Net income after tax in the financial year</b>	<u>(21,265)</u>	<u>(2,979)</u>
<b>Retained surplus for the financial year</b>	<u>(21,265)</u>	<u>(2,979)</u>
All activities derive from continuing operations		

In accordance with the provisions of the Companies Act 2006, the headings and subheadings used in the Income and Expenditure account have been adapted to reflect the special nature of the charity's activities.

The notes attached on pages 15 to 24 form an integral part of these accounts.

# **Caerau Development Trust - Balance Sheet as at 31 March 2018**

		<b>SORP</b>		<b>2018</b>	<b>2017</b>
		<b>Note Ref</b>		<b>£</b>	<b>£</b>
<b>Fixed assets</b>		<b>A</b>			
Tangible assets	9	A2		66,018	87,999
<b>Current assets</b>		<b>B</b>			
Cash at bank and in hand		B4	8,980	8,264	
<b>Creditors: amounts falling due within one year</b>	10	C1	(4,801)	(4,801)	
<b>Net current assets</b>				4,179	3,463
<b>The total net assets of the charity</b>				70,197	91,462

The total net assets of the charity are funded by the funds of the charity, as follows:-

<b>Restricted funds</b>					
Restricted Revenue Funds	16	D2		70,197	91,462
<b>Unrestricted Funds</b>					
<b>Designated Funds</b>					
<b>Total charity funds</b>				70,197	91,462

The 'SORP Ref' indicated above is the classification of Balance Sheet items as set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the SOFA..

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

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

The charity is subject to Independent Examination under charity legislation, and the report of the Independent Examiner is on page 9.

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

Graham Dawe  
Trustee



Approved by the board of trustees on 27 November 2018

The notes attached on pages 15 to 24 form an integral part of these accounts.



# Caerau Development Trust

## Notes to the Accounts for the year ended 31 March 2018

### 1 Accounting policies

#### *Policies relating to the production of the accounts.*

##### **Basis of preparation and accounting convention**

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016) and 'FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in February 2016), (The SORP), published by the Charity Commission in England & Wales (CCEW), effective January 2016, , and in accordance with all applicable law in the charity's jurisdiction of registration, except that the charity has prepared the financial statements in accordance with the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in February 2016), (The SORP), in preference to the previous SORP, the SORP 2005, which has been withdrawn, notwithstanding the fact that the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008 refer explicitly to the SORP 2005. This has been done to accord with current best practice.

The financial statements are presented in Sterling.

The significant accounting policies applied in the application of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

No significant judgements have had to be made by the Trustees in preparing these financial statements.

##### **Going Concern**

The charitable activities are entirely dependent on continuing grant aid and voluntary donations as well as trading revenues. As a consequence, the going concern basis is dependent on the future flow of these uncertain funding streams. Accordingly, the Trustees have obtained forecasts and, after reviewing the financial forecasts for future periods to 31 March 2019, the Trustees are satisfied that, at the time of approving the financial statements, it is appropriate to adopt the going concern basis in preparing the financial statements. Other than these matters, the Trustees are not aware of any material uncertainties about the charity's ability to continue as a going concern.

##### **Risks and future assumptions**

The charity is a public benefit entity.

The risks and assumptions applicable to this charity are referred to in the Going Concern note above.

#### *Policies relating to categories of income and income recognition.*

##### **Nature of income**

Gross income represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

##### **Categories of Income**

Income is categorised as income from exchange transactions (contract income) and income from non-exchange transactions (gifts), investment income and other income.

**Income from exchange transactions** is received by the charity for goods or services supplied under contract or where entitlement is subject to fulfilling performance related conditions. The income the charity receives is approximately equal in value to the goods or services supplied by the charity to the purchaser.

**Income from a non-exchange transaction** is where the charity receives value from the donor without providing equal value in exchange, and includes donations of money, goods and services freely given without giving equal value in exchange.

## **Caerau Development Trust**

### **Notes to the Accounts for the year ended 31 March 2018**

#### **Income recognition**

Income, whether from exchange or non exchange transactions, is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for gross, before deducting any related fees or costs.

#### ***Policies relating to expenditure on goods and services provided to the charity.***

#### **Recognition of liabilities and expenditure**

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated.

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increases in liabilities, and is decreased by the utilisation of any provision within the period, and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

#### **Allocating costs to activities**

Direct costs that are specifically related to an activity are allocated to that activity. Shared direct costs and support costs are apportioned between activities.

The basis for apportionment, which is consistently applied, and proportionate to the circumstances, is :-

**Staffing** - on the basis of time spent in connection with any particular activity.

**Staffing** - on a per capita basis, based on the number of people employed within any particular activity.

**Premises related costs** - on the proportion of floor area occupied by a particular activity.

**Non specific support costs** - on the basis of the usage of resources, in terms of time taken, capacity used, request made or other measures

**Estimation techniques** used in apportioning costs - give details

#### **Volunteers**

In accordance with the SORP, and in recognition of the difficulties in placing a monetary value on the contribution from volunteers, the contribution of volunteers is not included within the income of the charity.

However, the trustees value the significant contribution made to the activities of the charity by unpaid volunteers and this is described more fully in Note 7.

## Caerau Development Trust

### Notes to the Accounts for the year ended 31 March 2018

#### *Policies relating to assets, liabilities and provisions and other matters.*

##### **Tangible fixed assets**

Tangible fixed assets are measured at their original cost value, or subsequent revaluation, or if donated, as described above. Cost value includes all costs expended in bringing the asset into its intended working condition.

Depreciation has been provided at the following rates in order to write off the assets to their anticipated residual value over estimated useful lives.

Games & equipment	25 % straight line
BMX track	7.5 % straight line
Market garden	7.5 % straight line

A regular annual review of the likelihood of asset impairment is undertaken.

##### **Accounting for capital grants and fixed asset funds.**

Gifts of tangible fixed assets or grants of a capital nature, given for the purposes of acquiring specific assets to be fully utilised in the furtherance of the objects of the charity, are credited to fixed asset funds after the donated asset has been received or sums have been properly expended on the restricted purpose.

Where the terms of the gift require the charity to hold the asset on an ongoing basis for a specific purpose, then the fixed asset fund so created is categorised as a restricted fixed asset fund, and the relevant restrictions are noted in the fixed asset note 9.

Where the terms of the gift are met once the asset is acquired, so allowing the charity to use the asset on an unrestricted basis, including the right to receive the proceeds of any future sale of the asset on an unrestricted basis, then the fixed asset fund so created is categorised as a designated fixed asset fund.

When assets are acquired for the furtherance of the charity's objects, utilising the charity's own unrestricted funds, a transfer is made from unrestricted funds to a designated fixed asset fund.

Whether acquired with unrestricted or restricted funds, the asset acquired is initially shown in the balance sheet at the full cost of acquisition or subsequent revaluation.

As the related assets are depreciated, in accordance with the depreciation policy, in order to reflect the diminution in the asset, a transfer is made from the relevant fixed asset funds to either unrestricted or restricted revenue funds, as appropriate to the terms of the original gift, if any.

The effect of this policy is that the aggregate of all fixed asset funds shall equate to the net book value of fixed assets.

In the first year that this policy was adopted, a transfer to fixed asset funds was made equivalent to the net book value of the assets.

Any residual liability to the donor arising from, for example, the asset's future sale, is disclosed as a contingent liability unless the event that would trigger repayment of the grant becomes probable in which case a liability for repayment is recognised.

Insofar as this policy relates to Government grants and to the extent that it may be a departure from the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in February 2016), (The SORP), such departure is justified on the basis that it is in order to comply with the SORP.

##### **Debtors**

Debtors are measured at their recoverable amounts at the balance sheet date.

##### **Creditors and provisions**

Liabilities are recognised on an accruals basis in accordance with normal accounting principles, modified where necessary in accordance with the guidance given in the SORP.

##### **Financial instruments including cash and bank balances**

Cash held by the charity is included at the amount actually held and counted at the year end. Bank balances, whether in credit or overdrawn, are shown at the amounts properly reconciled to the bank statements.

# Caerau Development Trust

## Notes to the Accounts for the year ended 31 March 2018

### 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 unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal or as implied by law.

### 2 Liability to taxation

The Trustees consider that the charity satisfies the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively on the specific charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

### 3 Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

### 4 Significance of financial instruments to the charity's position

There are no significant financial instruments relevant to the charity's financial position or performance.

### 5 Net (deficit)/surplus before tax in the financial year

2018	2017
£	£

The net (deficit)/surplus before tax in the financial year is stated after charging:-

Depreciation & loss on disposal of owned fixed assets	22,629	12,727
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### 6 Donated goods, services and facilities

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2018	2018	2018	2017
	£	£	£	£
<i>Included in Legacies and Donations:-</i>				
Donated goods and services	-	876	876	742
	-	876	876	742

## Caerau Development Trust

### Notes to the Accounts for the year ended 31 March 2018

#### 7 The contribution of volunteers

The charity depends on the support of its volunteers, which is much appreciated. The charity (CDT) has 15 volunteers. 6 kitchen staff that work 5 days a week keeping the Cafe Cwtch running smoothly, 11 directors, 5 that volunteer 5 days a week. The arrangement with volunteers are difficult to value precisely in monetary terms and have not been recognised in the statement of financial activities. The volunteers and charity accept and agree the no contract of employment is created by these terms.

#### 8 Remuneration and payments to Trustees and persons connected with them

No trustees or persons connected with them received any remuneration from the charity, or any related entity.

#### 9 Tangible fixed assets

	Land and Buildings	Plant & Machinery	Motor Vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 1 April 2017	162,886	3,787	-	166,673
Additions	-	648	-	648
Disposals	(23,782)	-	-	(23,782)
<b>At 31 March 2018</b>	<b>139,104</b>	<b>4,435</b>	<b>-</b>	<b>143,539</b>
<b>Depreciation</b>				
At 1 April 2017	75,754	2,920	-	78,674
Charge for the year	10,428	321	-	10,749
On disposals	(11,902)	-	-	(11,902)
<b>At 31 March 2018</b>	<b>74,280</b>	<b>3,241</b>	<b>-</b>	<b>77,521</b>
<b>Net book value</b>				
At 31 March 2018	64,824	1,194	-	66,018
At 31 March 2017	87,132	867	-	87,999

A significant element of the fixed assets were acquired with the aid of grants and there are restrictions upon the manner in which the assets can be dealt with imposed by the grant making authorities.

All assets are used for direct charitable purposes.

#### 10 Creditors: amounts falling due within one year

	2018	2017
	£	£
Accruals	1,075	1,075
Other creditors	3,726	3,726
	<b>4,801</b>	<b>4,801</b>

#### 11 Loans to trustees included in debtors

No loans have been made to Trustees.

# Caerau Development Trust

## Notes to the Accounts for the year ended 31 March 2018

### 12 Guarantees made by the charity on behalf of trustees

No guarantees have been made by the Charity on behalf of Trustees.

### 13 Income and Expenditure account summary

	2018 £	2017 £
At 1 April 2017	91,462	94,441
Loss after tax for the year	(21,265)	(2,979)
At 31 March 2018	<u>70,197</u>	<u>91,462</u>

### 14 No related party transactions

There were no transactions with related parties in the year.

### 15 Particulars of how particular funds are represented by assets and liabilities

At 31 March 2018	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £
Tangible Fixed Assets	-	-	66,018	66,018
Current Assets	-	-	8,980	8,980
Current Liabilities	-	-	(4,801)	(4,801)
	<u>-</u>	<u>-</u>	<u>70,197</u>	<u>70,197</u>
At 1 April 2017	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £
Tangible Fixed Assets	-	-	87,999	87,999
Current Assets	-	-	8,264	8,264
Current Liabilities	-	-	(4,801)	(4,801)
	<u>-</u>	<u>-</u>	<u>91,462</u>	<u>91,462</u>

### 16 Change in total funds over the year as shown in Note 15, analysed by individual funds

	Funds brought forward from 2017 £	Movement in funds in 2018 See Note 17 £	Transfers between funds in 2018 See Note 0 £	Funds carried forward to 2019 £
<b>Restricted funds:-</b>				
Restricted revenue fund	91,462	(21,265)	-	70,197
<b>Total restricted funds</b>	<u>91,462</u>	<u>(21,265)</u>	<u>-</u>	<u>70,197</u>
<b>Total charity funds</b>	<u>91,462</u>	<u>(21,265)</u>	<u>-</u>	<u>70,197</u>

## Caerau Development Trust

### Notes to the Accounts for the year ended 31 March 2018

#### 17 Analysis of movements in funds over the year as shown in Note 16

	Income	Expenditure	Other Gains & Losses	Movement in funds
	2018	2018	2018	2018
	£	£	£	£
<b>Restricted funds:-</b>				
Restricted revenue fund	26,709	(47,974)	-	(21,265)
	<u>26,709</u>	<u>(47,974)</u>	<u>-</u>	<u>(21,265)</u>

#### 18 The purposes for which the funds as detailed in note 16 are held by the charity are:-

##### Restricted funds:-

Restricted Fixed Asset Funds	The purpose of these funds is described under the accounting policy 'Accounting for capital grants and fixed asset funds'.
Restricted Revaluation Reserve	This fund represents the restricted surplus arising on the revaluation of the charity's assets.
Restricted revenue fund	This fund is maintained for the continued existence of the Community Centre and other projects, as detailed in the Schedule of the Statement of Financial Activities.

#### 19 Ultimate controlling party

The charity is under the control of its legal members.

## Caerau Development Trust

Detailed analysis of income and expenditure for the year ended 31 March 2018 as required by the SORP 2015

*This analysis is classified by conventional nominal descriptions and not by activity.*

### 20 Donations and Legacies

	Current year Unrestricted Funds 2018 £	Current year Restricted Funds 2018 £	Current year Total Funds 2018 £	Prior Year Total Funds 2017 £
<b>Revenue grants from government and public bodies</b>				
Bridgend County Borough Council	-	3,705	3,705	3,941
<b>Total public sector revenue grants</b>	-	3,705	3,705	3,941
<b>Donated goods and services</b>				
Small gifts individually less than £1000	-	876	876	742
<b>Total donated goods and services</b>	-	876	876	742
<b>Total Donations and Legacies</b>	<b>A1</b> -	<b>4,581</b>	<b>4,581</b>	<b>4,683</b>

### 21 Income from charitable activities - Trading Activities

	Current year Unrestricted Funds 2018 £	Current year Restricted Funds 2018 £	Current year Total Funds 2018 £	Prior Year Total Funds 2017 £
<b>Primary purpose and ancillary trading</b>				
Sale of goods and services in accordance with the charity's objects	-	2,552	2,552	3,908
Ancillary trading in support of primary purpose trading	-	13,195	13,195	17,440
Fun days, fetes & trips	-	-	-	4,425
<b>Total Primary purpose and ancillary trading</b>	-	15,747	15,747	25,773

### 22 Total Income from charitable activities

	Current year Unrestricted Funds £ 2018	Current year Restricted Funds £ 2018	Current year Total Funds £ 2018	Prior Year Total Funds £ 2017
Total income from charitable trading	-	15,747	15,747	25,773
<b>Total from charitable activities</b>	<b>A2</b> -	<b>15,747</b>	<b>15,747</b>	<b>25,773</b>



## Caerau Development Trust

### Detailed analysis of income and expenditure for the year ended 31 March 2018 as required by the SORP 2015

#### 23 Income from other, non charitable, trading activities

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2018	2018	2018	2017
	£	£	£	£
Income from fundraising events	-	152	152	239
Income from letting and licensing of property for non charitable purposes	-	6,229	6,229	6,120
<b>Total from other activities</b>	<b>A3</b>	<b>6,381</b>	<b>6,381</b>	<b>6,359</b>

#### 24 Expenditure on charitable activities - Charitable trading

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2018	2018	2018	2017
	£	£	£	£
Cost of goods for primary purpose trading	-	13,190	13,190	10,823
Fun days, fetes & trips	-	-	-	4,882
Reallocated from support costs	-	34,184	34,184	23,476
<b>Total charitable trading costs</b>	<b>B2b</b>	<b>47,374</b>	<b>47,374</b>	<b>39,181</b>

## Caerau Development Trust

### Detailed analysis of income and expenditure for the year ended 31 March 2018 as required by the SORP 2015

#### 25 Support costs for charitable activities

	Current year Unrestricted Funds 2018 £	Current year Restricted Funds 2018 £	Current year Total Funds 2018 £	Prior Year Total Funds 2017 £
<b>Employee costs not included in direct costs</b>				
Travel and subsistence - staff	-	588	588	1,448
<b>Premises Expenses</b>				
Rates and water charges	-	547	547	651
Light heat and power	-	3,883	3,883	3,798
Cleaning and waste management	-	1,344	1,344	831
Premises repairs, renewals and maintenance	-	2,432	2,432	1,186
<b>Administrative overheads</b>				
Telephone, fax and internet	-	703	703	607
Stationery and printing	-	434	434	1,174
Equipment expensed	-	396	396	-
Hire of equipment	-	625	625	-
Liability and contents insurance	-	421	421	510
Sundry expenses	-	147	147	481
Licences & Permits	-	35	35	63
<b>Financial costs</b>				
Depreciation, amortisation & loss on disposal of assets	-	22,629	22,629	12,727
<b>Support costs before reallocation</b>	-	34,184	34,184	23,476
<b>Less support costs reallocated to specific activities</b>				
To charitable trading costs	-	(34,184)	(34,184)	(23,476)
<b>Total support costs</b>	-	-	-	-

The basis of allocation of costs between activities is described under accounting policies

#### 26 Other Expenditure - Governance costs

	Current year Unrestricted Funds 2018 £	Current year Restricted Funds 2018 £	Current year Total Funds 2018 £	Prior Year Total Funds 2017 £
Independent Examiner's fees	-	600	600	613
<b>Total Governance costs</b>	-	600	600	613

#### 27 Total Charitable expenditure

	Current year Unrestricted Funds 2018 £	Current year Restricted Funds 2018 £	Current year Total Funds 2018 £	Prior Year Total Funds 2017 £
Total charitable trading costs	B2b -	47,374	47,374	39,181
Total support costs	B2d -	-	-	-
Total Governance costs	B2e -	600	600	613
<b>Total charitable expenditure</b>	B2 -	47,974	47,974	39,794