

REGISTERED COMPANY NUMBER: 03717865 (England and Wales)
REGISTERED CHARITY NUMBER: 1074840

**REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2023
FOR
VALLEYS KIDS**

MHA
Statutory Auditor
Elfed House
Oak Tree Court
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VALLEYS KIDS

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FOR THE YEAR ENDED 31 MARCH 2023**

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VALLEYS KIDS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report together with the consolidated financial statements of the group for the year ended 31 March 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

As stated in the Memorandum of Association, the charity's objectives are:

To provide and assist in the provision of facilities and services for education, play, arts, recreation and other leisure time occupation for the benefit of the residents of South Wales, these being facilities and services which:

- i) people need by reason of their youth, poverty or social and economic circumstances;
- ii) will improve the conditions of life for such people by promoting their physical, mental and spiritual well-being.

The charity meets these objectives by providing community support through a range of different projects which changes as the needs of the community change.

Public benefit

The trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 (i.e., to have due regard to public benefit guidance published by the Charity Commission). Our objectives and our work provide benefit to the public. All our work takes place in areas experiencing social disadvantage and we provide our core activities free of charge. While focusing on those most in need, the facilities are open to everyone in the areas we serve and provide substantial benefit to the children and families who participate, as demonstrated in our Report of the Trustees.

OBJECTIVES AND ACTIVITIES

Significant activities

Every child is valued

Every child deserves the best start in life and this is the aim of our pre-school provision. Because we believe that play has a key role in the development and well-being of children, providing out-of-school play opportunities has been one of our commitments from the beginning. Valleys Kids' play services offer exciting opportunities for children to experiment and help them grow. Most importantly, all our play is about children having fun and discovering they can do many different things.

Everyone matters

In pursuit of our commitment to place-based community development, Valleys Kids Community and Family Hubs welcome everyone who wants to attend local facilities that offer pre-school, play, youth or adult services and activities. We also provide time-limited, targeted provision which supports people to deal with particular issues, problems or needs. Often these important programmes are supplemented by continued support available through open access provision. Nobody should be left behind.

Everyone has potential

Valleys Kids believe that everyone has potential. Our role is to enable people of all ages to believe in themselves, grow in confidence and realise their ambitions. We take considerable pride in creating the many pathways to increased well-being and achievements needed by people of all ages in all our communities. This can range from a young person getting re-engaged in education and succeeding in school/college/university, training and employment to an isolated older person taking advantage of opportunities to socialise, getting involved in arts and acting as a volunteer. Our Youth Work is about helping young people face up to the challenges in their lives and to seek solutions. Valleys Kids' aim is to provide for all young people but with a commitment to engage the most challenging and challenged. To do this, we create situations where young people want to participate, places which they feel belong to them and which are warm, welcoming and friendly spaces staffed by quality youth workers. In-depth youth work happens when young people feel comfortable and able to develop relationships with trusted adults.

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OBJECTIVES AND ACTIVITIES

Significant activities

2022-23 has been a period of consolidation as we sought to build upon our Transition Programme and to make effective use of funding for three new senior manager posts (for three years) and grants to establish a fundraising team (for eighteen months). The new structure provided increased management capacity, justified by the need to focus more systematically on crucial issues (such as forward planning, financial resilience, fundraising, digital working and social enterprises) and on greater interaction with audiences and stakeholders outside the organisation.

In other ways too this was an exceptionally busy period for Valleys Kids. In addition to implementing a new management structure, we were still dealing with the impact of Covid-19. We produced a substantial impact report describing the organisational response to the pandemic and recording the reflections of beneficiaries. The pandemic was and continues to be a seminal event. It soon became clear that the multiple issues facing children, young people, families and older people (including social isolation, food poverty, declining mental health and wellbeing and digital exclusion) were going to increase.

Dealing with the immediate consequences for our communities required us to become even more agile in decision-making at all levels in response to the need for urgent action. As services experienced considerable disruption, our use of communication technology improved. We made new connections with communities and emergency facilities were created very quickly. The funding we were able to raise very quickly ensured that Valleys Kids could provide:

- free lunches to children;
- food hampers to families;
- on loan iPads for families and older people; and
- resources such as activity packs for children, young people and adults.

Staff were justifiably proud of their work to maintain high levels of support to people at a critical time and their crucial role was universally acknowledged. Valleys Kids has received numerous messages of thanks for the indispensable support provided across generations. These novel ways of working and of engaging with people and their needs continued much longer than anyone anticipated at the outset and with increasing intensity. Demand for help continues to grow and other sources of help have decreased.

The local authority reports a significant decline in third sector and other community-based support organisations as some did not survive or they were forced to contract during the pandemic.

For Valleys Kids, methods of support have emerged which are even more inclusive and responsive. For example, using hybrid approaches which combine digital and face-to-face sessions. In addition, we continued to offer seasonal specific help. As always, the Christmas Appeal (providing presents and pyjamas for over three hundred children) was hugely successful. Winter Resilience programmes also brought opportunities for winter fun for youth groups over the period. In the run up to Christmas, we were able to deliver a hundred food parcels to older adults across the Valleys Kids areas. This work continued in earnest in the New Year. For example, by the end of January, 150 winter warmer parcels went out to older adults. The Senior Leadership Team, and the newly appointed Fundraising Manager, supported staff in identifying and drawing down additional funds to help finance these activities.

One of the challenges now is to shift attention from short-term fixes for immediate problems to the pursuit of strategic solutions. The focus on making best use of short-term funding and responding urgently to crisis was sometimes achieved at the expense of long-term planning. Increased uncertainty about the future means that plans will have to be even more robust/flexible. The one-year and three-year planning and finance cycles which dominate funding opportunities mean that organisations like ours feel obliged to deliver results within that time frame while knowing that community development and support are also long-term enterprises. Partly for this reason, we have become even more intent on communicating our mission, extending knowledge of our activities and demonstrating/celebrating our impact. A new Communications Officer post has been funded, providing support to staff, centres and programme areas and beginning to streamline and develop our outward facing communication channels. A new organisational charter and website are current priorities.

Programmes

1. Visual Arts Programmes

A busy year of activities and exhibitions

As the social distancing restrictions in place during Covid-19 lifted, Valleys Kids' visual arts programme supported the communities where we work as they recovered from the impact of the pandemic and came to terms with significant new financial pressures.

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OBJECTIVES AND ACTIVITIES

Our Artist in Residence, Anne Culverhouse-Evans, led strands of work bringing older members of the community together again to enjoy creating and appreciating art, curated a vibrant programme of work by local and national artists in the Robert Maskrey Gallery, delivered visual arts workshops for schools, and developed the relationships we have with leaders in the visual arts from across the UK.

Exhibitions in the Robert Maskrey Gallery

Local and international artists are welcome to exhibit at the Art in the Attic Robert Maskrey Gallery, either through word of mouth or actual visits to the gallery, artists seek us out as a space to show their work. The space is designed to give all exhibiting artists an equal platform and as the gallery is situated in Porth, the gateway to the Rhondda Valleys, we are ideally placed to be that space that enables artists to connect with the more difficult to reach audiences.

It has been wonderful to see it in use again after a series of lockdowns and that audiences for the space have returned so enthusiastically. There are bookings for exhibitions throughout the year, including the much-loved RCT Photomathon, and we already have bookings for future exhibitions well into next year.

The space is greatly valued by the community, as Anne has said "The Art in the Attic Robert Maskrey Gallery enables local people to have a connection with artists and their work without having to venture beyond the Rhondda Valleys: it is on their doorstep and they truly appreciate it. Artists exhibiting here also love the space and the friendly welcome".

From Kevin Sinnott, Gypsy Maker 5 to local and professional artists, we offer a wide programme. Kevin Sinnott exhibited his 'Post Office years' collection of work at the gallery. The first time that he ever had showed the works in their entirety outside of his recently renamed gallery Kevin Sinnott Museum at Studio18 Wales.

One prestigious exhibition that we supported during 2022 was the Gypsy Maker 5 exhibition, curated by Dr Daniel Baker, which was touring Wales. The exhibition was well attended and the work well received and each of the three artists exhibiting in Gypsy Maker 5 gave a workshop for community art groups at The Factory. The RCT Photomathon engages with a huge audience and the prize giving event held here every year invites audiences from large areas within RCT.

Since 2015, we have hosted 93 exhibitions in the Art in the Attic gallery and have supported over 140 individual artists.

Community arts sessions

Our ambitious, exciting and inclusive weekly art sessions are run at three of Valleys Kids' Community and Family Hubs and we now have over 40+ individuals attending these groups and the ages range from 26-93. This programme continues to attract people who wish to explore their artistic side and make new friends.

Open to new ways of delivering and presenting work, our beneficiaries are key in identifying the direction of travel for the visual arts programme, planning and curating their own art exhibitions in the Art in the Attic Robert Maskrey Gallery in The Factory, and identifying key themes for creative output around social justice, environment and climate justice. Health and wellbeing features prominently in our delivery of visual arts to older adults, responding to government health agendas.

Through our older adult engagement, we support people from underrepresented groups and communities to engage creatively in deciding what counts as culture, where culture happens, who makes and experiences it, and how.

A major exhibition in 2022 highlighted the incredible work undertaken by the artist in residence and the community outreach art class participants during multiple lockdowns. Over 900 pieces were displayed as part of 'Our Lockdown Exhibition' by Valleys Kids' adult art groups in Penynglyn, Penygraig and Porth. Held in the Robert Maskrey Gallery at The Factory in September 2021, it highlighted the wonderful work produced during the 16 months that the art groups were in lockdown and their continued determination to be creative.

"My husband passed away a few years ago and I felt so isolated. The art group has made me feel connected. I have made friends who I can talk to about how I feel. It has really helped me." A member of our art group.

Summer school

Summer Schools are themed around excursions and exhibitions with the most recent themed around a trip to see the Van Gogh Bristol: The Immersive Experience exhibition in Bristol. Using the theme of "Sunflowers and Starry Nights" along with other subjects, the groups were inspired by their visit and produced some beautiful work that they then showed in the Robert Maskrey Gallery.

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OBJECTIVES AND ACTIVITIES

Art Residentials

Art residentials at our accessible eco-centre on the Gower, Little Bryn Gwyn, take place twice a year and are always welcomed by everyone and the feedback we receive shows just how much of a difference it makes to their wellbeing to be in such a peaceful setting and able to concentrate on art and creativity over a few days.

Participants produce beautiful work and enjoy working with the nature that surrounds and inspires them. Many group members struggle to find time to take a break and these residentials are sometimes the only opportunity some participants have to take some time to themselves. Art is the connection that brings people together but, through these visits and activities, members can talk more about their lives and worries which builds the bonds of friendship they have. They always leave refreshed and feeling uplifted.

Working with local schools

Over the past twelve months, we have been in touch with schools in the area to give pupils and teachers the chance to visit the exhibitions and take part in workshops run by the artists exhibiting work. They were particularly interested in the Gypsy Maker 5 exhibition and really enjoyed workshops held with Corrina Eastwood and Imogen Bright Moon and particularly the opportunity to join Rosa Maria in her Flamenco session.

Creative Apprentice

Working with Arts & Business Cymru, we have been able to offer a school leaver from very difficult socio-economic circumstances the opportunity to spend twelve months as a paid apprentice working with Anne to deliver the Art in the Attic programme at The Factory, in Porth. The successful applicant is being managed and mentored by Anne as well as receiving business mentoring and has opportunities to take part in training courses delivered by Arts & Business Cymru. She is now shadowing Anne during art sessions, invigilating at the Robert Maskrey Gallery and helping artists set up their exhibitions, and will join the art group on trips to other galleries and exhibitions.

Royal Academy

Each year we are invited to the Royal Academy by Rebecca Salter PRA for the Summer Exhibition and she insists on keeping space in her calendar so that she can meet us at the exhibition and talk us through some of the work there. It is always a special day out and we are treated like royalty at these visits (as Rebecca says "We are the Royal Academy after all!").

Artes Mundi

Valleys Kids is invited to participate in the annual Artes Mundi exhibitions and will this year participate in Artes Mundi 10. Letty Clarke was able to support the art group when they visited the museum last year and introduce the artists' work. Letty also visited Porth to show the groups slides of the artists' work and talk more in depth about the work. We were very fortunate that Nigel Prince, Director of Artes Mundi was also able to visit the art group at The Factory, view the exhibition and take time out to talk to the group about their work and the work of Artes Mundi.

Explore Collective

In partnerships with Action for Caerau and Ely, housed at the Dusty Forge in Cardiff, the Artist in Residence works closely with the artists from ACE on the Explore Collective programme and artists from both projects share experiences, deliver workshops between centres and host two joint exhibitions each year at both the Art in the Attic Robert Maskrey Gallery and the gallery at Dusty Forge.

Having common threads between both ACE and Valleys Kids meant that we were able to quickly create ways in which we could work together. After the initial conversations we were able to find a small pot of funding that enabled us to visit each other's projects and introduce the art groups to each other.

Securing additional funding through Create meant that we were able to create a stronger partnership with more opportunities to work more closely together.

Workshops with other artists and joint exhibitions means that we have exciting times ahead for both art group participants. We are currently working with photographer Suzie Larke, one of the artists commissioned for the project, creating portraits with members of the art group.

We regularly hold partnership meetings to discuss the progress of the project with representations from art group members.

We have held two exhibitions; one at Valleys Kids and one at ACE. These were well attended by both groups and members of the public; we have also held creative workshops helping to build relationships between both groups.

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OBJECTIVES AND ACTIVITIES

We continue to work together towards our next exhibitions and will be joined at our Summer School this year by Rachel Carney who will run creative writing workshops.

We want to develop our existing partnerships with arts practitioners and agencies to create more partnership projects, enabling cultural and geographical exchanges.

In addition to our provision of weekly arts classes for adults in two of our Community and Family Hubs and The Factory and annual summer school, and provision of monthly arts programme at The Factory, we would like to work with 2 local schools to develop pupil's engagement in visual art projects, and maintain an Apprentice programme designed to offer gallery curation, arts development experience and career opportunities to young people from disadvantaged backgrounds.

We would like to create at least one cultural exchange partnership project a year, in the spirit of the Exchange Collective project of 2022-23 and create a month-long Art in the Attic event with a specific focus on Climate Justice, working with groups and Basement Artists beforehand to co-design, create and realise the event.

We will support art groups and Basement Artists to attend and participate at large cultural events such as the National Eisteddfod, arts festivals like the Caerleon Arts Festival, and music festivals like Tafwyl and Green Man.

We will provide five yearly trips to visual arts venues and develop the Artist in Residence programme nationally and internationally to offer people exceptional arts opportunities, including hosting two annual visual arts' practitioner events.

We will curate 10 arts exhibitions in the Art Gallery curated and supported by our Artist in Resident supporting an eclectic mix of local emerging artists, underrepresented artists and high-profile artists like Kevin Sinnott.

We would like to attract artists from beyond the valleys to create Visiting Artist Exhibitions in the Gallery at least three times a year.

To sustain the existing programme of activities and fully realise the potential described above, we are looking for further investment.

Statistics

A snapshot of the current annual Visual Arts programme delivery:

Activity	Area of delivery	Number of sessions	Average number of participants per session
Art with Adults	Porth	47	15
Art with Adults	Penygraig	47	15
Art with Adults	Penynglyn	47	5
Summer School	Porth	20	10
Arts Residentials	Gower, Swansea	2	12
Annual Partnership Projects	Varied	4	20
Annual cultural visits / exchanges	Varied	5	20
Active partnerships	Varied	6	20
Gallery Exhibitions	Porth	12	100+

Demographics

Our summer schools are attended by children and young people of all ages and socio-economic circumstances, while the age range of participants in our adult classes ranges from 26 to 93.

Our adult participants come from a diverse range of backgrounds/circumstances, from retired professionals to people on long term benefits, people with physical disabilities, mental health and depression diagnoses, those living with anxiety and/or loss to those living with chronic pain.

Exhibitions held in Art in the Attic

1. 2022: Strinda Davies; Front Room Project Exhibition; Gypsy Maker 5; RCT Photomathon; Valleys Kids Art Groups/Explore Collective; Dawn Hoban and students; Eileen Gardiner and Friends; Basement Artists

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OBJECTIVES AND ACTIVITIES

- 2 **2023:** Lynne Thomas-Copa; Penygraig Young People-Second Time Around; Gerhard Kress-Trefores; Helen Acklam-What It Is to Be There; Explore Collective; Jacqueline Jones; Zoe Reynolds with Arts & Business; RCT Photomathon; Valleys Kids Art Groups; Dawn Hoban; Eileen Gardiner; Susie

2. Sparc - Valleys Kids Youth Arts Project

Sessions and attendances

467 - Performance Arts Sessions

954 - Mentoring and support sessions for young people and families

178 - Student and volunteer placement sessions

244 - Digital Arts training sessions

6,678 - overall attendance figure

This was an incredible year for Sparc, after the successful launch of the Make it! Project, a programme and network run by and for early career artists and creatives - activity really took off! The project worked with 15 local, national and international partners. The young creatives produced work in partnership with Dirty Protest; National Dance Company Wales; National Theatre Wales; Artis Community; Battersea Arts Company and Brazilian Company, People's Palace Project, making and creating their own work. They developed 'Penny and Rhys' commissioned by the Above and Beyond partnership, which is based in Penrhys, developing a play with input from the young people to be performed at the Above and Beyond Festival in August.

Coming out of Covid, young people involved in the Sparc Project still strongly favoured creative, participatory work and engaging in face-to-face sessions with their peers and youth arts workers. Young people and parents needed and valued on-going mentoring and support, with many still struggling with their mental health and return to a school environment.

Highlights this year were the development of our highly successful Sparc Associates programme enabling us to work and support young professionals in their youth arts practice. Penygraig Drama Workshop held a week's residency to develop a new play 'The King and the Goblins'. Our Flight Wings disabled adults group held a summer project in our residential centre in the Gower, for some the only opportunity to spend time away from immediate family - they also saw The Colour Purple at the Wales Millennium Centre.

Through our Together Stronger partnership with the Wales Millennium Centre, 50 young people were offered free tickets to see the Lion King, an opportunity they could never have afforded otherwise. Our youth groups were invited backstage for an insight day, one was so inspired that since then he applied and was accepted for an apprenticeship to work with the technical team at the Centre.

Young people went on theatre and arts trips to the Parc and Dare and for a special visit to London to the Royal Albert Hall to meet with the events manager and find out more about potential careers in the arts, an unforgettable experience.

Our Radio Platform project at Porth went from strength to strength. Young people in Penygraig and The Factory worked with artist Tumi Williams and our Digital Arts worker to develop projects focused on music production, animation and coding work. Our Pencil Breakers, a collective of disabled, queer and activists writers continued to meet online to develop their next project.

3. The Family Team

The Family Team were responsible for.

- Coordinating and issuing access to Save the Children 'Early Years Grants' for RCT residents and 'Refugee Grants' for Ukrainian Refugees located in RCT. In collaboration with Save the Children, Local Authority, RFS and partner organisations.
- RCT Community of Practice Meetings termly organising, co-ordinating and chairing in collaboration with Save the Children, LEA, and partner organisations.
- RCT Schools Family Engagement Officers Peer support meetings termly, organising, coordinating, and chairing in collaboration with Save the Children, LEA, and partner organisations.

The Family Team continue to support:

- Stay and Play sessions at our Community Hub Soar.
- The Old Library Social Enterprise.
- The Play Yard Social Enterprise.

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OBJECTIVES AND ACTIVITIES

April 2022 - August 2022

The family team were responsible for organising and facilitating:

- Weekly informal information-sharing drop-in sessions for parents and/or carers living in RCT. These sessions were delivered weekly sometimes twice a week in the following areas, Glyncoch, Porth, Penygraig, Perthcelyn, Ynyswen, Penyreglyn, Rhydyfelin, Tylorstown, Glenboi, Waun Wen, and Pontyclun. delivered as part of the commissioned work with Resilient Families Services.

August 2022- December 2022

The family team continued to support:

- informal drop-in within our community hubs, at Porth, Penyreglyn, Rhydyfelin and Soar and additionally drop-in sessions continued in Tylorstown and Cymmer to initiate peer support.

April 2022- July 2022

The family team delivered the following programmes:

- 2 x Virtual Family Links Nurture Programme a 10-week parenting intervention for parents of primary-age children delivered as part of the commissioned work with Resilient Families Services.
- 2 x Virtual Take 3 Parenting Programme 10-week intervention for parents of teenagers displaying difficult behaviours delivered as part of the commissioned work with Resilient Families Services.

June 2022- August 2022

The family team delivered the following training:

- 3 x ACE Awareness and Trauma-informed Practice Training in collaboration with SPARC Wales Millennium Centre, Rhondda Cynon Taff Primary Schools (FEO) and Interlink CYP.

August 2022- March 2023

The family team became responsible for:

- Valleys Kids Residential and Training Centre, Little Bryn Gwyn. This included promoting Little Bryn Gwyn and co-ordinating building compliance, maintenance and a robust in-house and guest booking system.

September 2022 - December 2022

The Family Team delivered the following- programmes:

- 3 x Family Links Nurture Programme a 10-week parenting intervention for parents of primary-age children at Tylorstown, Maerdy and Ton Pentre Primary Schools delivered collaboratively with the schools.
- 2 x Family Links Nurture Programme a 10-week parenting intervention for parents of primary-age children delivered as part of the commissioned work with Resilient Families Services.
- 1 x Take 3 Parenting Programme 10-week intervention for parents of teenagers displaying difficult behaviours delivered as part of the commissioned work with Resilient Families Services.

October 2022- December 2022

The family team were responsible for coordinating:

- Christmas Appeal 2022 gift donations which were provided to families in need throughout RCT resulting in supporting over 200 families (500+ children) receiving support in the form of gifts, and sometimes food parcels. The appeal was delivered to families in collaboration with Save the Children, St David's Appeal, RFS, local schools and partner organisations.

January 2023 - March 2023

The family team delivered the following programmes:

- 1 x Take 3 Parenting Programme 10-week intervention for parents of teenagers displaying difficult behaviours, delivered as part of the commissioned work with Resilient Families Services.
- 1 x Early Bird plus a 10-week intervention for parents of children with a diagnosis of ASD delivered as part of the commissioned work with Resilient Families Services.
- 1 x No Violence = Good Health a 10-week programme for parent and child survivors of domestic abuse. Delivered collaboratively with the Oasis Centre and Health Board.
- 2 x Family Links Nurture Programme a 10-week parenting intervention for parents of primary school children at Cwm Clydach Primary School and Cymmer Primary School delivered collaboratively with the schools.

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OBJECTIVES AND ACTIVITIES

- 3 x Playful Parenting a 2-week parenting Intervention at Tylorstown, Maerdy and Ton Pentre Primary Schools delivered collaboratively with the schools.
- Child-to-child is a 6-week programme devised by Save the Children to empower children. This programme is aimed at primary-age children and was delivered at Maerdy Primary School delivered collaboratively with the school.

The family team were responsible for organising.

- 2 x Neurodiversity Events - Events for families living with neurodiversity, these events were held with fun interactive play activities. Both children and their primary carers were allowed to interact socially with their peers while accessing support from local organisations and professionals. Delivered in collaboration with SPARC, the local Health Board and several partner agencies.

4. Older Adults

"Keeping Connected with our Community" - programme set out to address the older adults isolation, depression and loneliness agenda while seeking also to help older adults experiencing the onset of dementia and their carers. It has developed a local, inclusive and accessible community programme of choice, providing activities that embrace befriending, social, learning, creative and wellbeing opportunities in a variety of local community settings in Penyreglyn, Treherbert, Penygraig, Porth and Rhydyfelin.

By regularly reviewing our community engagement, we have been able to adapt methods of delivery and deliver our full programme of activities in collaboration with the many older adult volunteers and participants who are keen to improve the wellbeing of their peers.

Residential care - We are still unable to re-engage with the residential care home residents who were regularly attending our weekly music and movement session. We do know that some residents have passed away during lockdown and it is our hope to re-connect when the residents feel safe to do so again. This was a very successful collaborative approach for residents of care homes and sheltered housing residents. Participation was an obvious benefit to their wellbeing.

Poverty - The level of food poverty remains at crisis level and small grants from Interlink enable us to support our most vulnerable participants, particularly during the winter months.

New developments - Our new "Friends at home" project has been developed to address the need of those who are housebound and would benefit from 'a chat over a cup of tea' to keep connected. Our plan is to develop volunteer capacity to address this need.

Our strengths continue to be:

- working in the heart of the community.
- collaborating with the community and our partners active in the communities we serve.
- regular consultation with the communities to identify need and find ways of addressing the needs collaboratively.
- a long track record of community engagement.
- supporting continued co-production with participants engaging in the planning and running of sessions delivered.

We were also able to draw down small grants to support our work and complement the continued development of our "keeping connected" project.

Our community development approach has enabled our befriending project to grow within our family and community hubs that support community engagement across the age.

Statistics for 2022- 2023

Dementia

- Weekly Good Company dementia support group - 9.
- Weekly Music and Movement - 17.
- No. referred this quarter - 6.
- No. of people keeping connected through home visiting - 4.
- No. of people keeping connected by phone calls - 4.
- No. of sessions delivered this quarter - 93.
- No. of people attending sessions - 40.
- No. of volunteers recruited - 3.

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OBJECTIVES AND ACTIVITIES

- Volunteer hours this quarter - 60.
- No of opportunities to engage with other local people developed 3 (Well-being days, Jubilee older adult celebrations).
- No of people supported access locally available support services 5 (veterans, men's group, friendship group).

Befriending

- No. of people referred for support - 5 via frailty nurses and memory clinic.
- No. of new groups / projects facilitated - 3.
- Penyreglyn soup kitchen.
- No. of sessions delivered - 15.
- No. of volunteers recruited - 4.
- No. of volunteer hours - 420 (£5,040 per quarter, £20,160 annual for match funding).
- No. of new opportunities to engage - 3.
- No. of people supported to access locally available supported services - 5.
- Well-being events, memory clinic, FGG.

Penyreglyn

- No. of opportunities to engage with local people developed - 3.
- No. of people signposted to access locally available services - 6.
- Weekly Art groups x 3 - 16.
- No. of people attending - 171.
- No. of people reporting increased social connections (questionnaire) - 35.
- No. of people who feel they can influence decisions that affect them (have a say) - 35.
- No. of new local services developed using a co-production approach - 3.
- Real Annual volunteer time - £23,000 pa.
- Funding - £24,000.

Activities

Each of our community family hubs receives a budget for planned activities. These include:

- Penyreglyn Quilting and friendship groups. Run by volunteers - staff support. Actual £1,000 budget.
- Penygraig Knit and Natter, friendship group, community bingo - Run by volunteers. Staff support as above.
- Rhydyfelin Dementia Friday support group; Thurs pm Music & Home visits; Wednesday Bereavement support group; Community Bingo Run by volunteers; Women's support group; phone calls; men's support group.
- Music and Movement sessions - 17.
- Weekly wellbeing therapy support sessions - 10.
- Knit and Natter - 9.
- Friendship Café - 15.
- Telephone contact with those most isolated - 15.
- Friends at Home" new home visiting project - 4.
- Weekly Art Classes - 18.
- Women's support group - 8.
- Men's support group - 4.
- Recruit and support older adult volunteers - 15.
- Wellbeing agenda support - food parcels, afternoon teas, wellbeing packs, Christmas hampers, winter warmth support, wellbeing events - 200 Total. 415

Events supported - international older adult day, afternoon teas, Christmas celebrations.

We have also helped to tackle the increasing rise in food poverty and need for winter warmth, supporting the costs of food parcels, afternoon teas, hot meals and food hampers for our most vulnerable community members with particular emphasis on winter warmth need and numbers continue to include those who were on the RCT vulnerable list.

- No. receiving food parcels, afternoon teas, hot meals, Christmas hampers 800.
- Deliver weekly dementia support programme - 28 weeks.

Community Consultation Feedback

- Participant wellbeing consultation - 50

*I can always hear a smile on the end of the phone when you ring. It makes my day.
You've brought me and my daughter closer together too, you've been amazing.*

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OBJECTIVES AND ACTIVITIES

It makes me feel less isolated through the contact each week online.

Really appreciate the calls.

Joining the classes online has given me much more confidence to try different things.

It's nice to know that someone is thinking of me.

Nice to know we are not forgotten.

Keeping engagement meaningful - clear need to hold on to friendships lifted spirits and instilled a feeling of wellbeing." (Partner Agency).

B. Social Enterprises

5. The Factory

Because of lockdown and continuing Covid-19 restrictions, The Factory remained closed to non-tenants for part of the year and no music events were held in the venue as social distancing rules were respected. Art exhibitions were allowed, providing that maximum numbers were in line with government guidelines. The BIG Lottery funded project 'Helping Working Families in Poverty' continued to provide volunteering opportunities to people in exchange for time banking rewards. Food bags were distributed each Friday.

6. Little Bryn Gwyn

Little Bryn Gwyn is a beautiful residential centre on the Gower with nine ensuite bedrooms (22 beds), a lounge and dining area with kitchen and an adjoining activity centre. It was able to open fully for bookings in May 2021.

7. The Play Yard

Our social enterprise, The Play Yard, had another busy year, with an extension made to the play area via a successful match-funding grant from RCT. This significantly improved the existing play area and added additional floor space and capacity for a further twenty-five children. The staff developed a small sensory space to enhance the services and facilities we can offer to children and adults with ASD & SEN conditions. The Project Leader won the 'Remarkable Achievement' award in the UK-wide 'What's On 4 Kids' annual industry awards. What's On 4 Kids is the leading, well recognised database for all things related to the children's activities industry. Through its national Activities Awards, it rewards and recognises the most loved children's activities, classes, venues and people across the whole of the UK, as voted for by parents or judged by experts.

During the year, the Play Yard developed a program offering extended work placements for young people who face challenges at home or at school and have become disengaged from education. This saw one pupil from Treorchy Comprehensive and another from Nantgwyn Comprehensive attend the Play Yard for one and two days respectively, engaging in a blend of practical work experience and undertaking work-based and accredited training qualifications. We hope to establish and develop the program further. The Play Yard benefited from two volunteers: one supported the food parcel scheme and the other became a play area assistant to gain work experience. We have been accepting time credits in exchange for access to the various services on offer at The Play Yard for some time and also used them to reward volunteers who supported the 'Pick Up a Free Lunch!' scheme. Partners and supporters over the last 12 months include FareShare Cymru, Interlink, Business in the Community, Tesco, Welcome to our Woods, Sport Wales, People At Work, Cardiff City Foundation and the WRU.

C. Family and Community Hubs

8. Dinas Community Hub

Summary of Activities from April 2022 - March 2023

Number of individual Children and Young People who used the provision:109.

Groups catered for:

- After school Number of sessions delivered - 86.
- Playschemes 2. Number of out of centre trips delivered - 3. Events: Parties for Halloween and Christmas.
- Stay 'n Play Number of sessions delivered - 33. Number of out of centre trips delivered 2. Events delivered: Halloween party.
- Junior Youth Club Number of sessions delivered - 82. Number of out of centre trips delivered 3. Events: Halloween party.
- Senior Youth Club Number of sessions delivered - 76. Number of out of centre trips delivered 2.

VALLEYS KIDS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

OBJECTIVES AND ACTIVITIES

Achievements

- Maintaining membership numbers overall and increasing attendance in the Junior Youth Club numbers significantly.
- Facilitating a positive behaviour change in young people in accordance with the Children in Need outcomes.
- Educational activities linked to health and nutrition - fruit smoothies and food varieties. Cooking sessions that teach young people how to use typical kitchen utensils and equipment and how to make simple meals.
- Introduction of a fitness coach to help YP with nutrition and fitness advice and routines.
- Increased the number of adult volunteers from the local community.

We provide two play sessions each week for 5 – 10 year olds. Our methodology and structure follow the Play Wales First Claim framework for child-led play provision. This approach recognises the intrinsic nature of play within every child and that play is an essential aspect of a child's life that contributes to the child's educational and social development. With this in mind, we provide activities that are fun and provide the opportunity for children to learn and develop through play.

We provide four youth sessions each week that cater for 11-13 and 14-18 year olds in separate sessions. Youth work, as in informal education discipline that helps young people learn through experience, is concerned with the social and emotional development of young people and our youth sessions provide opportunities for young people to associate with their friends and peers in a physically and emotionally safe environment. We are funded by Children in Need and there are stated outcomes (Differences) that we must achieve and we provide a variety of in-club activities and out-of-centre activities to help us achieve those outcomes. This includes more focused work with the 16 - 18-year-age group where we provide 1-2-1 pastoral support for those who require it. Our youth work practice methodology has contributed to Valleys Kids gaining the Youth Work Quality Mark Bronze Award.

We provide one Stay 'n Play session per week which brings parents and pre-school children into the centre. This session brings parents together to socialise with other parents and share parenting ideas and concerns. It also provides a space for pre-school children to socialise with other children, contributing to their learning and development.

In all the sessions there are trained staff to facilitate the session and engage with the children and young people who attend. This interaction helps the staff to develop purposeful relationships with those who attend and this relationship is beneficial when offering specific advice, support and, when required, a referral to other support agencies.

9. Soar Centre & The Old Library

April 22 - March 23

<u>Pre school</u>	Stay & Play sessions - 15-25 weekly.
<u>Play</u>	5 – 10 year olds Monday & Tuesday afterschool 75 nightly. Event: Platinum Jubilee celebration (80).
<u>Playscheme</u>	Easter playscheme, summer playscheme, October ½ term, February playscheme - approx. 70-90 per session. Event: Family Fun day (summer) - 120 approx.
<u>Middle Club</u>	Tuesday 10 - 12 year old sessions, Digital arts sessions, cooking 50-65 per session.
<u>Youth</u>	Monday 13year old plus - 30-60. Art project 'Second Time Around' exhibition at Art in the Attic gallery approx. 30. VK achieved Youth Bronze award.
<u>Foodshare</u>	Daily - 10-15.
<u>Other</u>	Tai Education Centre Christmas show - 120 per show. Sherman Theatre - 120 audience per show x 3 (1 community, 1 English & 1 Welsh performance). Seated yoga - 10.

Library

Groups

Knit & Natter group runs every Thursday and there are 30 people on the register.

Coffee Morning is mainly women whose age range is between 74 & 96 years old. They are a great support to each other, making daily calls system so each of them speaks to someone everyday.

Friendship café group has developed into a lunch club whose members save every week a small amount of money to give to charity at the end of the year. Approximately 15 people attend weekly.

Veterans group is for 5 men who have been widowed, become carers for their spouses and they meet on a weekly basis.

Daily Warm hub has been funded to combat isolation and food poverty in the community especially in respect of older adults. There are 12/16 people attending daily.

VALLEYS KIDS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

OBJECTIVES AND ACTIVITIES

Community advice days (Councillors, PCSOs & housing officer) have been developed to answer a need in the community for easy to access advice and information about their local community. 15 people attended this first advice day.

Card bingo has been developed to bring people together and reduce isolation with a fun activity. 20 people attend weekly.

Christmas day opening was put in place so that everyone would see someone. We were able to give/deliver lunches donated by our local pub. We delivered 15 lunches and 30 people attended.

Palladium Jubilee celebration was put in place with funding for older adults. It was held in Soar and we decorated the hall as if it was being held in a street. We provided a buffet and made a throne which was used by many people to have their photos taken. 120 people attended.

10. Penyreglyn

Youth engagement was especially successful, with over 80 young people involved at the beginning of the year.

We deliver three after school sessions.

We deliver three Youth sessions.

We currently have 6 young people who regularly volunteer in our after-school sessions.

12 young people took part in a residential trip to Little Bryn Gwyn.

There was successful partnership working with The Crop cycle, Welcome to our Woods and Down to Earth. Groups of children were able to see how the crop cycle operates.

We are working with Welcome to our Woods by supporting delivery of their courses.

We will be engaging more this year with Down to Earth as they want our young people to help with plans for developments in Treherbert.

We now have The Black Mountain College delivering an agricultural course over a two-year period. Because courses are being delivered in Penyreglyn, there are additional benefits for Our Back Garden scheme and the community garden make over.

Four of our young people (two of whom were volunteers) found places in university. One young volunteer was nominated for an apprenticeship award.

We are still supporting mothers through one-to-one support in receiving regular contraceptive support from our local nurse. The mothers meet once a week to take it in turns to cook lunch for each other. They are gaining many skills. They also completed a 4-week resilient family course on positive behaviour with their children. In return for our support, they support us in the running of our afterschool club sessions and in cooking meals for the children.

We are currently supporting four well being groups which are the Young Mums, Quilting, Self help and Arts and Craft. These groups support people within our community who are isolated, lonely, bereaved, ill and just simply need friends to come together to have a chat.

We hosted a community engagement consultation with New Horizons to ask people in Treherbert how we can support them in living and looking after their health and well being. 30 people attended that day.

Staff - paid and voluntary

Staff represent one of the greatest assets for any organisation. We are immensely proud of our 53 paid staff and over 100 volunteers. Valleys Kids seeks to create a workplace within which staff can flourish by operating in a creative, constructive and fair environment. It is only with qualified and experienced staff that we can deliver the high-quality services deserved by the communities where we work. An important part of Valleys Kids' approach to community development is to encourage local people to get involved as volunteers. We could not have delivered the programmes without their input and sustained commitment. Both paid and voluntary staff continue to access training to enable them to fulfil their role to the highest standards. Some paid staff began as community volunteers but are now qualified professionals. A job evaluation policy and process has

VALLEYS KIDS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

ACHIEVEMENT AND PERFORMANCE

Charitable activities

been undertaken by the Board. The scheme will be in place by the new financial year.

For over 40 years, Valleys Kids has worked in communities in the South Wales Valleys supporting people to grow in self-confidence, improving their skills and knowledge and encouraging them to have high aspirations and high expectations to achieve their potential.

We have four Community and Family Hubs in disadvantaged communities where activities and services are provided for all ages, from babies to those over ninety. We have also developed a Hub for the Arts and Cultural Industries so that the people from Valleys communities can gain the skills and knowledge which will enable them to secure employment in this growing industry in Wales. The Family Team provides targeted services for the most challenged families. Our residential facility in the Gower, Little Bryn Gwyn, has been rebuilt so that it can provide young and old with new opportunities. We are developing social enterprises; the Play Yard, Old Library Coffee Shop and events at The Factory. Sparc and Art in the Attic continue to thrive and to grow.

FINANCIAL REVIEW

Financial position

This year the expenditure on charitable activities with children and families was £3,103,465. The total income for 2022/2023 was £1,477,296. This has resulted in a deficit in the Statement of Financial Activities of £1,627,879 after recognition of an impairment of Little Bryn Gwyn of £970,621.

At 31 March 2023, the group is reporting a loss for the year of £657,258 (before property impairment) and the scenario forecasts for 2023/24 shows a further deficit of between £165k and £303k, which will have a substantial impact on cash flow.

In key areas, Valleys Kids is very well equipped for responding to financial challenges. It has commissioned an independent business review to complement our own work with key partners (such as the local authority and the Wales Council for Voluntary Action) in designing a Budget Recovery Plan. The progress made to date demonstrates our willingness to take decisions and implement a comprehensive programme of change.

The plan focuses on four improvement areas and contains a detailed set of actions for each of them:

- Finance (Income Generation and /Cashflow Management)
- HR/Staffing
- Service Provision/Design
- Property

The Plan considers the impact of cost savings, income generation and the sale of properties in securing our pathway to financial stability. The resulting budgets for 2024/25 show an anticipated surplus.

There are immediate priorities within the overall pathway.

- i) To secure the sale of four properties and these are on the market. The sale of all four properties could realise circa £510,000, less the cost of disposal. This will enable Valleys Kids to inject the proceeds of sales into cashflow forecasts and finance the plans in place for transition.
- ii) To agree ongoing support from our major partners, all of which committed to considering the help they can provide by means of grants, an overdraft facility (to bridge the gap while cash is liquidated from assets), a consolidated loan with security against assets and in-kind assistance.

The trustees are confident that implementing the Budget Recovery Plan will ensure that Valleys Kids will still be here 12 months from now and delivering vital community services. However, to ensure that we thrive in the long-term, the current funding model must shift radically and urgently. Alongside additional cost saving measures, we must generate more income from a base which is less dependent on fundraising. While retaining its community development ethos, the whole organisation will be guided to become more business-like, maximising our ability to exploit opportunities. This requires us to make more effective use of our well established third sector expertise and developing commercial experience within an organisation-wide income generation strategy covering all centres and programmes. We must develop ideas for service reconfiguration and maximising new opportunities - including changes in the use made of premises, expanding the social enterprise role of Valleys Creative; and attracting endowments and legacies.

VALLEYS KIDS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

The risks

Valleys Kids trustees and staff have considered the major risks that affect our work and have put in place controls to deal with them. The controls include clearly documented accounting procedures and risk / benefit assessments throughout the organisation. We review our risk register regularly to ensure that we are aware of any emerging threats to the organisation.

Reserves policy

The trustees believe it is necessary to maintain reserve funds to ensure that the charity is able to meet ongoing commitments. At the 31 March 2023 total funds amounted to £3,421,445. The unrestricted funds were £3,224,078 and the free reserves after excluding fixed assets and associated loans were £15,403. The trustees intend to gradually increase reserves to meet the trustees' policy of having sufficient funding to cover two months operating costs, which is approximately £220,000.

FUTURE PLANS

The Year Ahead

Valleys Kids' mission is to work with and support people living in disadvantaged communities enabling them to realise their potential. The people we work with are involved in shaping the services we provide. Our Community and Family Hubs provide a welcoming atmosphere, are not judgmental and operate open access activities free at the point of access. We offer targeted activities including activities for adults, parenting, youth programmes and provide challenging activities enabling people to explore their lives and see that they have potential, that they can change and improve the quality of their lives and of the communities where they live. We consult with our local people in a variety of ways to ensure that our activities and services meet the needs of the communities. We continually explore diverse ways and methods of working to ensure that we offer the best opportunities to people.

Our priorities for the next year

Valleys Kids' mission is to work with and support people living in disadvantaged communities enabling them to realise their potential. The people we work with engage in shaping the services we provide. We are looking to:

- Secure sustainable funding.
- Continue and develop play, youth and community development and specialist programmes, including youth performance, visual arts, families and older adults.
- Work in partnership with other agencies and organisations to ensure that people and the communities receive the best possible services.
- Strengthen our position with key stakeholders.
- Develop social enterprises to ensure sustainability.
- Implement a job evaluation exercise.
- Streamline financial systems.
- Audit facilities management.
- Develop and implement an organisational communication strategy.
- Review key organisation messaging and introduce a new website.
- Undertake a communications rebranding exercise.
- Undertake a review of organisational online presence.

Governing document

Valleys Kids is a registered charity and is a company limited by guarantee, incorporated in 1999, governed by its Memorandum and Articles of Association.

VALLEYS KIDS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity has a trading subsidiary, Valleys Creative Limited, which undertakes all non-charitable trading activity.

Organisational structure

Members of the Board of Trustees are also the directors of the company. They are responsible for overseeing the management of all the affairs of Valleys Kids. They are subject to fixed-term appointments and election or re-election according to procedures set out in our Memorandum and Articles of Association. Working groups are established to undertake specific pieces of work.

New trustees take part in an induction to the charity that includes meetings with staff and existing trustees. They are provided with a history of the charity and copies of the Charity Commission's Guidance for Trustees.

The Board seeks to ensure that all activities are within UK law and come within agreed charitable objectives. Its work includes setting strategic direction and agreeing the financial plan. The Board acts on advice and information from regular meetings with the senior managers. Decisions made at other levels of the organisation are reported to the Board. Trustees are able, where appropriate, to take independent professional advice.

The trustees developed the Transition Plan, with considerable input from staff. They played an active role in leading on implementation. It provided a phased approach to guiding the organisation through a period of considerable change which included: the two Founding Directors taking up new roles as Ambassadors; appointing a new Chief Executive, a Director of Programmes and a Director of Business and Finance; strengthening the fundraising team with the appointment of a Fundraising Manager, part-time Trusts and Foundations worker and a Communications Officer. We raised very quickly the additional finance needed for new posts (£½ million over three years). Bids to potential funders met with an incredibly positive response. We are grateful to the Swinburn Foundation, the Waterloo Foundation, the Tudor Trust, and the Wales Council for Voluntary Action (WCVA). This readiness to provide additional support should be regarded as testimony to the high regard in which Valleys Kids is held and a sign of stakeholder confidence in our ability to manage the transition programme well.

Staff were asked to take shared responsibility for this major transition programme during an especially disruptive and worrying period for them, professionally and personally. Trustees were acutely aware that staff were dealing with a wide range of issues: the adverse effects of Covid-19 on their communities and their work; the potential loss of key revenue streams; role changes and job insecurity; and risks to the long-term viability of place-based provision. Action was taken to deal with all these hazards as quickly and as well as possible but there were times of real anxiety and uncertainty. Dealing with operational challenges and staff welfare issues were always key priorities.

The process was made much easier by the commitment and willingness of staff to find positive solutions. Throughout this period, the whole organisation continued to follow the principles and objectives agreed right at the beginning of the transition process. Our commitment to communication, inclusion, empowerment, and unity of purpose has been maintained. Staff meetings and bulletins were used very effectively while the four staff representatives nominated to work with the transition programme sub-group played a crucial role.

The trustees' transition sub-group met (virtually) most weeks for one calendar year, to ensure that actions in the transition plan were completed well and on time. As the new senior management team became more established, the sub-group focused more on planning for the end of the formal transition period and winding down its activities.

The Board identified priority areas of development, post-transition, as follows.

1. Making the best use of our increased capacity and finding urgently sustainable funding for our place-based, open access activity which is the core work of our Community and Family Hubs.

Valleys Kids has now significantly increased its capacity for fundraising/income generation. It is essential that we use these resources to maximum effect, especially in finding sustainable funding for our place-based, open activity community and family centres. The work will continue to be a principal priority for everybody in Valleys Kids. The Fundraising Strategy Group has evaluated existing fundraising activities; looked at position statements and key messages; reviewed what is currently funded; agreed the key focal areas for fundraising; and set targets for distinct types of fundraising.

2. Maintaining increased liaison between staff and trustees, building upon positive outcomes from having a more visible and active Board during a critical period.

Increased engagement between staff and trustees during the past year has been necessary and mutually beneficial. Staff have

VALLEYS KIDS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

welcomed the fact that, at a critical time, the Board has become more active and more visible, keen to demonstrate good governance. We sought to decide collectively how best this approach can be maintained, within the available resources and respecting the need to maintain proper lines of management and accountability. The plan is likely to have several strands. Ideas include:

- trustees attending by invite the regular informal staff meetings;
- continued use of a staff bulletin (alongside a newsletter for external dissemination);
- individual trustees taking a special interest in a project/area of key importance.

3. Making the case for the Valleys Kids' approach to community development (showing how an integrated open access/specialist programmes/social enterprise model provides an especially effective framework for structuring this activity).

We have worked to agree the most effective way of describing the distinctive Valleys Kids' model of delivering services. Expressing coherently and succinctly "what we do and how we do it" will assist us in areas such as fundraising, marketing, tendering activities, resource planning and development. It means:

- creating a strong collective understanding of our mission/model;
- showing how we design ways of achieving it, based upon experience and research;
- helping to deliver the services that make it possible.

All staff and stakeholders are playing a crucial role in taking forward this task. The Founding Ambassadors, the Senior Leadership Team, Trustees and the transition programme sub-group took part in a workshop facilitated externally. It provided a good opportunity for productive and robust conversations, looking especially at the stories we tell about young people; communities and place; our funders; ourselves and our role. This work will contribute to consultation more widely about the best way of setting out Valleys Kids' mission and how to structure our overall approach to marketing/branding, including the use of a new website and social media.

4. Maintaining strong stakeholder relationships and partnership working.

Over four decades and reflecting the many activities which Valleys Kids provides, we have succeeded in building up strong partnerships with very diverse organisations. This includes: over 30 funding bodies (including trusts); public service agencies nationally and locally (especially those which have responsibility for education, social care, housing, health, leisure, arts, environment, safeguarding, social equality, justice); third sector organisations; social and commercial enterprises; tenant and other organisations representing service user and community interests; churches and chapels; etc. We have also been engaged very actively in various multi-agency partnerships which seek to promote co-working, needs analysis, the provision of services and effective use of resources.

Working with others is a prerequisite for effective community development. It is only through constructive relationships with a wide range of partners (including the local authority) that we can operate at the centre of work to support disadvantaged communities and help them to achieve improved well-being outcomes. This collaborative track record is grounded in our commitment to openness, trust, shared values, common goals and regular communication.

Later in the year, the Board turned its attention to consolidating structural change and using increased management capacity and the lessons learned in the transition programme to improve our focus on leadership; integrity; decision making, risk and control; board effectiveness; equality, diversity and inclusion; openness and accountability.

Equal opportunities

Valleys Kids is committed to the principle and practice of Equal Opportunities. Our activities are open to all and we take every opportunity to integrate those with disabilities within our everyday work. We aim to be an equal opportunities employer and seek to ensure that all staff receive equal treatment.

Policies and procedures are in place for Child Protection, Whistle Blowing and Health and Safety.

Key management remuneration

Valleys Kids aligns its pay structure with Local Government NJC pay scales. Staff are paid between point 12 and 41. Key management personnel are paid between point 36 and 41. No member of staff is paid above point 41.

VALLEYS KIDS

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
03717865 (England and Wales)

Registered Charity number
1074840

Registered office
1 Cross Street
Penygraig
Tonypandy
Rhondda Cynon Taff
CF40 1LD

Trustees

Chair
Vice Chair
Treasurer
Trustees

Philip Evans
Nadine Hussien
Marian Stokes
Ceri Assiratti
Ms R L Booth
Howell Edwards
Lyn Evans
Rhiannon Howells
Jason Camilleri

Company secretary

Lynne Thomas

Executive team

Elise Stewart
Lynne Thomas
Gary Foreman

Resigned 31 October 2023
Appointed 1 March 2023
Resigned 15 December 2023

Auditors

MHA
Statutory Auditor
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
CF23 8RS

Solicitors

Darwin Gray Solicitors
Helmont House
Churchill Way
CARDIFF
CF10 2HE

VALLEYS KIDS

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Bank

Unity Trust Bank PLC
4 Brindleyplace
BIRMINGHAM
B1 2JB

Barclays Bank UK PLC
1 Churchill Place
LONDON
E14 5HP

VALLEYS KIDS

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Valleys Kids for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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 charitable company will continue in business.

The trustees are responsible for keeping 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 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the Board of Trustees on 23rd February 2024 and signed on its behalf by:


.....
P J Evans - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF VALLEYS KIDS

Opinion

We have audited the financial statements of Valleys Kids (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 2 in the financial statements, which indicates loss before impairment of assets of £657,258 for the year as well as a budgeted loss for 2023/24. As stated in Note 2, this, along with other matters as set forth, indicate that a material uncertainty exists that may cast significant doubt on the group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF VALLEYS KIDS

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- The parent charitable company has not kept adequate and sufficient accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inaccurate journals. We addressed these risks by carrying out specifically targeted procedures, which included:

- Enquiries of management, those charged with governance around actual and potential litigation and claims;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness and evaluating the business rationale of significant transactions outside the normal course of business;
- Reviewing minutes of meetings of those charged with governance;
- Evaluating the reasons for any large or unusual transactions;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations to underlying supporting documentation.

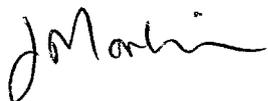
Because of the inherent limitations of an audit there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
VALLEYS KIDS**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Julia Mortimer (Senior Statutory Auditor)
for and on behalf of MHA
Statutory Auditor
CARDIFF
CF23 8RS

Date: 4 March 2024

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)

VALLEYS KIDS

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds as restated £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	191,774	162,452	354,226	529,629
Charitable activities	6				
Community Support		305,453	653,626	959,079	1,528,086
Other trading activities	4	121,544	-	121,544	97,629
Investment income	5	39,527	-	39,527	34,920
Other income		<u>2,920</u>	<u>-</u>	<u>2,920</u>	<u>-</u>
Total		661,218	816,078	1,477,296	2,190,264
EXPENDITURE ON					
Raising funds	7	89,066	39,242	128,308	80,191
Charitable activities	8				
Community Support		1,114,213	890,323	2,004,536	1,724,219
Property impairment		<u>970,621</u>	<u>-</u>	<u>970,621</u>	<u>-</u>
Total		2,173,900	929,565	3,103,465	1,804,410
NET INCOME/(EXPENDITURE) BEFORE TAX		(1,512,682)	(113,487)	(1,626,169)	385,854
Tax		<u>(1,710)</u>	<u>-</u>	<u>(1,710)</u>	<u>-</u>
NET INCOME/(EXPENDITURE) AFTER TAX		(1,514,392)	(113,487)	(1,627,879)	385,854
Transfers between funds	22	<u>21,241</u>	<u>(21,241)</u>	<u>-</u>	<u>-</u>
Net movement in funds		(1,493,151)	(134,728)	(1,627,879)	385,854
RECONCILIATION OF FUNDS					
Total funds brought forward					
As previously reported		4,738,782	332,095	5,070,877	4,686,068
Prior year adjustment		<u>(21,553)</u>	<u>-</u>	<u>(21,553)</u>	<u>(22,598)</u>
As restated		4,717,229	332,095	5,049,324	4,663,470
TOTAL FUNDS CARRIED FORWARD		<u>3,224,078</u>	<u>197,367</u>	<u>3,421,445</u>	<u>5,049,324</u>

The notes form part of these financial statements

VALLEYS KIDS

CONSOLIDATED BALANCE SHEET
AT 31 MARCH 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds as restated £
FIXED ASSETS					
Tangible assets	16	3,658,820	-	3,658,820	4,774,413
CURRENT ASSETS					
Stock		1,873	-	1,873	1,380
Debtors	17	40,741	8,165	48,906	102,352
Cash at bank and in hand		<u>116,450</u>	<u>239,255</u>	<u>355,705</u>	<u>761,213</u>
		159,064	247,420	406,484	864,945
CREDITORS					
Amounts falling due within one year	18	(119,055)	(50,053)	(169,108)	(103,027)
NET CURRENT ASSETS					
		<u>40,009</u>	<u>197,367</u>	<u>237,376</u>	<u>761,918</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		3,698,829	197,367	3,896,196	5,536,331
CREDITORS					
Amounts falling due after more than one year	19	(474,751)	-	(474,751)	(487,007)
NET ASSETS					
		<u>3,224,078</u>	<u>197,367</u>	<u>3,421,445</u>	<u>5,049,324</u>
FUNDS					
Unrestricted funds	22			3,224,078	4,717,229
Restricted funds				<u>197,367</u>	<u>332,095</u>
TOTAL FUNDS					
				<u>3,421,445</u>	<u>5,049,324</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved for issue by the Board of Trustees on 23rd Feb 2024 and were signed on its behalf by:


P J Evans -Trustee

The notes form part of these financial statements

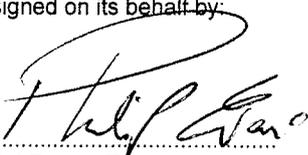
VALLEYS KIDS

CHARITY BALANCE SHEET
AT 31 MARCH 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds as restated £
FIXED ASSETS					
Tangible assets	16	3,597,295	-	3,597,295	4,711,600
CURRENT ASSETS					
Debtors	17	111,262	8,165	119,427	166,988
Cash at bank and in hand		<u>65,626</u>	<u>239,255</u>	<u>304,881</u>	<u>696,442</u>
		176,888	247,420	424,308	863,430
CREDITORS					
Amounts falling due within one year	18	(98,618)	(50,053)	(148,671)	(86,443)
NET CURRENT ASSETS		<u>78,270</u>	<u>197,367</u>	<u>275,637</u>	<u>776,987</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,675,565	197,367	3,872,932	5,488,587
CREDITORS					
Amounts falling due after more than one year	19	(470,085)	-	(470,085)	(482,632)
NET ASSETS		<u>3,205,480</u>	<u>197,367</u>	<u>3,402,847</u>	<u>5,005,955</u>
FUNDS					
Unrestricted funds				3,205,480	4,673,860
Restricted funds				<u>197,367</u>	<u>332,095</u>
TOTAL FUNDS				<u>3,402,847</u>	<u>5,005,955</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved for issue by the Board of Trustees on 23rd February 2024 and were signed on its behalf by:


P J Evans - Trustee

The notes form part of these financial statements

VALLEYS KIDS

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 as restated £
Cash flows from operating activities:			
Cash generated from operations	1	(352,845)	342,832
Interest paid		<u>(23,566)</u>	<u>(18,989)</u>
Net cash provided by (used in) operating activities		<u>(376,411)</u>	<u>323,843</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(10,147)	(51,696)
Interest received		44	2
Sale of tangible fixed assets		<u>1,000</u>	<u>-</u>
Net cash provided by (used in) investing activities		<u>(9,103)</u>	<u>(51,694)</u>
Cash flows from financing activities:			
Loan repayments in year		(19,994)	(159,298)
New loan in year		<u>-</u>	<u>4,998</u>
Net cash provided by (used in) financing activities		<u>(19,994)</u>	<u>(154,300)</u>
Change in cash and cash equivalents in the reporting period		(405,508)	117,849
Cash and cash equivalents at the beginning of the reporting period		<u>761,213</u>	<u>643,364</u>
Cash and cash equivalents at the end of the reporting period		<u><u>355,705</u></u>	<u><u>761,213</u></u>

The notes form part of these financial statements

VALLEYS KIDS

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023	2022
	£	as restated £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(1,626,169)	385,854
Adjustments for:		
Depreciation charges	153,579	165,841
Interest received	(44)	(2)
Interest paid	23,566	18,989
Impairment of property	970,621	-
Loss on sale of tangible fixed assets	540	-
(Increase)/decrease in debtors	53,446	(57,169)
Increase/(decrease) in creditors	72,109	(170,681)
Increase in stock	<u>(493)</u>	<u>-</u>
Net cash provided by (used in) operating activities	<u>(352,845)</u>	<u>342,832</u>

2. ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)

	At 1/4/22	Cash flow	At 31/3/23
	£	£	£
Net cash			
Cash at bank and in hand	761,213	(405,508)	355,705
Debt			
Debts falling due within one year	(24,739)	7,447	(17,292)
Debts falling due after one year	<u>(482,632)</u>	<u>12,547</u>	<u>(470,085)</u>
	<u>(507,371)</u>	<u>19,994</u>	<u>(487,377)</u>
Total	<u>253,842</u>	<u>(385,514)</u>	<u>(131,672)</u>

1. STATUTORY INFORMATION

Valleys Kids is a company limited by guarantee incorporated in Wales within the United Kingdom. The registered office is 1 Cross Street, Penygraig, Tonypanyd, Mid Glamorgan, CF40 1LD. The nature of the charitable company's operations is to provide and assist in the provision of facilities and services for education, play, arts, recreation and other leisure time occupations with the object of improving the conditions of life.

Valley Creative Limited is a 100% owned subsidiary of Valleys Kids. It is a company incorporated in Wales within the United Kingdom. The registered office is the same as the parent company. The nature of the operations is that of providing recreational, educational and wellbeing facilities for the public at large and in particular people in need.

The financial statements are presented in Sterling (£), the group's functional currency, and rounded to the nearest pound.

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention. There have been no material departures from Financial Reporting Standard 102.

Going concern

At 31 March 2023, the group is reporting a loss for the year of £657,258 (before property impairment) and the scenario forecasts for 2023/24 shows a further deficit of between £165k and £303k, which will have a substantial impact on cash flow.

The group have a Budget Recovery Plan in place and are currently undergoing an independent business review. The Plan considers the impact of cost savings, income generation and the sale of a number of properties. Budgets for 2024/25 show a surplus.

The magnitude and impact of the potential loss, in conjunction with the time taken to realise the plans in place is recognised as a significant risk. However, with the continued support of the bank the trustees, have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future, to provide time to realise the plans in place. Accordingly, they continue to adopt the going concern basis of accounting in preparing these financial statements.

Consolidation

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably.

Donations and legacies income

Donations and legacies income includes donations, gifts and grants that provide core funding or, are of a general nature and are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from charitable activities

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

Investment income

Investment income is recognised on a receivable basis.

2. ACCOUNTING POLICIES - continued

Other income

Other income is recognised on a receivable basis.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the group to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Expenditure on charitable activities comprises those costs incurred by the group in the delivery 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.

Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. This includes governance costs which are those costs associated with meeting the constitutional and statutory requirements of the group and include the accountancy fees and costs linked to the strategic management of the group as well as a proportion of salaries based on an approximation of time spent in this area.

Tangible fixed assets

Fixed assets are initially recorded at cost. Depreciation is calculated so as to write off the cost of an asset, less its estimate residual value over the useful economic life of the asset as follows:

Property	2% straight line
Vehicles	20% straight line
Equipment	20% straight line

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Termination payments

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

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

Government grants

Government grants are recognised when there is reasonable assurance that the group will comply with the conditions and that the grant will be received. The grant is recognised in the SOFA on a systematic basis, over the periods in which the charity recognises as expenses the related costs for which the grant is intended to compensate.

VALLEYS KIDS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

2. ACCOUNTING POLICIES - continued

Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade debtors and other debtors are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due

Significant accounting judgements and estimates

Estimates and judgements are continually evaluated and are based on historical experience and other relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

The preparation of the financial statements requires management to make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, be likely to differ from the related actual results. No estimates or assumptions have been identified that have significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	64,739	50,412
Gift aid	1,034	-
Legacies	57,535	278
Grants	230,918	478,939
	<u>354,226</u>	<u>529,629</u>

Grants received, included in the above, are as follows:

	2023	2022
	£	£
Interlink RCT	1,000	-
Arts Council of Wales	3,893	-
Janet and Peter Swinburn Fund - CAF America	49,245	-
Children in Need	500	-
The Hodge Foundation	25,000	-
Arts & Business Cymru	6,562	-
Moondance Foundation	-	137,000
The Waterloo Foundation	50,000	50,000
Garfield Weston Foundation	-	75,000
RCTCBC	15,207	-
Welsh Government Coronavirus Job Retention Scheme	-	17,979
RCTCBC - Rates Grant	-	-
Welsh Government Retail Grant	-	10,000
Department for Work and Pensions	6,511	-
City of Swansea Council - Rates Grant	-	2,000
The Tudor Trust	48,000	49,000
WCVA: Third Sector Resilience Fund for Wales	-	74,960
The Leathersellers' Foundation	25,000	25,000
Admiral Support Fund	-	38,000
	<u>230,918</u>	<u>478,939</u>

VALLEYS KIDS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

4. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Retail income	9,815	3,962
Income from Valleys Creative Limited	111,364	93,667
Exhibition sales	<u>365</u>	<u>-</u>
	<u>121,544</u>	<u>97,629</u>

5. INVESTMENT INCOME

	2023	2022
	£	£
Rents received	39,483	34,918
Deposit account interest	<u>44</u>	<u>2</u>
	<u>39,527</u>	<u>34,920</u>

VALLEYS KIDS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

6. INCOME FROM CHARITABLE ACTIVITIES

	2023 £	2022 £
Community activities	238,099	63,666
Grants	549,114	1,339,193
Party and play	122,380	97,484
Hire income	49,486	27,743
	<u>959,079</u>	<u>1,528,086</u>

Grants received, included in the above, are as follows:

	2023 £	2022 £
RCTCBC – Enterprise Investment Grant	-	3,125
Department of Works - Kickstart	1,493	1,500
Interlink RCT	-	97,381
Community First	-	81,548
Arts Council Wales	188,363	298,086
RCTCBC – Parenting Support	-	276,212
The Hodge Foundation	-	13,452
Gwendoline and Margaret Davies Charity	5,000	-
Big Lottery Fund - Working Families	108,027	143,083
Welsh Government	4,152	-
Cwm Taf Morgannwg University Health Board	9,098	-
Janet and Peter Swinburn Fund - CAF America	-	50,089
RCTCBC – other grants	26,404	19,382
RCTCBC – Young Gifted and Welsh	-	11,685
Children in Need	30,577	26,056
Pen Y Cymoedd Community Fund	25,500	22,000
Pontypridd Town Council	250	-
Colwinston Charitable Trust	10,000	20,000
Oakdale Trust	2,000	-
Big Lottery Fund – Family Links	-	167,656
Integrated Care Fund - Keeping Connected with your Community	-	9,272
Integrated Care Fund - Third Sector Small Grant Scheme	-	10,000
Tesco	-	1,100
Parent Infant Foundation	-	4,400
South Wales Police	-	37,926
New Horzions	-	2,000
Genesis – Kickstart Fund	-	10,000
Pobl Trust	-	1,000
Swansea Council	-	8,000
Community Foundation Wales	4,642	4,555
RCTCBC – Summer of Fun	10,629	9,685
Esmee Fairbairn Foundation	-	10,000
Arts & Business Cymru	5,817	-
The Darkley Trust	2,000	-
Alex Ferry Foundation	9,978	-
WCVA: Third Sector Resilience Fund 3	46,382	-
Newydd Housing Association	750	-
Western Power Distribution	2,500	-
National Grid Electricity Distribution - Community Matters Fund	9,935	-
National Lottery Community Fund	9,948	-
Voluntary Action Merthyr Tydfil - Regional Integration Fund	24,132	-
Welsh Church Act Fund	8,237	-
Save the Children	1,800	-
Tiny Rebel	1,500	-
	<u>549,114</u>	<u>1,339,193</u>

VALLEYS KIDS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

7. RAISING FUNDS

Raising donations and legacies

	2023	2022
	£	£
Staff costs	32,492	-
Activities	6,750	12,709
Premises costs	14,355	13,319
Trading subsidiary costs	<u>74,711</u>	<u>54,163</u>
	<u>128,308</u>	<u>80,191</u>

8. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 9)	Support costs (See note 10)	Totals
	£	£	£
Community Support	<u>1,592,500</u>	<u>412,036</u>	<u>2,004,536</u>
	<u>1,592,500</u>	<u>412,036</u>	<u>2,004,536</u>

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2023	2022
	£	£
Staff costs	1,054,310	832,220
Travel	14,430	19,126
Staff training	16,072	11,304
Telephone and postage	1,943	1,522
Bad debts	-	-
Activities	197,589	168,718
Premises costs	195,334	131,855
Loss on sale of assets	540	-
Depreciation	<u>112,282</u>	<u>122,633</u>
	<u>1,592,500</u>	<u>1,287,378</u>

VALLEYS KIDS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

10. SUPPORT COSTS

	Management £	Finance £	Other £	Governance costs £	Totals £
Community Support	<u>99,733</u>	<u>30,865</u>	<u>267,809</u>	<u>13,629</u>	<u>412,036</u>
	<u>99,733</u>	<u>30,865</u>	<u>267,809</u>	<u>13,629</u>	<u>412,036</u>

11. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023 £	2022 £
Auditors' remuneration	9,100	9,100
Auditors' remuneration for non-audit work	4,529	5,501
Impairment of tangible fixed assets	970,621	-
Depreciation	<u>153,579</u>	<u>165,841</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 or for the year ended 31 March 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 or for the year ended 31 March 2022.

13. STAFF COSTS

	2023 £	2022 £
Employee costs during the year		
Wages and salaries	1,145,813	988,710
Employer's National Insurance contributions	90,260	79,409
Pension costs	<u>21,917</u>	<u>19,149</u>
	<u>1,257,990</u>	<u>1,087,268</u>

Number of employees	64	50
Equivalent full time employees	51	40

No employee received emoluments in excess of £60,000.

The total key management personnel remuneration benefits paid during the year was £101,570 (2022: £131,670).

Included within staff costs are termination payments of £nil (2022: £nil).

14. RESULTS OF PARENT CHARITABLE COMPANY

The income of the parent charitable company was £1,235,800 and net expenditure as £1,603,108.

15. COMPARATIVES FOR THE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	355,669	173,960	529,629
Charitable activities			
Community Support	229,984	1,298,102	1,528,086
Other trading activities	97,629	-	97,629
Investment income	<u>34,920</u>	<u>-</u>	<u>34,920</u>
Total	718,202	1,472,062	2,190,264
EXPENDITURE ON			
Raising funds	80,191	-	80,191
Charitable activities			
Community Support	<u>582,900</u>	<u>1,141,319</u>	<u>1,724,219</u>
Total	663,091	1,141,319	1,804,410
NET INCOME/(EXPENDITURE)			
	55,111	330,743	385,854
Transfers between funds	<u>3,553</u>	<u>(3,553)</u>	<u>-</u>
Net movement in funds	58,664	327,190	385,854
RECONCILIATION OF FUNDS			
Total funds brought forward	4,658,565	4,905	4,663,470
TOTAL FUNDS CARRIED FORWARD	<u>4,717,229</u>	<u>332,095</u>	<u>5,049,324</u>

VALLEYS KIDS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023

16. TANGIBLE FIXED ASSETS – GROUP

	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
COST				
At 1 April 2022	6,153,002	310,607	25,299	6,488,908
Additions	-	10,147	-	10,147
Disposals	-	-	(5,299)	(5,299)
Impairments	(970,621)	-	-	(970,621)
At 31 March 2023	<u>5,182,381</u>	<u>320,754</u>	<u>20,000</u>	<u>5,523,135</u>
DEPRECIATION				
At 1 April 2022	1,481,401	219,134	13,960	1,714,495
Charge for year	123,060	26,053	4,466	153,579
Eliminated on disposal	-	-	(3,759)	(3,759)
At 31 March 2023	<u>1,604,461</u>	<u>245,187</u>	<u>14,667</u>	<u>1,864,315</u>
NET BOOK VALUE				
At 31 March 2023	<u>3,577,920</u>	<u>75,567</u>	<u>5,333</u>	<u>3,658,820</u>
At 31 March 2022	<u>4,671,601</u>	<u>91,473</u>	<u>11,339</u>	<u>4,774,413</u>
TANGIBLE FIXED ASSETS – CHARITY				
	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
COST				
At 1 April 2022	6,106,343	247,976	25,299	6,379,618
Additions	-	8,116	-	8,116
Disposals	-	-	(5,299)	(5,299)
Impairments	(970,621)	-	-	(970,621)
At 31 March 2023	<u>5,135,722</u>	<u>256,092</u>	<u>20,000</u>	<u>5,411,814</u>
DEPRECIATION				
At 1 April 2022	1,478,602	175,456	13,960	1,668,018
Charge for year	122,127	23,667	4,466	150,260
Eliminated on disposal	-	-	(3,759)	(3,759)
At 31 March 2023	<u>1,600,729</u>	<u>199,123</u>	<u>14,667</u>	<u>1,814,519</u>
NET BOOK VALUE				
At 31 March 2023	<u>3,534,993</u>	<u>56,969</u>	<u>5,333</u>	<u>3,597,295</u>
At 31 March 2022	<u>4,627,741</u>	<u>72,520</u>	<u>11,339</u>	<u>4,711,600</u>

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023**

16. TANGIBLE FIXED ASSETS – continued

Professional valuations were performed of the Valleys Kids properties in 2023, the values assessed were as noted below:

	Historic cost	Valuation
Little Bryn Gwyn	1,870,621	900,000
The Factory	391,275	800,000
78 Tylacelyn Road	11,750	90,000

The reduced valuation of Little Bryn Gwyn of £900,000 has resulted in the impairment noted above.

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR – GROUP AND CHARITY

	Group 2023	Group 2022 as restated	Charity 2023	Charity 2022 as restated
	£	£	£	£
Trade debtors	28,875	75,441	28,475	75,297
Other debtors	1,690	3,346	1,690	3,346
Amounts owed by group undertakings	-	-	71,943	64,780
Prepayments and accrued income	<u>18,341</u>	<u>23,565</u>	<u>17,319</u>	<u>23,565</u>
	<u>48,906</u>	<u>102,352</u>	<u>119,427</u>	<u>166,988</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR – GROUP AND CHARITY

	Group 2023	Group 2022 as restated	Charity 2023	Charity 2022 as restated
	£	£	£	£
Bank loans and overdrafts (see note 20)	11,369	20,734	11,369	20,734
Other loans (see note 20)	5,923	4,005	5,923	4,005
Trade creditors	28,404	8,100	28,136	7,950
Social security and other taxes	423	6,513	423	4,494
Corporation tax	1,710	-	-	-
Other creditors	27,387	33,320	22,835	33,320
VAT	8,809	9,293	-	-
Accruals and deferred income	<u>85,083</u>	<u>21,062</u>	<u>79,985</u>	<u>15,940</u>
	<u>169,108</u>	<u>103,027</u>	<u>148,671</u>	<u>86,443</u>

Included within deferred income above is the following:

	2023 £	2022 £
The Hodge Foundation	35,000	-
Children in Need	14,902	-
Little Bryn Gwyn – Hire income	13,835	1,102
Barnardos Rental Income April – June	-	2,000
RCTCBC capital grant	<u>1,167</u>	<u>1,458</u>
	<u>64,904</u>	<u>4,560</u>

The deferred income relates to income received in advance of project delivery.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2023**19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR - GROUP**

	Group 2023	Group 2022	Charity 2023	Charity 2022
	£	£	£	£
Bank loans (see note 20)	438,776	445,275	438,776	445,275
Other loans	31,309	37,357	31,309	37,357
Accruals and deferred income	<u>4,666</u>	<u>4,375</u>	<u>-</u>	<u>-</u>
	<u>474,751</u>	<u>487,007</u>	<u>470,085</u>	<u>482,632</u>

20. LOANS

An analysis of the maturity of loans is given below:

	2023 £	2022 £
Amounts falling due within one year on demand:		
Bank loans	11,369	20,734
Other loans	<u>5,923</u>	<u>4,005</u>
	<u>17,292</u>	<u>24,739</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	11,328	21,533
Other loans - 1-2 years	<u>6,067</u>	<u>5,912</u>
	<u>17,395</u>	<u>27,445</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	39,815	71,156
Other loans - 2-5 years	<u>12,407</u>	<u>15,964</u>
	<u>52,222</u>	<u>87,120</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans	387,633	352,586
Other loans	<u>12,835</u>	<u>15,481</u>
	<u>400,468</u>	<u>368,067</u>

21. SECURED DEBTS

The following secured debts are included within creditors:

	2023 £	2022 £
Bank loans	<u>450,145</u>	<u>466,009</u>

The bank loan is secured by:

- A First Legal Charge over the Property known as The Pop Factory, Porth, Rhondda Cynon Taff
- A Second Legal Charge over the property known as Little Bryn Gwyn, Gower, Swansea
- A Deed of priority to be made between Unity and the Welsh Ministers for £502,000.

VALLEYS KIDS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

22. MOVEMENT IN FUNDS

	At 1/4/22 £	Prior year adjustment £	Net movement in funds £	Transfers between funds £	At 31/03/2023 £
Unrestricted funds					
General fund	4,738,782	(21,553)	(1,514,392)	21,241	3,224,078
Restricted funds					
Sparc	102,834	-	(96,502)	-	6,332
Colwinston Charitable Trust	14,000	-	(14,000)	-	-
BBC Children in Need	3,219	-	(3,219)	-	-
Waterloo Foundation	3,942	-	(3,942)	-	-
WCVA - Third Sector					
Resilience Fund	74,960	-	(74,960)	-	-
The Tudor Trust	23,184	-	(3,689)	-	19,495
RCTCBC - Parent Support	18,592	-	(18,592)	-	-
RCTCBC - Young Gifted and Welsh	3,000	-	(3,000)	-	-
Interlink - Adverse Childhood Experiences	23,800	-	(2,924)	-	20,876
South Wales Police	34,147	-	(34,147)	-	-
Charities Aid Foundation America	25,862	-	(25,862)	-	-
Trivallis - Together Again	4,555	-	(4,555)	-	-
General	-	-	106,520	(19,653)	86,867
Children and Young People	-	-	1,798	-	1,798
Older people	-	-	1,588	(1,588)	-
Arts	-	-	61,999	-	61,999
	<u>332,095</u>	<u>-</u>	<u>(113,487)</u>	<u>(21,241)</u>	<u>197,367</u>
TOTAL FUNDS	<u>5,070,877</u>	<u>(21,553)</u>	<u>(1,627,879)</u>	<u>-</u>	<u>3,421,445</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

22. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	661,218	(2,175,610)	(1,514,392)
Restricted funds			
Sparc	-	(96,502)	(96,502)
Colwinston Charitable Trust	-	(14,000)	(14,000)
BBC Children in Need	-	(3,219)	(3,219)
Waterloo Foundation	-	(3,942)	(3,942)
WCVA - Third Sector Resilience Fund	-	(74,960)	(74,960)
The Tudor Trust	-	(3,689)	(3,689)
RCTCBC - Parent Support	-	(18,592)	(18,592)
RCTCBC - Young Gifted and Welsh	-	(3,000)	(3,000)
Interlink - Adverse Childhood Experiences	-	(2,924)	(2,924)
South Wales Police	-	(34,147)	(34,147)
Charities Aid Foundation America	-	(25,862)	(25,862)
Trivallis - Together Again	-	(4,555)	(4,555)
General	227,019	(120,499)	106,520
Children and Young People	129,523	(127,725)	1,798
Older people	52,545	(50,957)	1,588
Family work	199,822	(199,822)	-
Arts	207,169	(145,170)	61,999
	<u>816,078</u>	<u>(929,565)</u>	<u>(113,487)</u>
TOTAL FUNDS	<u>1,477,296</u>	<u>(3,105,175)</u>	<u>(1,627,879)</u>

VALLEYS KIDS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

22. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/4/21 £	Prior year adjustment £	Net movement in funds £	Transfers between funds £	At 31/03/2022 £
Unrestricted funds					
General fund	4,681,163	(22,598)	55,111	3,553	4,717,229
Restricted funds					
Sparc	-	-	102,834	-	102,834
Colwinston Charitable Trust	-	-	14,000	-	14,000
BBC Children in Need	-	-	3,219	-	3,219
National Lottery Community Fund - Working Families	-	-	988	(988)	-
Millennium Stadium Charitable Trust	2,187	-	(2,187)	-	-
The National Lottery Heritage Fund - Penyreglyn	2,718	-	(2,718)	-	-
Waterloo Foundation	-	-	4,798	(856)	3,942
WCVA - Third Sector Resilience Fund	-	-	74,960	-	74,960
The Tudor Trust	-	-	24,039	(855)	23,184
RCTCBC - Parent Support	-	-	18,592	-	18,592
RCTCBC - Young Gifted and Welsh	-	-	3,000	-	3,000
Interlink - Adverse Childhood Experiences	-	-	23,800	-	23,800
South Wales Police Charities Aid Foundation	-	-	34,147	-	34,147
America	-	-	26,716	(854)	25,862
Trivallis - Together Again	-	-	4,555	-	4,555
	<u>4,905</u>	<u>-</u>	<u>330,743</u>	<u>(3,553)</u>	<u>332,095</u>
TOTAL FUNDS	<u>4,686,068</u>	<u>(22,598)</u>	<u>385,854</u>	<u>-</u>	<u>5,049,324</u>

VALLEYS KIDS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

22. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	718,202	(663,091)	55,111
Restricted funds			
Sparc	308,086	(205,252)	102,834
Colwinston Charitable Trust	20,000	(6,000)	14,000
National Lottery Community Fund - Working Families	143,083	(142,095)	988
Millennium Stadium Charitable Trust	-	(2,187)	(2,187)
National Lottery Community Fund - Family Links	167,656	(167,656)	-
BBC Children in Need	26,056	(22,837)	3,219
The Hodge Foundation	13,452	(13,452)	-
The National Lottery Heritage Fund - Penyrenlyn	-	(2,718)	(2,718)
Waterloo Foundation	50,000	(45,202)	4,798
WCVA - Third Sector Resilience Fund	74,960	-	74,960
The Tudor Trust	49,000	(24,961)	24,039
RCTCBC - Parent Support	276,212	(257,620)	18,592
RCTCBC - Rhydyfelin Grant	15,101	(15,101)	-
RCTCBC - Young Gifted and Welsh	11,685	(8,685)	3,000
Integrated Care Fund - Keeping Connected	9,272	(9,272)	-
Integrated Care Fund - Third Sector Small Grant Scheme	10,000	(10,000)	-
Community First	81,548	(81,548)	-
Interlink - Mental Health COVID Response	62,640	(62,640)	-
Interlink - Winter Pressures	10,441	(10,441)	-
Interlink - Adverse Childhood Experiences	23,800	-	23,800
Tesco - Groundwork	1,100	(1,100)	-
Parent Infant Foundation	4,400	(4,400)	-
South Wales Police	37,926	(3,779)	34,147
New Horizons	2,000	(2,000)	-
Genesis - Kick Start Fund	10,000	(10,000)	-
Pobl Trust	1,000	(1,000)	-
Charities Aid Foundation America	50,089	(23,373)	26,716
Swansea Council - Summer of Fun	8,000	(8,000)	-
Trivallis - Together Again	4,555	-	4,555
	<u>1,472,062</u>	<u>(1,141,319)</u>	<u>330,743</u>
TOTAL FUNDS	2,190,264	(1,804,410)	385,854

22. MOVEMENT IN FUNDS - continued

BBC Children in Need provided grant funding to fund a part-time Play Worker (as well as training and travel), sessional staff, small equipment and trips and activities in Dinas.

Grant funding was received from the following organisations as contributions toward the Sparc programme which focuses on involving young people in a range of art activities:

- **Arts Council of Wales**
- **Esmee Fairbairn Foundation**

Colwinston Charitable Trust contributed funds to support the Artist in residence salary plus a contribution towards participatory arts workshops and the exhibitions programme.

Charities Aid Foundation America the Swinburn Trust awarded Valleys Kids £50,089 to fund a new Director post as part of the 2021 transition process to a new senior management structure.

Waterloo Foundation supported the appointment of a new CEO within a new senior management & fundraising structure during a critical transition period with a grant of £150,000 over three years. The first instalment of £50,000 was received this year.

Tudor Trust supported the transition period with a donation of £49,000 to enable the employment of a full time Director of Programmes.

Rhondda Cynon Taf CBC - Parenting Support awarded £276,212 to Valleys Kids for the delivery of parenting support service.

Rhondda Cynon Taf CBC - Young Gifted and Welsh awarded £11,685 for delivery of the Young Gifted and Welsh project to address Mental Health and Wellbeing for young people in RCT who have been impacted by repeated lockdowns during the Covid pandemic. The grant contributed to two Freelance Level 3 Youth Workers, activities, four residential stays, travel and food.

Interlink - Community Response to Adverse Childhood Experience awarded Valleys Kids £23,800 for the development of community and partner involvement in a place based and community development approach to adverse childhood experiences. The purpose of the work including the identification and involvement of members of the community of relevant practitioners in the promotion of opportunities to be involved in conversations and awareness and training, and to work with the community, Interlink and other stakeholders and to identify the next steps in relation to future work, priorities and funding. Funding was awarded to deliver consultancy and staffing days January - March 2022, Trauma Informed Educator training for two people, Network meetings (3) Rhydyfelin, Upper Rhondda and Mid Rhondda, focus groups and questionnaires with six agency partners and evaluation and findings to include an external validation.

South Wales Police UK - Good Health programmes awarded Valleys Kids a grant of £34,147 to support community-based, self-help and peer support groups which are helping to tackle Adverse Childhood Experiences (ACEs). The grant was provided to enable beneficiaries to support women from racially and ethnically minoritised backgrounds; support women and children who have experienced domestic or sexual abuse/violence; support women with neurodiversity needs and enable beneficiaries to be better informed / empowered to act on information.

Trivallis- Together Again awarded Valleys Kids £4,555 to deliver the Together Again project to provide children, between the ages of 5 and 11 years of age, from Penygraig and the surrounding area, opportunities to play and socialise twice a week at the Soar Centre.

Valleys Kids received £74,960 from the **WCVA Third Sector Resilience Fund 2** to fund an integrated team to develop our social businesses, fundraise from individuals, companies, trusts etc and market the organisation and social businesses. This led to the employment of a full-time Fundraising Manager, a part time Trusts and Foundations Fundraiser and a full time Communications Officer.

Arts

Funding was received from the following organisations as contributions toward the Arts programme which focuses on involving young people in a range of art activities:

- **Arts Council of Wales**
 - **Colwinston Charitable Trust**
-

22. MOVEMENT IN FUNDS - continued

- The Darkley Trust
- Action in Caerau and Ely

Family Work

Funding was received from the following organisations as contributions toward the Family Work programme which focuses on providing comprehensive assistance to families in achieving their goals by equipping them with the necessary tools and support to develop their skills:

- RCTCBC
- Save the Children
- National Lottery Community Fund

Children and Young People

Funding was received from the following organisations as contributions toward the Children and Young People programme which focuses on supporting every child's right to play, learn and discover and working with young people to develop their self confidence and encourage the development of aspirations and goals:

- Arts & Business Cymru
- Western Power Distribution - Community Matters Fund
- Gwendoline and Margaret Davies Charity
- Community Foundation in Wales
- Cwm Taf Morgannwg University Health Board
- Welsh Government
- Children in Need
- RCTCBC
- Interlink RCT

Older People

Funding was received from the following organisations as contributions toward the older adults programme which is delivered across accessible Community and Family Hubs and provides a welcoming and exciting range of social and creative activities that encourages older people to develop new networks of friends and explore new interests, including engaging with the digital world:

- Alex Ferry Foundation
- Pontypridd Town Council
- Newydd Housing Association
- RCTCBC
- National Grid Electricity Distribution - Community Matters Fund
- Voluntary Action Merthyr Tydfil - Regional Integration Fund

General

Funding was received from the following organisations as contributions toward salaries, operational costs and repairs and maintenance:

- Charities Aid Foundation America
- WCVA: Third Sector Resilience Fund 3
- Welsh Church Act Fund
- RCTCBC
- Waterloo Foundation
- The Tudor Trust
- National Lottery Community Fund

Prior year restricted funds

The **National Lottery Community Fund** provided grant funding of £143,083 towards Working Families which is a project, based in Rhondda Cynon Taf, working in partnership with Spice (now Tempo) to provide opportunities for working families experiencing in-work poverty. By using a time credit model, individuals will increase in confidence, self-esteem and health and well-being, whilst also building resilience and increasing social capital, and being empowered to participate in activities and experiences that they cannot ordinarily access, thus improving their quality of life.

The **Millennium Stadium Charitable Trust** contributed £5,100 in the 2019/20 financial year towards restoration and upgrade work on the Soar Centre.

The **National Lottery Community Fund** awarded grant funding in support of the People and Places - Family Links project which focuses on working with families in poverty or struggling to cope following austerity measures in RCT. The grant will fund one full time project co-ordinator, two full time family support workers,

22. MOVEMENT IN FUNDS - continued

two part time family support workers and one part time monitoring and evaluation officer. The grant will also be used for project delivery costs, training and expenses and project overheads.

The National Lottery Heritage Fund provided a grant to be used for the Fernhill Colliery Heritage Trail.

The **Hodge Foundation** provided grant funding of £13,452 to be used for the Families in Need project.

Rhondda Cynon Taf CBC - Rhydyfelin Grant contributed £15,101 towards the staffing of Rhydyfelin Community and Family Hub.

Integrated Care Fund - Keeping Connected awarded Valleys Kids a grant of £9,272 for a befriending project for older people, including a dementia café at the Rhydyfelin Community and Family Hub and a number of therapy sessions and other activities to bring together isolated and vulnerable people in a supported environment.

Integrated Care Fund - Third Sector Small Grant Scheme awarded Valleys Kids £10,000 to deliver the "A Place and Time for You" project, developed from close collaboration with participants and key stakeholders who continue to inform the development of this discrete project established to engage adults in the first stages of dementia and their families and creating opportunities tailored to individual need and supporting those with dementia and their families to continue to engage in their community.

Community First - Family Engagement awarded Valleys Kids a Family Engagement grant of £81,548 to deliver family and youth activities at Valleys Kids Community and Family Hubs.

Interlink - Mental Health Covid Response provided a grant of £36,000 for the project 'A Space for Us' - working with the community to improve mental wellbeing' to deliver sessions, activities and provide support to Children, Young People and Families whose levels of anxiety and depression increased dramatically as a result of the Covid epidemic in Rhondda and Taff - especially in the communities of Rhydyfelin, Penygraig, Dinas, Porth and Penyreglyn. A follow-on grant of £26,640 was received to continue the project, which provided Weekly Drama Workshops, online drama workshops, emotional wellbeing support, counselling via a partner organisation, wellbeing packs, play packs and youth activity packs.

Interlink - Winter Pressures grant of £10,441 to Valleys Kids to ensure the physical and mental wellbeing of disadvantaged and isolated older people in Penygraig, Penyreglyn, Dinas and Rhydyfelin over the winter season. This was delivered through connected projects: hampers for elderly and vulnerable people, a Christmas party for older people who would otherwise be alone at Christmas the chance to come together and enjoy a cup of tea and a mince pie.

Tesco - Yard Grant a grant of £1,100 to support the food parcel scheme operated out of the Play Yard and the work in partnership with local schools. The funding was used to purchase equipment to support the delivery of the food parcel scheme (shelving, refrigeration and heavy-duty trollies).

Pobl Trust - Yard Grant a grant of £1,000 to support the food parcel scheme operated out of the Play Yard also expand on the work we do with schools we purchased kitchen equipment which has enabled us to deliver training with young people and hold healthy eating/cooking workshops with school children.

Parent Infant Foundation awarded Valleys Kids a grant of £4,400 to conduct a consultation of parents of children 0-2 years in Bridgend and RCT.

South Wales Police UK - ACEs awarded grant of £3,779 to engage with cohort of children facing ACEs and deliver two residential stays at Little Bryn Gwyn residential centre for primary school children from Awel y Môr Primary School in Port Talbot and Coedffranc Primary School in Skewen, Neath.

Genesis - Kick Start Grant awarded £10,000 to deliver the creative Front Room project - a community catalyst for recalling forgotten memories, sharing stories and making connections. Funding enabled the Valleys Kids' Artist in Residence and three freelance artists to collaborate to create a Pop-Up Art Installation The Front Room, which existed in the real and virtual world.

22. MOVEMENT IN FUNDS - continued

New Horizons contributed £2,000 towards the cost of supporting specialist mental health intervention and training.

Swansea Council - Summer of Fun grant contributed £5,000 towards building an adventure playground at Little Bryn Gwyn, involving open days and training for young people and families. Swansea Council also contributed £3,000 holiday fun grant to enable us to run a week of activities at Little Bryn Gwyn during October half term.

Transfers between funds

Transfers totalling £21,241 (2022 - £3,553) were made between funds to reflect the purchase of fixed assets.

23. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions paid by the charity to the fund and amounted to £22,136 (2022: £19,149). Contributions outstanding at the year-end amounted to £3,867 (2022: £1,410).

24. CONTINGENT LIABILITIES

Improvements to property include amounts of £1,575,557 which represent funding received for the project from the Arts Council of Wales and Welsh Government. The funding is subject to a charge on property (Soar Centre) which will not be released until 18 August 2030. If the property is sold at any time in the period to that date, both organisations reserve the right, at their discretion, to reclaim a percentage of the sale proceeds up to but not exceeding £1,575,557.

Funding of £250,000 was received from Welsh Government in 2019 for the purchase of and improvements to Little Bryn Gwyn. The funding is subject to a charge on the land known as Valleys Kids, Little Bryn Gwyn, Cilbion, Llanrhidian, Swansea, SA3 1 ED.

No liabilities are expected to arise in the foreseeable future.

VALLEYS KIDS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

25. RELATED PARTY DISCLOSURES

During the year, the charity received donations of £416 (2022: £6,646) from two trustees (2022: two).

The trustees of the Penygraig Community Project charity are also trustees of Valleys Kids and therefore the two charities are related parties. During the year, the following transactions occurred between Valleys Kids and the Penygraig Community Project charity:

	2023 £	2022 £
Rent expense paid	<u>22,296</u>	<u>22,296</u>

During the year, trustee, C Assiratti was paid £5,000 for performing internal job evaluations of all charity staff.

No amounts were outstanding at year end.

26. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023 £	2022 £
Within one year	23,706	53,606
Between one and five years	<u>44,592</u>	<u>66,888</u>
	<u>68,298</u>	<u>120,494</u>

Total operating lease payments recognised as an expense in the year were £68,782 (2022: £37,623).

27. SUBSIDIARY COMPANY

Valleys Creative Limited, company number 08151686, was incorporated on 20 July 2012 as a company limited by guarantee. It is wholly owned by Valleys Kids with the guarantee limited to £1.

Valleys Creative Limited, registered office:
The Factory Welsh Hills Works
Jenkin Street
Porth
CF39 9PP

Valleys Creative Limited provides recreational, educational and wellbeing facilities. The total net profit is donated to Valleys Kids.

A summary of the results of the subsidiary is shown below:

	2023 £	2022 £
Turnover	249,001	200,105
Cost of sales	<u>(74,849)</u>	<u>(54,163)</u>
Gross profit	174,152	145,942
Other income	28,493	42,055
Expenditure	(195,620)	(145,978)
Tax	<u>(1,710)</u>	<u>-</u>
Net (loss)/profit	<u>5,315</u>	<u>42,019</u>

The aggregate of the assets and liabilities at 31 March were:

	2023 £	2022 £
Assets	115,952	129,108
Liabilities	(97,352)	(85,737)

28. PRIOR YEAR ADJUSTMENT

The accounts have been restated to reflect the correction of a prior year error whereby income received between April 2020 and September 2021 was not taken into account in the calculation of the balance due in relation to the Community Rugby debtor.

The correction has resulted in the following amendments to the prior period figures:

	2022
	£
Reduction in charitable activity direct costs	1,045
Reduction in other debtor balance	2,139
Increase in other creditor balance	19,414
Reduction in opening reserves	22,598