



Canolfan Maerdy

**REPORT
OF THE
TRUSTEES**

FOR THE YEAR 2016

CANOLFAN MAERDY

REPORT OF THE TRUSTEES FOR THE YEAR 2016

The trustees present their report with the financial statements of the charity for the year ended 31 December 2016. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity Number	1131506
Registered Company Number	06768110
CSSIW Registration Number	W130000007
Registered Address	Old NCB Offices, New Road, Tairgwaith Nr Ammanford SA18 1UP
The Trustees appointed/re-elected were:	Mr Leonard Preece Trustee (Chair) Mrs Maggi Dawson Trustee Dr Sonia Reynolds Trustee Mrs Ann Lee Trustee Mrs Gwenda Thomas Trustee Miss Kirstie Young Trustee
Company Secretary	Mrs Gillian Webber Chief Executive Officer
Independent Examiner	Bevan & Buckland Langdon House, Langdon Road SA1 Swansea Waterfront, Swansea SA1 8QY
Bankers	Unity Trust Bank, Nine Brindley Place, Birmingham B1 2HB
Solicitors	D R James & Son, 3-4 Dynevor Terrace, Pontardawe, Swansea SA8 4HY
Senior Management Team	Mrs G Webber Chief Executive Officer Mrs A Rowlands Nursery Manager Mrs K Evans Nursery Manager Ms Z Davies Senior Youth Worker

CANOLFAN MAERDY

REPORT OF THE TRUSTEES FOR THE YEAR 2016

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Canolfan Maerdy incorporated on 8th December 2008 and registered as a charity on 4th September 2009. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

Management Committee/ Organisational structure

The Board of Trustees, currently with six members, administers the Charity. The Board meets at least six times per year and there are sub-committees that report to the Board on a task and finish basis. A Chief Executive is appointed by the Trustees to manage the day-to-day operations of the Charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the Board, for operational matters including finance, employment and performance related activities within the core services.

The Trustee Board has oversight of financial matters through reports to each of the Trustee Board meetings and the Trustee Board may amend these powers from time to time.

As at 31 December 2016, there are 15 part-time staff and 3 full time staff.

The Management Committee meet monthly and are responsible for the strategic direction and policy of the charity. At present the Committee has members from a variety of professional backgrounds relevant to the work of the charity. The Secretary also sits on the Committee but has no voting rights. A scheme of delegation is in place and day to day responsibility for the provision of the services rest with the Chief Executive along with the Nursery Managers and Senior Youth Worker.

The Chief Executive is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. Together with the Nursery Managers and Senior Youth Worker, they have the joint responsibility for the day to day operational management of the centre, youth work and childcare facility, individual supervision of the staff and volunteer teams and ensuring that they continue to develop their skills and working practices in line with good practice.

Responsibilities of the Management Committee

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and

- prepare the financial statements on the going concern basis unless it is not appropriate to assume that the company will continue on that basis.

The Management Committee is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The Management Committee is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Recruitment and Appointment of Management Committee

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Management Committee. All members of the Management Committee give their time voluntarily and received no benefits from the charity. Any expenses reclaimed from the charity are set out on page 12 of the accounts.

In an effort to maintain a broad skill mix, members of the Management Committee are requested to provide a list of their skills (and update it as changes occur) and in the event of particular skills being lost due to retirements, individuals are approached to offer themselves for election to the Management Committee.

Attention of members is drawn to the need to have a balance of representation and diversity including: gender, age, ethnicity, disability, sexuality and geography. The Trustee Board meets no less than six times in each financial year.

The rules regarding the number of directors and their appointment, reappointment and removal are contained in the Articles of Association to which reference should be made.

As set out in the Articles of Association, the Chair of the Trustees is appointed at the AGM.

All members are circulated with invitations to nominate Trustees prior to the AGM. Full lists of those nominated are circulated to members prior to the AGM date for consideration.

Trustee Induction and Training

Most trustees are already familiar with the practical work of the charity and operate on a 'hands on' basis, assisting with operational matters as required. Additionally, new trustees are invited and encouraged to attend a series of short training sessions (of no more than an hour) to familiarise themselves with the charity and the context within which it operates. These are jointly led by the Chair of the Management Committee and the Chief Executive of the charity and cover:

- The obligations of Management Committee members.
- The main documents which set out the operational framework for the charity including the Memorandum and Articles.
- Resourcing and the current financial position as set out in the latest published accounts.
- Future plans and objectives.

New Trustees receive an induction pack containing the following:

- Declaration to act as a Trustee
- Terms of Reference
- Code of Conduct
- Equal Opportunities monitoring form

- Declaration of Interest Form
- Skills and Knowledge Audit
- Charity Commission CC3 document - Responsibilities of Trustees
- Memorandum and Articles of Association
- Annual Report and Accounts
- Information regarding Trustee Board meetings

A Question & Answer pack has also been prepared drawing information from the various Charity Commission publications signposted through the Commission's guide "the Essential Trustee" as a follow up to these sessions. This is distributed to all new trustees along with the Memorandum and Articles and the latest financial statements. Feedback from new trustees about their induction has been very positive.

Functions of the Board include:

- To have control of the Charity and its property and funds.
- To have responsibility for overall governance and strategic direction.
- To develop the aims, objectives and organisational goals in accordance with the legal and regulatory framework of the sector and in line with the organisation's governing document, continually striving for best practice in governance.
- To uphold the fiduciary duty invested in the position, undertaking such duties in a way that adds to public confidence and trust.
- Interviewing, appointing and monitoring the work and activities of senior paid staff.

The Trustee Board members are required to sign a Code of Conduct Declaration and Register of Interest.

Risk management

The directors have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The directors actively review the major risks to which the organisation has been exposed on a regular basis. A risk register has been established and is updated annually with an appropriate action plan. Controls are in place to minimise internal risks by the implementation of procedures for authorisation of all transactions and projects. Health & Safety reviews are carried out regularly. The directors also regularly examine other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.

The directors believe that the aim to maintain the free reserves at the levels agreed by the Board, combined with an annual review of the controls over key financial systems carried out through an internal audit programme, will provide sufficient resources in the event of adverse conditions.

Related parties

We would like to thank all the agencies that have worked with us in the past year to help us improve our existing services and develop new approaches to meeting the needs of children, young people and the wider community.

OBJECTIVES AND ACTIVITIES

Canolfan Maerdy was established in 2008, is a charity & limited company and operates as a social business. It is governed by a Board of volunteer Trustees (the Directors), employs 18 people, has a strong volunteer base and provides community services and activities to the local communities in the Amman and Upper Twrch Valleys.

Canolfan Maerdy is based in Tairgwaith which is a small rural village situated in the county of Neath Port Talbot but bordering Carmarthenshire and Powys, predominantly serving people living within a five mile radius. We work in partnership with other like-minded organisations to deliver our services.

Vision:

“To be a sustainable community resource centre to serve the needs of the local community, so that people can achieve their potential and enjoy an improved quality of life.”

Canolfan Maerdy aims to tackle poverty and provide quality services and activities to improve wellbeing for communities in and around the Upper Amman and Twrch valleys.

The company has to comply with the Companies Act 1985 (the accounting provisions of the Companies Act 2006 applying to period starting on or after 6 April 2008), the SORP and new public benefit reporting requirements.

The organisation's income comprises a mix of sources – small grants, income generated through service provision, core funding from the local authority and other unrestricted fundraising initiatives.

Each year our Trustees review our objectives and activities to ensure they continue to reflect our aims. In carrying out this review the Trustees have considered the Charity Commission's general guidance on public benefit.

Canolfan Maerdy's work is guided by our **core values** as follows:

Quality

We have clearly defined services that reflect our overall vision and strategic purpose developed in consultation with service users.

Equality

We are committed to equality & diversity and ensuring services are accessible and inclusive.

Participation

We ensure that the community are involved in the design and delivery of services and that they are involved in the decision-making processes at all levels.

Responsive

Holistic services which reflect individual needs.

Accountable

Effective and accountable governance, which reflects the ethos of the Canolfan Maerdy.

Strategic Aims

Management & Governance - The management and governance of Canolfan Maerdy will create value by being efficient, effective and accountable.

Human Resources – Canolfan Maerdy staff will have the skills to enable our objectives to be met within a framework that ensures they are supported, appraised, valued and developed.

Finance & Funding – Canolfan Maerdy will generate sufficient income to meet its objectives and have appropriate systems to ensure resources are managed efficiently and accountably.

Physical Resources – Canolfan Maerdy will have the physical resources required to meet its objectives.

Communication – Canolfan Maerdy will effectively communicate both internally and externally with stakeholders.

Childcare and Youth Work – Canolfan Maerdy will promote opportunities for children and young people to gain the knowledge, skills and experience to enjoy a healthy lifestyle and reach their full potential. Children’s rights are at the heart of our service.

Health and Wellbeing – Canolfan Maerdy will provide services and support to enable children, young people and adults to lead healthy lives and tackle health inequalities.

Community Development – Canolfan Maerdy will enable local people to decide, plan and take action to meet their own needs and supports the development of local services to become more effective and accessible, directly impacting upon quality of life, economically, socially and improving health and well-being.

Equality & Diversity – Canolfan Maerdy will promote equal rights & diversity in the community.

Training – Canolfan Maerdy will provide training and development opportunities to improve the quality and effectiveness of service delivery.

Canolfan Maerdy’s business services cover 6 key areas:

- **Bilingual childcare for ages 0 - 11**
- **Youth Work**
- **Training**
- **Community Café**
- **Office Facilities**
- **Employment Support**

Our Ethos

- We believe in collective action
- We promote social justice and making a positive difference to people's lives
- We take a holistic approach to people's needs
- We empower people and make voices heard
- We build social capital and reinvest financial surpluses for community need.

Ensuring our work delivers our aims

We review our aims, objectives and activities each year. This review looks at what we have achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps us ensure our aims, objectives and activities remain focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

The focus of our work

Our main objectives for the year were to continue to develop and grow Canolfan Maerdy's income generation activity, reduce dependency on grants and to improve sustainability. We made this happen by focussing on quality, strengthening management and leadership, empowering staff, developing strong partnerships, offering value for money, meeting need, expanding and diversifying our provision for young people and families, seeking contracts for service provision where that fits with its objectives within the community, and further development of community business. The Centre has continued to operate as a Family and Community focused resource offering childcare, youth provision, opportunities for learning, employment & enterprise development support, café services, office services and other relevant and needed services in support of local regeneration.

ACTIVITIES/SERVICES

How our activities deliver public benefit

Our main activities and who we try to help are described below. All our charitable activities focus on providing services for local children, young people and adults in our communities to empower and help them improve their quality of life.

Education, Skills & Training

Canolfan Maerdy provides services for children, young people and adults to gain access to services to improve educational attainment, skills and employment opportunities.

Canolfan Maerdy has a variety of accessible, multi-purpose rooms (including a first class computer suite), which are used in partnership with other like-minded organisations to provide training, activity sessions, parties, meetings and events with the added benefit of a large, free, car park, community café, office services and a 'disabled-friendly' premises.

A range of training was provided during 2016, including:

First Aid	Child Protection/Safeguarding Children
Food Safety	Outdoor Activities for Children
Youth Work	Arts and Crafts
ICT – Basic Computers	Busy Feet
Community Nutrition	Cross Infection prevention
Food Preparation and Service Level 2	Elklan speech and language
Childcare Level 5	Designed to Smile
Childcare Level 3	Paediatric First Aid
Playwork Level 3	British Sign Language
Empathy Doll	Parent Nurturing Skills

Childcare

Our children's nursery 'Lots of Tots' is registered with CSSIW for 52 children between the ages of 0 and 11. 156 different children have used our facilities during the year and the nursery provides 'wraparound' bilingual childcare jointly run by two managers who are qualified to level 5. The remaining 12 nursery staff are all qualified to level 3 with the exception of two who are qualified to level 2 but are training to achieve level 3 accreditation and three are studying level 5 in childcare. Lots of Tots is a Flying Start Centre and the facility provides foundation phase activities, an enclosed, safe outdoor play area, a sensory garden and holiday, breakfast and afterschool club activities. Children are also picked up from and dropped off to homes and three local primary schools. Meals and snacks are freshly cooked on the premises in a 5* kitchen. The nursery is part of the Healthy and Sustainable Pre-School Scheme and is working towards a number of other quality accreditations.

Maerdy Youth

Maerdy youth has 103 registered members and around 25 young people meet weekly and enjoy a variety of activities including crafts, games, healthy cooking, music, physical activity and residential. The group is diverse, with members coming from 6 different local villages and includes 8 young people with learning and/or physical disabilities, 4 with LGBT characteristics and 5 young carers.

This is a very social group who love having somewhere safe and fun to go and to cook and eat healthy food together. Their ages range from 11 to 17 years. Maerdy Youth works with a number of youth partner agencies including Neath Port Talbot Youth Service, YMCA Swansea, Whitehead Ross and Neath Port Talbot PASS.

CV Advice and Support/Job Search

Canolfan Maerdy staff and partners help local people to look for work on the internet, complete application forms and compile CVs and covering letters. This is invaluable for those who are unemployed, IT illiterate, have poor administrative/writing skills and do not have access to the internet at home or on smart phones or tablets.

Craft Club

Members meet weekly and bring along their arts and crafts, share ideas and skills and enjoy refreshments together and the social aspect of the group. Some crafts are donated to Canolfan Maerdy to sell to visitors to the Centre to help with our fundraising activities.

Tai Chi Sessions:

Held weekly, the sessions help local people to de-stress and develop their core physical strength and co-ordination.

Maerdy Café

The café cooks and serves meals and snacks to the crèche, is a 'drop in' facility for the local community and caters for people attending courses and activities. It has a 5* hygiene rating.

Office Services

The Centre provides useful facilities for local people who require the support of office services such as photocopying, faxing and typewriting of documents.

Community Services

Canolfan Maerdy distributes food waste and recycling bags to visitors of the Centre on behalf of the local authority.

Volunteering and Work Placements

Volunteers are a valued and important resource for Canolfan Maerdy and are core to the delivery of our services. Our youngest volunteer is 11 and our eldest volunteer is 76. Collectively, the

volunteers that provide help to Canolfan Maerdy donated over 5,500 hours of their time during 2016.

We have been delighted to host young people from local schools and colleges enabling them to gain meaningful work experience. Tasks undertaken by volunteers and work placements comprise:

Administration/Reception
Kitchen Assistance
Nursery Support
Youth Work
Community Gardening

Monitoring and Evaluation
Trustees
Company Secretary
General Caretaking
Marketing Support

ACHIEVEMENT AND PERFORMANCE

Canolfan Maerdy supports approximately 600 vulnerable children, young people and adults per annum. Our main beneficiaries are disadvantaged due to poverty, rural isolation, ill health & low educational achievements.

Who used and benefited from our services?

Most service users live within a 5 mile radius of our Centre. 141 families used our childcare facility, 159 people were trained in the Centre, 127 of whom achieved qualifications and 105 young people regularly use the Youth Club, which established in January 2015. Canolfan Maerdy delivered 22 services that would not otherwise be available in the community, 12 services were delivered from the centre by other organisations, ie Neath Port Talbot Credit Union, Age Connects Neath Port Talbot, Alzheimer's Society, ABMU Primary Care Mental Health Support, Swansea University, University of South Wales, YMCA Swansea, Post Office Services, Workways, Neath Port Talbot PASS, Citizens Advice Bureau and the Amman and Twrch Valley Branch of WEA.

Employment

Canolfan Maerdy is a key local employer and provided employment for 23 staff during the year – all but one living within a four mile radius. Five staff are undertaking apprenticeship training at levels 3 and 5 and we provided volunteering and work placement opportunities for 48 people who collectively donated over 5,500 hours of their time to support Canolfan Maerdy's services and activities during the past year.

People

People are at the 'heart' of what we do, and are involved in planning, developing and evaluating our services to ensure that they are relevant, meet need and are fit for purpose.

Working in partnership to improve the quality of life for people in our communities, we provide services to 280 people per week in a supportive environment that cares for the most vulnerable and disadvantaged members of our community.

Canolfan Maerdy has a long standing track record of successful community engagement offering accessible services to meet local need and has an inclusive approach & commitment to social justice.

Health & Well-Being

Our Health & Well-being Programme works with 200 children, young people and adults per annum to improve fitness, wellbeing, mental & physical health, nutrition and support people with disabilities.

Services Include:

- **Healthy Eating and Cooking Programmes**
- **Physical Activities and Tai Chi**
- **Mental and Emotional Health Support**

Canolfan Maerdy Project Portfolio

Canolfan Maerdy has extensive project management experience including community enterprise, ICT projects, nursery provision, youth services, craft projects, lifestyle improvement projects and catering provision. Through all we do, we aim to support communities to become active citizens and gain the skills to live safe, independent lives.

FINANCIAL REVIEW

During the year the Charity raised income principally from service level agreements, childcare, training, fundraising activities, donations and grants. Against the backdrop of limited resources, insecurities over funding and long-term delays in securing a lease for the building, it has continued to be difficult to plan or develop services. Nevertheless the charity, with the aid of sound financial management and the support of both its staff and volunteers generated an income of £239,548 – an increase of £65,680 on last year. An expenditure of £251,362 resulted in a net income against expenditure of (£16,474) an improvement on last year's figure of (£37,299). With the reconciliation of funds, this brought the total funds to carry forward into 2017 at £11,695. All income and expenditure has arisen from continuing activities.

During the year, grants were received from Neath Port Talbot Third Sector Grant, Children in Need, REACT, Work Choice, Community Safety Grant, WEA YMCA Start-up Grant, GBS Health Milk Grant and Mynydd y Betws Community Fund to provide new opportunities for employment, young people, children and training. Various childcare support schemes and Flying Start provided monies to enable children to enjoy nursery activities.

Focus has been placed on positioning the organisation to increase its unrestricted income generation through its childcare services, café and training so that it becomes less reliant on income from grant funding, which is becoming less available due to the available of funds and a more competitive environment.

Investment Power and Policy

Under the Constitution, the Charity has the power to invest in any way the Trustees wish.

Reserves Policy

Restricted funds will be used during the year for the purposes for which they are received. The Trustees have reviewed the Charity's need for reserves in line with guidance by the Charity Commission and intend to hold unrestricted, general-purpose funds at a reasonable level in line with running costs.

Canolfan Maerdy's Board aims to fix its reserves as prescribed to be the minimum by the Charities Commission - with adequate financial stability and the means for it to meet its charitable objectives, sufficient to operate for three months or to pay statutory redundancy requirements for all staff plus any other commitments should the organisation require due to circumstances beyond its control to cease operation. The Trustees aim to maintain the charity's reserves at a level which is at least equivalent to four months' operational expenditure and does so according to its manner of operation of likely funding streams.

The trustees review the amount of reserves that are required to ensure that they are adequate to fulfil the charity's continuing obligations on at least a quarterly basis at their Board meetings.

Members of the Management Committee, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 2. In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant financial or audit information of which the company's accountants are unaware; and
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's accountants are aware of that information.

Risk Management

The Management Committee has conducted a review of the major risks to which the charity is exposed. A risk register has been established and is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Significant external risks to funding have led to the development of a strategic plan which will allow for the diversification of funding and activities. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the centre.

Accountants

Bevan & Buckland were appointed as the charitable company's accountants during the year. This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

Approved by the Management Committee on 7 September 2016 and signed on its behalf by:



.....
Mr L Preece (Director/Trustee)
Canolfan Maerdy

(The Unaudited Financial Statement for the year ending 31 December 2016 is attached as a separate document)

REGISTERED COMPANY NUMBER: 06768110 (England and Wales)
REGISTERED CHARITY NUMBER: 1131506

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2016
FOR
CANOLFAN MAERDY**

Bevan & Buckland
Langdon House
Langdon Road
SA1 Swansea Waterfront
Swansea
SA1 8QY

CANOLFAN MAERDY

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FOR THE YEAR ENDED 31 DECEMBER 2016**

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CANOLFAN MAERDY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2016

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2016. 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 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The company is a non-profit making organisation whose objectives are to promote the benefits of the inhabitants of the County Borough of Neath Port Talbot and surrounding areas, without distinction of sex, sexual orientation, race or political, religious or other opinions by Associating the local authorities, voluntary organisations and inhabitants in a common effort to advance education and to provide facilities in the interests of social welfare for recreation of life for the said inhabitants. Also the charitable company aims to maintain and manage a centre for activities promoted by the charity and its constituent bodies in furtherance of the above objects.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The organisation is a charitable company limited by guarantee, incorporated on 8th December 2008 and registered as a charity on 4th September 2009. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

Recruitment and appointment of new trustees

The directors of the company are also charity trustees for the purpose of charity law. The rules regarding the number of directors and their appointment, reappointment and removal are contained in the Articles of Association to which reference should be made.

Risk management

The Directors actively review the major risks which the charity faces on a regular basis and they believe that maintaining the free reserves at the levels stated below, combined with an annual review of the controls over key financial systems carried out through an internal audit programme, will provide sufficient resources in the event of adverse conditions. The Directors have also examined other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

06768110 (England and Wales)

Registered Charity number

1131506

Registered office

Old NCB Offices
New Road
Tairgwaith
Ammanford
Carmarthenshire
SA18 1UP

CANOLFAN MAERDY

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2016**

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Mrs M H Dawson

Mrs A Lee

Mr L J Preece

Doctor S H Reynolds

Mrs G Thomas

Miss K Young

- appointed 17.10.16

- appointed 10.1.17

Company Secretary

Mrs G Webber

Independent examiner

Bevan & Buckland

Langdon House

Langdon Road

SA1 Swansea Waterfront

Swansea

SA1 8QY

Approved by order of the board of trustees on and signed on its behalf by:

.....
Mr L J Preece - Chair of Trustees

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
CANOLFAN MAERDY**

I report on the accounts for the year ended 31 December 2016 set out on pages four to eleven.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

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

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

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
 - to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Henry Lloyd-Davies
Bevan & Buckland
Langdon House
Langdon Road
SA1 Swansea Waterfront
Swansea
SA1 8QY

Date:

CANOLFAN MAERDY

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Notes	Unrestricted fund £	Restricted fund £	2016 Total funds £	2015 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities					
Charitable activities		221,640	13,539	235,179	170,807
Other trading activities	2	3,263	-	3,263	2,338
Investment income	3	1	-	1	20
Other income		1,105	-	1,105	703
Total		<u>226,009</u>	<u>13,539</u>	<u>239,548</u>	<u>173,868</u>
 EXPENDITURE ON					
Charitable activities					
Charitable activities		237,823	13,539	251,362	207,853
Other		4,662	-	4,662	3,314
Total		<u>242,485</u>	<u>13,539</u>	<u>256,024</u>	<u>211,167</u>
NET INCOME/(EXPENDITURE)		<u>(16,476)</u>	<u>-</u>	<u>(16,476)</u>	<u>(37,299)</u>
 RECONCILIATION OF FUNDS					
Total funds brought forward		28,171	-	28,171	65,470
TOTAL FUNDS CARRIED FORWARD		<u><u>11,695</u></u>	<u><u>-</u></u>	<u><u>11,695</u></u>	<u><u>28,171</u></u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

CANOLFAN MAERDY

**BALANCE SHEET
AT 31 DECEMBER 2016**

	Notes	Unrestricted fund £	Restricted fund £	2016 Total funds £	2015 Total funds £
FIXED ASSETS					
Tangible assets	9	10,449	-	10,449	15,387
CURRENT ASSETS					
Debtors	10	3,119	-	3,119	7,233
Cash at bank and in hand		973	9,587	10,560	21,597
		<u>4,092</u>	<u>9,587</u>	<u>13,679</u>	<u>28,830</u>
CREDITORS					
Amounts falling due within one year	11	(2,846)	(9,587)	(12,433)	(16,046)
		<u>1,246</u>	<u>-</u>	<u>1,246</u>	<u>12,784</u>
NET CURRENT ASSETS					
		<u>11,695</u>	<u>-</u>	<u>11,695</u>	<u>28,171</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>11,695</u>	<u>-</u>	<u>11,695</u>	<u>28,171</u>
NET ASSETS					
		<u>11,695</u>	<u>-</u>	<u>11,695</u>	<u>28,171</u>
FUNDS					
Unrestricted funds	12			11,695	28,171
Restricted funds				-	-
TOTAL FUNDS					
				<u>11,695</u>	<u>28,171</u>

The notes form part of these financial statements

CANOLFAN MAERDY

**BALANCE SHEET - CONTINUED
AT 31 DECEMBER 2016**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2016.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2016 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees on and were signed on its behalf by:

.....
Mr L J Preece –Chair of Trustees

CANOLFAN MAERDY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1. 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 2015)', 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.

Financial reporting standard 102 - reduced disclosure exemptions

The charity has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

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.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity 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.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business has been fully amortised in the current year.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 25% reducing balance
Motor vehicles	- 25% reducing balance
Computer equipment	- Straight line over 4 years

Taxation

The charity is exempt from corporation tax on its charitable activities.

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.

CANOLFAN MAERDY

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. OTHER TRADING ACTIVITIES

	2016	2015
	£	£
Fundraising events	3,263	2,338
	<u> </u>	<u> </u>

3. INVESTMENT INCOME

	2016	2015
	£	£
Bank account interest	1	20
	<u> </u>	<u> </u>

4. NET INCOME/(EXPENDITURE)

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

	2016	2015
	£	£
Depreciation - owned assets	4,938	5,498
	<u> </u>	<u> </u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2016 nor for the year ended 31 December 2015 .

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2016 nor for the year ended 31 December 2015 .

6. STAFF COSTS

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

	2016	2015
Management	3	3
Kitchen staff	1	1
Nursery staff	9	5
Office staff	4	4
Cleaning staff	1	1
	<u> </u>	<u> </u>
	<u>18</u>	<u>14</u>

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

CANOLFAN MAERDY

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2016**

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Charitable activities	148,949	21,858	170,807
Other trading activities	2,338	-	2,338
Investment income	20	-	20
Other income	703	-	703
Total	<u>152,010</u>	<u>21,858</u>	<u>173,868</u>
 EXPENDITURE ON			
Charitable activities			
Charitable activities	185,995	21,858	207,853
Other	3,314	-	3,314
Total	<u>189,309</u>	<u>21,858</u>	<u>211,167</u>
NET INCOME/(EXPENDITURE)	<u>(37,299)</u>	<u>-</u>	<u>(37,299)</u>
 RECONCILIATION OF FUNDS			
Total funds brought forward	65,470	-	65,470
TOTAL FUNDS CARRIED FORWARD	<u><u>28,171</u></u>	<u><u>-</u></u>	<u><u>28,171</u></u>

8. GRANTS

	Unrestricted £	Restricted £	Total £
NPTCBC-Core funding	17,957	-	17,957
GBS Health-milk grant	-	313	313
REACT	-	3,388	3,388
Youth grant	-	932	932
WEA YMCA start up grant	-	100	100
Children in Need	-	3,000	3,000
Work Choice	-	866	866
Mynydd y Betws Community	-	4,940	4,940
	<u>17,957</u>	<u>13,539</u>	<u>31,496</u>

CANOLFAN MAERDY

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2016**

9. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 January 2016 and 31 December 2016	16,147	12,000	11,640	39,787
DEPRECIATION				
At 1 January 2016	12,675	7,360	4,365	24,400
Charge for year	868	1,160	2,910	4,938
At 31 December 2016	13,543	8,520	7,275	29,338
NET BOOK VALUE				
At 31 December 2016	2,604	3,480	4,365	10,449
At 31 December 2015	3,472	4,640	7,275	15,387

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade debtors	1,519	3,523
Other debtors	1,600	3,710
	3,119	7,233

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade creditors	1,747	1,537
Social security and other taxes	3,183	-
Accruals and deferred income	7,503	13,039
Accrued expenses	-	1,470
	12,433	16,046

12. MOVEMENT IN FUNDS

	At 1.1.16 £	Net movement in funds £	At 31.12.16 £
Unrestricted funds			
General fund	28,171	(16,476)	11,695
TOTAL FUNDS	28,171	(16,476)	11,695

CANOLFAN MAERDY

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2016**

12. 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	226,009	(242,485)	(16,476)
Restricted funds			
Restricted Fund	13,539	(13,539)	-
TOTAL FUNDS	<u>239,548</u>	<u>(256,024)</u>	<u>(16,476)</u>

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2016.

CANOLFAN MAERDY

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2016**

	2016 £	2015 £
INCOME AND ENDOWMENTS		
Other trading activities		
Fundraising events	3,263	2,338
Investment income		
Bank account interest	1	20
Charitable activities		
Child care	160,561	89,619
Training	4,303	4,103
Cafe income	4,324	3,652
Consultancy fees	-	11,700
Grants	31,496	41,106
Flying start income	<u>34,495</u>	<u>20,627</u>
	235,179	170,807
Other income		
Sundry income	<u>1,105</u>	<u>703</u>
Total incoming resources	239,548	173,868
EXPENDITURE		
Charitable activities		
Wages	167,477	105,406
Social security	4,979	4,893
Rates and water	1,421	977
Light and heat	6,148	6,119
Telephone	1,377	1,652
Postage and stationery	1,738	1,580
Advertising	340	662
Sundries	312	739
Cost of sales	11,050	9,367
Computer expenses	1,870	2,461
Repairs and renewals	6,748	6,935
Cleaning and waste disposal	3,158	1,773
Nursery consumables	682	36
Kitchen consumables	256	650
Subscription	152	251
Payroll costs	992	924
Insurance	2,539	2,460
Trustee expenses	-	192
Travel expenses	813	212
Fixtures and fittings depreciation	868	1,041
Motor vehicles depreciation	1,160	1,547
Carried forward	214,080	149,877

This page does not form part of the statutory financial statements

CANOLFAN MAERDY

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2016**

	2016 £	2015 £
Charitable activities		
Brought forward	214,080	149,877
Computer equipment	2,910	2,910
	216,990	152,787
Other		
Staff training	866	300
Staff Uniform	823	11
Volunteer expenses	496	842
Pest control	360	360
Vehicle fuel	625	655
Motor licences and insurance	1,010	833
Motor repairs and servicing	317	240
Bank charges	165	73
	4,662	3,314
Support costs		
Management		
Wages	32,581	49,408
Professional fees	149	4,025
	32,730	53,433
Support costs		
Accountancy fees	1,440	1,440
Legal fees	202	193
	1,642	1,633
Total resources expended	256,024	211,167
Net expenditure	(16,476)	(37,299)