

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 2018
FOR
CANOLFAN MAERDY**

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

CANOLFAN MAERDY

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Page
Report of the Trustees	1 to 2
Independent Examiner's Report	3 to 4
Statement of Financial Activities	5
Balance Sheet	6 to 7
Notes to the Financial Statements	8 to 15
Detailed Statement of Financial Activities	16 to 17

CANOLFAN MAERDY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2018

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 2018. 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.

Although the charity has made a loss during the year, the loss is significantly lower than the previous year. At the end of the year the reserves have reduced to £105 and there are net current liabilities of £7,160. Since the year end the charity has successfully obtained new grants and childcare contracts that will help the charity to continue to operate. After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

06768110 (England and Wales)

Registered Charity number

1131506

CANOLFAN MAERDY

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2018**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered office

Old NCB Offices
New Road
Tairgwaith
Ammanford
Carmarthenshire
SA18 1UP

Trustees

Mrs M H Dawson
Mr L J Preece
Doctor S H Reynolds
Mrs G Thomas
Miss K Young
H T Pugh

Retired

- appointed 19.4.18

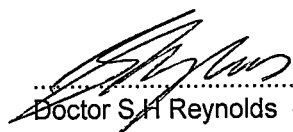
Company Secretary

Mrs G Webber

Independent examiner

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

Approved by order of the board of trustees on *16/9/2019* and signed on its behalf by:


.....
Doctor S.H Reynolds - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CANOLFAN MAERDY

Independent examiner's report to the trustees of Canolfan Maerdy ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2018.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement - matters of concern identified

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Institute of Chartered Accountants in England and Wales which is one of the listed bodies

I have completed my examination.

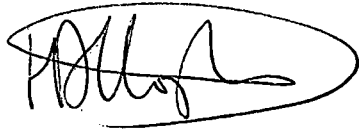
I have identified matters of concern that give me reasonable cause to believe that the company has not kept proper accounting records and that the accounts prepared for the Company are not fully compliant with the accounting requirements of section 396 of the 2006 Act because there may possibly be material income missing. There are concerns that there has been material nursery income not recorded in the books and records of the charity, this has arisen due to a weakness in controls over the reconciliation of nursery fees.

I confirm that no other matters have come to my attention in connection with the examination giving me reasonable cause to believe that in any material respect:

1. except for the matter of concern noted above accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. except for the matter of concern noted above the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; and
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I confirm that there are no other matters to which your attention should be drawn to enable a proper understanding of the accounts to be reached.

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
CANOLFAN MAERDY



Henry Lloyd-Davies
Institute of Chartered Accountants in England and Wales
Bevan Buckland LLP
Langdon House
Langdon Road
SA1 Swansea Waterfront
Swansea
SA1 8QY

Date: 25/9/19

CANOLFAN MAERDY

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Notes	Unrestricted fund £	Restricted funds £	2018 Total funds £	2017 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		5,199	-	5,199	338
Charitable activities	3				
Charitable activities		236,602	47,671	284,273	267,498
Other trading activities	2	1,812	-	1,812	613
Other income		1,102	-	1,102	286
		<hr/>	<hr/>	<hr/>	<hr/>
Total		244,715	47,671	292,386	268,735
 EXPENDITURE ON					
Charitable activities					
Charitable activities		243,142	47,671	290,813	275,318
Other		3,826	-	3,826	2,754
		<hr/>	<hr/>	<hr/>	<hr/>
Total		246,968	47,671	294,639	278,072
		<hr/>	<hr/>	<hr/>	<hr/>
NET INCOME/(EXPENDITURE)		(2,253)	-	(2,253)	(9,337)
 RECONCILIATION OF FUNDS					
Total funds brought forward		2,358	-	2,358	11,695
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD		105	-	105	2,358
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The notes form part of these financial statements

CANOLFAN MAERDY

**BALANCE SHEET
AT 31 DECEMBER 2018**

	Notes	Unrestricted fund £	Restricted funds £	2018 Total funds £	2017 Total funds £
FIXED ASSETS					
Tangible assets	8	7,265	-	7,265	6,018
CURRENT ASSETS					
Debtors	9	6,864	-	6,864	6,155
Cash at bank		(3,610)	24,444	20,834	4,559
		<u>3,254</u>	<u>24,444</u>	<u>27,698</u>	<u>10,714</u>
CREDITORS					
Amounts falling due within one year	10	(10,414)	(24,444)	(34,858)	(14,374)
NET CURRENT ASSETS/(LIABILITIES)					
		<u>(7,160)</u>	<u>-</u>	<u>(7,160)</u>	<u>(3,660)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		105	-	105	2,358
NET ASSETS					
		<u>105</u>	<u>-</u>	<u>105</u>	<u>2,358</u>
FUNDS					
Unrestricted funds	11			105	2,358
Restricted funds				-	-
TOTAL FUNDS					
				<u>105</u>	<u>2,358</u>

The notes form part of these financial statements

CANOLFAN MAERDY

**BALANCE SHEET - CONTINUED
AT 31 DECEMBER 2018**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2018 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 provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees on 16/9/2019 and were signed on its behalf by:



.....
Doctor S H Reynolds -Trustee

CANOLFAN MAERDY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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.

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.

Pension costs and other post-retirement benefits

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

CANOLFAN MAERDY

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. ACCOUNTING POLICIES - continued

Cash at bank

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

Debtors

Short term debtors are measured at transaction price, less any impairment.

Creditors

Short term creditors are measured at transaction price.

Provision for liabilities

Provisions are recognised when the company has a present obligation (legal and constructive) from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Functional and Presentation Currency

The company's functional and presentation currency is pounds sterling.

Going Concern

The company continues to adopt the going concern basis in preparing its financial statements.

2. OTHER TRADING ACTIVITIES

	2018	2017
	£	£
Fundraising events	1,812	613
	<u>1,812</u>	<u>613</u>

3. INCOME FROM CHARITABLE ACTIVITIES

		2018	2017
	Activity	£	£
Child care	Charitable activities	173,670	166,789
Room rental income	Charitable activities	2,115	3,890
Cafe income	Charitable activities	2,257	3,724
Grants	Charitable activities	65,454	37,997
Flying start income	Charitable activities	35,597	44,462
Training income	Charitable activities	176	2,036
Employment fees	Charitable activities	5,004	8,600
		<u>284,273</u>	<u>267,498</u>

CANOLFAN MAERDY

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2018**

3. INCOME FROM CHARITABLE ACTIVITIES - continued

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

	2018	2017
	£	£
Flying start	-	1,092
NPTCBC core funding	17,783	17,815
Work choice	3,000	1,400
Children in Need	-	7,000
Milk grant	832	455
NPT Child & Family	-	4,960
DWP	-	2,275
CVS-Wellbeing	-	3,000
Age UK Gwanwyn	495	-
Community council	720	-
Western Bay	5,850	-
NPT Childcare Strategy	5,002	-
Garfield Western	18,333	-
Awards for All	4,133	-
Workway	3,743	-
Elite	4,215	-
DWP Access to Work	1,148	-
Amman Valley Community Benefit	200	-
	<u>65,454</u>	<u>37,997</u>

4. NET INCOME/(EXPENDITURE)

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

	2018	2017
	£	£
Depreciation - owned assets	<u>2,596</u>	<u>4,431</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2018 nor for the year ended 31 December 2017 .

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2018 nor for the year ended 31 December 2017 .

CANOLFAN MAERDY

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2018**

6. STAFF COSTS

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

	2018	2017
Management	3	3
Kitchen staff	1	1
Nursery staff	11	9
Office staff	4	4
Cleaning staff	1	1
	20	18
	20	18

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

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	338	-	338
Charitable activities			
Charitable activities	247,316	20,182	267,498
Other trading activities	613	-	613
Other income	286	-	286
Total	248,553	20,182	268,735
EXPENDITURE ON			
Charitable activities			
Charitable activities	255,136	20,182	275,318
Other	2,754	-	2,754
Total	257,890	20,182	278,072
NET INCOME/(EXPENDITURE)	(9,337)	-	(9,337)
RECONCILIATION OF FUNDS			
Total funds brought forward	11,695	-	11,695
TOTAL FUNDS CARRIED FORWARD	2,358	-	2,358

CANOLFAN MAERDY

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2018**

8. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 January 2018	16,147	12,000	11,640	39,787
Additions	1,148	2,695	-	3,843
	<u>17,295</u>	<u>14,695</u>	<u>11,640</u>	<u>43,630</u>
DEPRECIATION				
At 1 January 2018	14,194	9,390	10,185	33,769
Charge for year	488	653	1,455	2,596
	<u>14,682</u>	<u>10,043</u>	<u>11,640</u>	<u>36,365</u>
NET BOOK VALUE				
At 31 December 2018	<u>2,613</u>	<u>4,652</u>	-	<u>7,265</u>
At 31 December 2017	<u>1,953</u>	<u>2,610</u>	<u>1,455</u>	<u>6,018</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade debtors	6,172	3,646
Other debtors	248	2,509
Prepayments	444	-
	<u>6,864</u>	<u>6,155</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade creditors	2,100	2,050
Social security and other taxes	2,205	4,606
Other creditors	29,279	1,985
Accruals and deferred income	1,274	5,733
	<u>34,858</u>	<u>14,374</u>

CANOLFAN MAERDY

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2018**

11. MOVEMENT IN FUNDS

	At 1.1.18 £	Net movement in funds £	At 31.12.18 £
Unrestricted funds			
General fund	2,358	(2,253)	105
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>2,358</u>	<u>(2,253)</u>	<u>105</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	244,715	(246,968)	(2,253)
Restricted funds			
Restricted Fund	3,048	(3,048)	-
GBS Health-milk grant	784	(784)	-
Age UK	495	(495)	-
Community Council	720	(720)	-
Western Bay	5,850	(5,850)	-
NPT Childcare Strategy	5,002	(5,002)	-
Garfield Western	18,333	(18,333)	-
Awards for All	4,133	(4,133)	-
Workways	3,743	(3,743)	-
Elite	4,215	(4,215)	-
DWP Access to Work	1,148	(1,148)	-
Amman Valley Community Benefits	200	(200)	-
	<u>47,671</u>	<u>(47,671)</u>	<u>-</u>
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>292,386</u>	<u>(294,639)</u>	<u>(2,253)</u>

Comparatives for movement in funds

	At 1.1.17 £	Net movement in funds £	At 31.12.17 £
Unrestricted Funds			
General fund	11,695	(9,337)	2,358
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>11,695</u>	<u>(9,337)</u>	<u>2,358</u>

CANOLFAN MAERDY

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2018**

11. 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	248,553	(257,890)	(9,337)
Restricted funds			
Restricted Fund	20,182	(20,182)	-
TOTAL FUNDS	<u>268,735</u>	<u>(278,072)</u>	<u>(9,337)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.17 £	Net movement in funds £	At 31.12.18 £
Unrestricted funds			
General fund	11,695	(11,590)	105
TOTAL FUNDS	<u>11,695</u>	<u>(11,590)</u>	<u>105</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	493,268	(504,858)	(11,590)
Restricted funds			
Restricted Fund	23,230	(23,230)	-
GBS Health-milk grant	784	(784)	-
Age UK	495	(495)	-
Community Council	720	(720)	-
Western Bay	5,850	(5,850)	-
NPT Childcare Strategy	5,002	(5,002)	-
Garfield Western	18,333	(18,333)	-
Awards for All	4,133	(4,133)	-
Workways	3,743	(3,743)	-
Elite	4,215	(4,215)	-
DWP Access to Work	1,148	(1,148)	-
Amman Valley Community Benefits	200	(200)	-
	<u>67,853</u>	<u>(67,853)</u>	<u>-</u>
TOTAL FUNDS	<u>561,121</u>	<u>(572,711)</u>	<u>(11,590)</u>

CANOLFAN MAERDY

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2018**

12. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2018.