

Charity Registration No. 1067535

Company Registration No. 03195860 (England and Wales)

BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018



BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Charity number	1067535
Company number	03195860
Registered office	The Feel Good Factory Abercynon Road Ynysboeth MOUNTAIN ASH Rhondda Cynon Taff UK CF45 4XZ
Independent examiner	MHA Broomfield Alexander Waters Lane Chambers 1-3 Waters Lane NEWPORT UK NP20 1LA

BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

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BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

The trustees present their report and financial statements for the year ended 31 March 2018.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

The purpose of Bryncynon Community Revival Strategy is set out in the Mission Statement and states:

The charity's objects are to provide facilities in the interests of the advancement of education and social welfare with the purpose of improving the condition and quality of life for residents of Bryncynon in the Rhondda Cynon Taff area.

Public benefit

During the year the trustees have paid due regard to the guidance issued by the Charity Commission with regards to public benefit in deciding which activities the Charity needs to undertake.

Our main activities and beneficiaries of those activities are described below. All of our charitable activities focus on helping the community and serves to further our charitable purposes for public benefit.

During the period 2017-2018, the organisation's objectives were as follows:

- **Strategic objectives**
 - Increase levels of income generation in all areas of works to secure unrestricted funding to ensure the sustainability of the organisation
 - Secure grant funding to maintain and explore ways of expanding current provisions
 - Continue to build on good practice by maintaining, and where necessary, by improving Standards.
 - Promote the work of the organisation locally.
 - Develop and improve partnership working to improve the provisions provided by the strategy
- **Healthy Living/Feel Good Factory Objectives**
 - To continue to utilise the Feel Good Factory as a resource and support centre for the community
 - To continue to provide and look to support new services being delivered from the centre
 - Support ways of generating income from the Feel Good Factory in addition to the room hire facility available to local organisations
- **Finance Objectives**
 - Facilitate the development of Bryncynon Community Revival Strategy Ltd
 - Contribute towards the smooth running of the organisation via streamlining of finance and administration functions
 - Best use of all of Bryncynon Strategy's assets to generate maximum income
- **Youth Objectives**
 - To explore opportunities to develop a comprehensive youth provision through the redevelopment of the Community Centre.
 - Identify funding opportunities for youth provision for delivery through the community centre hub.
 - Delivery of specific youth activities delivered through external funding.
 - Engage young people through a community questionnaire to establish what youth activities they would like to see in the region

BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

- **Early Years Objectives**

- Continue to successfully deliver the Flying Start Provision, offering a full provision under this agenda
- Promote and teach healthy lifestyle amongst 0-5s and their parents
- Maintain regular playgroup and play scheme provisions in the community
- Generate income through developing activities at the Growing Together Centre and at other centres
- Continue to improve the service provided through a programme of staff training and personal Development

- **Café Objectives**

- Review the opening hours of the café with a view to ensuring its financial viability
- Expand the buffet and delivery service to help generate additional income
- Promote and market the café throughout Rhondda Cynon Taff and beyond

- **Administration and IT Objectives**

- Maintain efficient administration, personnel and IT provision
- Co-ordinate and monitor volunteering within the organisation
- Ensure effective staff training and development across all areas of Bryncynon Community Revival Strategy Ltd

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

- Actively sought a buyer for 2-4 Commercial Place, advertised through a commercial agent.
- Conducted a tendering process for the Green Valley site, successfully leasing to a community group Cynon Valley Organic Adventures with whom Bryncynon Strategy plans to work in partnership to deliver activities in line with our charitable objects.
- Completion of an initial business plan and funding strategy for the Bryncynon Community Centre and engaged in ongoing funding negotiations with RCT CBC.
- Invited suitably qualified contractors to quote for refurbishment of the Bryncynon Community Centre.

Bryncynon Community Revival Strategy has continued to deliver successfully its Flying Start provision through 2 centres, as part of a good quality, well respected and essential service for the local community. However in December 2017 we lost one of our three Flying Start centres, Perthcelyn. Staff were TUPE'd over to a merged provider.

Flying Start at the Growing Together centre continues to complement our Play Scheme situated at the Feel Good Factory.

We have continued to offer placement opportunities to individuals who were disadvantaged, providing a real experience of work, 40% of which have returned to full time work.

The Feel Good Factory continues to prove to be an essential hub in the community, providing a range of services for the local community including a number of Community First provisions and community nurse services.

The Café continues to provide an excellent meeting space for the community. The board have spent a significant amount of time exploring how we make the café sustainable and it has begun to turn a corner. The opening hours have been revised to reduce overheads and make better use of busy periods. The quality of the food has significantly improved which has had a positive impact on the takings of both the café and the buffet service to local businesses which continues to grow under a new, improved reputation.

BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

Financial review

Results for the year

Income for the year was £323,777, down from £351,567 in 2017. Expenditure for the year was £439,513, down from £482,418 in 2017. The overall deficit for the year was £115,736 of which £78,801 was unrestricted.

Reserves policy

It is the policy of the Charity to generate and maintain funds in order that it is able to maintain its operations for the foreseeable future, aiming for a minimum of 12 months full operating costs in reserves. Unrestricted funds are generated in order to cover expenditure not covered by other specific grants and any short term funding shortfalls which may occur from time to time.

The free reserves of the Charity at 31 March 2018 (unrestricted reserves less fixed assets, investments properties and designated funds) amounted to £13,265 (2017: £83,358).

Principle funding sources

The principle funding sources of Bryncynon Community Revival Strategy Ltd for the year ended 31 March 2018 are Flying Start funding; and RCT Barrett fund.

Investment policy and objectives

The Charity is taking advice on the most appropriate policy for investing surplus funds which may arise from time to time and consider that an interest bearing deposit account is suitable for holding such funds.

All projects have an exit strategy and there is a continual review and search for further funding for sustainability eventually leading to less grant dependency.

The trustees are responsible for safeguarding the charity's assets and ensuring their proper application in accordance with charity law and hence taking reasonable steps for the prevention and detection of fraud, error and other irregularities.

BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

Future Developments

Having completed the restructure of Bryncynon Community Revival Strategy Ltd, the main focus of the organisation is to ensure the sustainability of the charity for the foreseeable future. The significant losses the charity has previously faced has now come to an end and our goal is now to continue to generate income and provide a quality provision against the funding we currently receive.

Empower-Support for the Voluntary Sector Limited remains in charge of operational management for the organisation on behalf of the board and support the organisation in achieving its goals and ensuring its sustainability.

Key to the organisation's success is the Feel Good Factory and we plan to continue to develop this centre as both a vital community hub and as a source of generating unrestricted income. The newly refurbished Café is going from strength to strength and will be a vital contributor to generating income for the charity.

Sale of 2-4 Commercial Place will provide a valuable influx of funds and a sale has been agreed for the fee of £100,000.

Development and implementation of a robust funding strategy will be a key priority for the charity going forward as this will enable better delivery of charitable objects and contribute to the sustainability of the charity.

Bryncynon Strategy has embarked on a comprehensive funding strategy and bids are being submitted, the benefit of which will be seen in the next financial year. Each of these will include a management fee which will contribute to the reserves.

Whilst the charity lost a significant amount in this financial year, the majority of the losses were as a result of café losses month on month.

A change of staff, improvement in the quality of the food and targeted opening hours been that the café losses have been reduced and post this period, the café is now profitable.

Losses from the Feel Good Factory remain but are reduced and fundraising activity will see better use of the building with an element for rental and running costs included in grants.

The Bryncynon Community Centre will provide a space to develop services for children and families and this will be a priority going forward.

Marketing of the Feel Good Factory and it's Café are a big focus for the organisation and we are continuing to improve marketing material, both in print and online.

With a much smaller board than in previous years, another key drive for the organisation is increasing the number of board members, with key skills that can help the charity develop over the coming years.

Relationships with key partners and stakeholders is a vital function our board will look to develop over the coming year.

Further recruitment will commence in January 2019.

BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

Structure, governance and management

Governing document

The Charity is controlled by its governing document, Memorandum and Articles of Association, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by The Companies Act 2006. The Charity was incorporated on 8 May 1996.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Karen Davies	Resigned 30/06/17
John Matthews	
Elizabeth Claire Bryan	Resigned 24/04/18
Robert Andrew Dickens	
David Joseph Haines	Resigned 22/03/18
Paul Christopher Maliphant	Resigned 22/03/18
Gillian Berntsen	Resigned 04/09/17
Ffion Miles	Resigned 12/04/17
Ashleigh Jones	Appointed 22/04/18

Recruitment and appointment of new trustees

Trustees are elected from Bryncynon and its surrounding areas. We are also in the process of developing the capacity of the board through the increase in board members who have specific skills and expertise. Trustees serve for a 3-year appointment and can be re-elected for further terms. They are elected at the AGM of through a formal process of invitation and selection throughout the year.

Induction and training for new trustees

All trustees receive training in the following:

- Roles and responsibilities of trustees,
- Health and safety legislation
- Charity law
- Company and finance matters.

In support of the above, regular updates are given at the monthly trustees meetings or as and when required.

Trustees remain confident that Bryncynon is a going concern despite its vulnerabilities. We have a commitment from funders to receive applications from us and our target is to submit bids in excess of £100,000 by the 31st March 2019.

The community centre, whilst requiring work, provides additional opportunities to generate income and meet our charitable aims.

BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2018

Organisation structure

There is a board of 3 trustees who are also directors. The board of directors, led by the chair of the board, manage the strategic objectives. Empower-Support for the Voluntary Sector Limited have been appointed to assume management and operational responsibilities for the organisation, supported by the management team in the charity.

Key management personnel

The key management personnel of the charity are as follows:

Lee Thomas - Finance co-ordinator

Gill Bruford - Project manager

Key management personnel are remunerated for services at market rates.

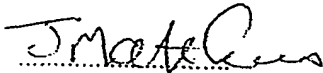
Risks

The trustees have considered the principal risks of the charity, and have concluded a key risk going forward is the securing of future funding.

Related parties

There were no related parties on the current or previous year.

The Trustees report was approved by the Board of Trustees.



Mr J Matthews

Dated: 20.12.18

BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

MEMBER OF THE INSTITUTE OF CHARTERED ACCOUNTANTS IN ENGLAND AND WALES ACCOUNTANTS' REPORT TO THE TRUSTEES ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED FOR THE YEAR ENDED 31 MARCH 2018

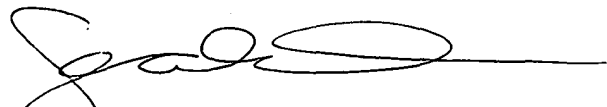
In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Bryncynon Community Revival Strategy Limited for the year ended 31 March 2018, which comprise the statement of financial activities and the related notes from the charity's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>

This report is made to the charity's trustees, as a body, in accordance with the terms of our engagement letter dated 4 February 2012. Our work has been undertaken solely to prepare for your approval the accounts of Bryncynon Community Revival Strategy Limited and state those matters that we have agreed to state to the charity's trustees, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Bryncynon Community Revival Strategy Limited and the charity's trustees as a body, for our work or for this report.

It is your duty to ensure that Bryncynon Community Revival Strategy Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and deficit of Bryncynon Community Revival Strategy Limited. You consider that Bryncynon Community Revival Strategy Limited is exempt from the statutory audit requirement for the year, and is not required to obtain an independent examiner's report.

We have not been instructed to carry out an audit or a review of the financial statements of Bryncynon Community Revival Strategy Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



Sarah Case FCA DChA
MHA Broomfield Alexander
Waters Lane Chambers
Waters Lane
Newport

Dated: 20-12-18

BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

I report on the accounts of the charity for the year ended 31 March 2018, which are set out on pages 9 to 23.

Respective responsibilities of trustees and examiner

The charity's trustees, who are also the directors of Bryncynon Community Revival Strategy Limited for the purposes of company law, are responsible for the preparation of the financial statements. The 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 needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination being a qualified member of Member of the Institute of Chartered Accountants in England and Wales.

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:

- (i) examine the financial statements under section 145 of the 2011 Act;
- (ii) 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
- (iii) to state whether particular matters have come to my attention.

Basis of 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 financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning 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 financial statements present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

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

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - (ii) to prepare financial statements which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



Sarah Case FCA DChA
MHA Broomfield Alexander
Waters Lane Chambers
Waters Lane
Newport
NP20 1LA

Dated: 20-12-18

BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Unrestricted funds 2018 £	Restricted funds 2018 £	Total 2018 £	Total 2017 £
<u>Income from:</u>					
Donations and legacies	3	123	-	123	-
Charitable activities	4	26,665	242,952	269,617	303,641
Other trading activities	5	54,037	-	54,037	47,916
Investments	6	-	-	-	10
Total income		80,825	242,952	323,777	351,567
<u>Expenditure on:</u>					
Raising funds	7	24,265	-	24,265	14,044
Charitable activities	8	135,361	279,887	415,248	460,923
Other	12	-	-	-	7,451
Total resources expended		159,626	279,887	439,513	482,418
Net expenditure for the year/ Net movement in funds		(78,801)	(36,935)	(115,736)	(130,851)
Fund balances at 1 April 2017		131,994	875,802	1,007,796	1,138,647
Fund balances at 31 March 2018		53,193	838,867	892,060	1,007,796

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

BALANCE SHEET

AS AT 31 MARCH 2018

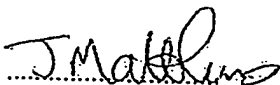
	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	13		864,096		901,583
Current assets					
Stocks	14	570		750	
Debtors	15	10,327		19,885	
Cash at bank and in hand		35,947		109,465	
		<u>46,844</u>		<u>130,100</u>	
Creditors: amounts falling due within one year	16	<u>(18,880)</u>		<u>(23,887)</u>	
Net current assets			27,964		106,213
Total assets less current liabilities			<u>892,060</u>		<u>1,007,796</u>
Income funds					
Restricted funds	18		838,867		875,802
Unrestricted funds			53,193		131,994
			<u>892,060</u>		<u>1,007,796</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2018. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The trustees acknowledges his responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the 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 company.

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

The financial statements were approved by the Trustees on 20-12-18


Mr J Matthews
Trustee

Company Registration No. 03195860

BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Charity information

Bryncynon Community Revival Strategy Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is The Feel Good Factory, Abercynon Road, Ynysboeth, MOUNTAIN ASH, Rhondda Cynon Taff, CF45 4XZ, UK.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have been prepared with early application of the FRS 102 Triennial Review 2017 amendments in full.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The charity made an unrestricted outflow of £78,801 for the year to 31 March 2018. At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future as noted in the Trustees Report. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Grants are recognised when received.

Income from fundraising is recognised when received.

Income from tuition and other income is recognised when received.

BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies (Continued)

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Resources expended

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

Charitable expenditure comprises those costs incurred by the Charity 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.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include audit fees and costs linked to the strategic management of the Charity.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% on cost
Plant and equipment	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Fixed asset additions costing less than £900 are not capitalised.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies (Continued)

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies (Continued)

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Total
	2018 £	2017 £
Donations and gifts	123	-

BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

4 Charitable activities

	2018 £	2017 £
Tuition and other income - young children and youth activities	25,434	29,568
Performance related grants	244,183	274,073
	<u>269,617</u>	<u>303,641</u>
Analysis by fund		
Unrestricted funds	26,665	
Restricted funds	242,952	
	<u>269,617</u>	
For the year ended 31 March 2017		
Unrestricted funds		28,083
Restricted funds		275,558
		<u>303,641</u>
Performance related grants		
Flying Start	189,990	190,280
Rhondda Cynon Taff - Barrett Fund	30,000	-
Big Lottery Fund	-	2,885
Children in Need	-	30,976
Street Games Wales	-	9,100
Playscheme Bryncynon (Flying Start)	6,660	6,102
Elite Supported Employment Agency	16,302	-
Tesco Bags For Help	1,000	-
Key start	231	-
Communities First	-	34,730
	<u>244,183</u>	<u>274,073</u>

BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

5 Other trading activities

	Unrestricted funds	Total
	2018	2017
	£	£
Cafe income and buffet sales	41,540	39,791
Fundraising	556	125
Other income	11,941	8,000
	<hr/>	<hr/>
Other trading activities	54,037	47,916
	<hr/> <hr/>	<hr/> <hr/>

6 Investments

	Unrestricted funds	Total
	2018	2017
	£	£
Interest receivable	-	10
	<hr/> <hr/>	<hr/> <hr/>

7 Raising funds

	Unrestricted funds	Total
	2018	2017
	£	£
<u>Fundraising and publicity</u>		
Purchases	24,265	14,044
	<hr/>	<hr/>
	24,265	14,044
	<hr/> <hr/>	<hr/> <hr/>

BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

8 Charitable activities

	2018	2017
	£	£
Staff costs	242,866	253,553
Depreciation and impairment	37,486	45,117
General activity	82,561	121,244
Food supplies	-	246
Independent examination fees	4,500	3,500
Legal and professional fees	47,835	37,263
	<u>415,248</u>	<u>460,923</u>
	<u>415,248</u>	<u>460,923</u>
Analysis by fund		
Unrestricted funds	135,361	
Restricted funds	279,887	
	<u>415,248</u>	
For the year ended 31 March 2017		
Unrestricted funds		178,281
Restricted funds		282,642
		<u>460,923</u>

9 Net movement in funds

	2018	2017
	£	£
Net movement in funds is stated after charging/(crediting)		
Depreciation of owned tangible fixed assets	37,486	45,117
Loss on disposal of tangible fixed assets	-	7,451
	<u>37,486</u>	<u>52,568</u>

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2018 Number	2017 Number
Main project activities and administration	7	8
Part time staff	21	17
	<u>28</u>	<u>25</u>

Employment costs

	2018 £	2017 £
Wages and salaries	232,775	241,131
Social security costs	8,550	10,947
Other pension costs	1,541	1,475
	<u>242,866</u>	<u>253,553</u>

There were no employees whose annual remuneration was £60,000 or more.

12 Other

	2018 £	2017 £
Net loss on disposal of tangible fixed assets	-	7,451
	<u>-</u>	<u>7,451</u>

BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

13 Tangible fixed assets

	Freehold land and buildings	Plant and equipment	Total
	£	£	£
Cost			
At 1 April 2017	1,049,268	436,072	1,485,340
At 31 March 2018	1,049,268	436,072	1,485,340
Depreciation and impairment			
At 1 April 2017	214,539	369,219	583,758
Depreciation charged in the year	20,773	16,713	37,486
At 31 March 2018	235,312	385,932	621,244
Carrying amount			
At 31 March 2018	813,956	50,140	864,096
At 31 March 2017	834,729	66,854	901,583

14 Stocks

	2018	2017
	£	£
Finished goods and goods for resale	570	750

15 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	10,327	13,455
Other debtors	-	6,430
	10,327	19,885

16 Creditors: amounts falling due within one year

	2018	2017
	£	£
Other taxation and social security	-	1,250
Trade creditors	10,880	19,137
Other creditors	8,000	3,500
	18,880	23,887

BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

17 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £1,541 (2017: £1,475)

BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2017 £	Movement in funds		Balance at 31 March 2018 £
		Incoming resources £	Resources expended £	
Fixed asset reserve	852,947	-	(24,080)	828,867
Flying Start	-	189,990	(189,990)	-
Llan Yn Law	1,485	-	(1,485)	-
BBC Children in Need	5,444	-	(5,444)	-
RCT	6,460	6,660	(13,120)	-
Communities First	2,999	-	(2,999)	-
Street Games Wales	5,590	-	(5,590)	-
Big Lottery	878	-	(878)	-
Elite Supported Agency	-	16,302	(16,302)	-
RCT Barrett Fund	-	30,000	(20,000)	10,000
	<u>875,802</u>	<u>242,952</u>	<u>(279,888)</u>	<u>838,867</u>

Fixed assets reserve - this represents buildings improvements, fixtures and equipment originally acquired using restricted funds. The balance will fund future depreciation of equipment, fixtures and fittings to the extent that those assets are represented by the fund.

Flying Start – local authority funding providing salary, rental and resources for pre-school children and families.

Llan Yn Law - funding was used to provide mixed economy childcare places for under privileged families who were not entitled to the flying start provision.

BBC Children in Need – funding towards youth work and youth Manager's post.

RCT - funding towards playgroup activities.

Communities First - funding to run 3 Youth Club sites in the evenings, as well as activities at the Feel Good Factory.

Street Games Wales - funds received to work with 8-25 year olds on sports related activities. Funding covers tutor costs, room hire, volunteer expenses, equipment purchase and transport.

Big Lottery - funding was provided to cover tutor costs, equipment purchases for children's dance classes and fund events for the over 50's.

Elite Supported Agency - funding was provided to support staff costs.

RCT Barrett Fund - funding was provided to support staff costs.

BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

19 Restricted funds- previous year

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2016 £	Movement in funds		Balance at 31 March 2017 £
		Incoming resources £	Resources expended £	
Fixed asset reserve	879,221	-	(26,274)	852,947
Flying Start	-	190,280	(190,280)	-
BBC Children in Need	-	30,976	(25,532)	5,444
RCT	4,376	6,103	(4,018)	6,460
Communities First	6,740	34,730	(38,471)	2,999
Llan Yn Llaw	-	1,485	-	1,485
Street Games Wales	-	9,100	(3,510)	5,590
Big Lottery	-	2,885	(2,007)	878
	<u>890,337</u>	<u>275,558</u>	<u>(290,093)</u>	<u>875,802</u>

20 Analysis of net assets between funds

	Unrestricted 2018 £	Restricted 2018 £	Total 2018 £	Total 2017 £
Fund balances at 31 March 2018 are represented by:				
Tangible assets	39,928	824,168	864,096	901,583
Current assets/(liabilities)	13,265	14,699	27,964	106,213
	<u>53,193</u>	<u>838,867</u>	<u>892,060</u>	<u>1,007,796</u>

22 Analysis of net assets between funds - previous year

	Unrestricted £	Restricted £	Total £
Fund balances at 31 March 2017 are represented by:			
Tangible assets	48,636	852,947	901,583
Current assets/(liabilities)	83,358	22,855	106,213
	<u>131,994</u>	<u>875,802</u>	<u>1,007,796</u>

BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

22 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2018 £	2017 £
Aggregate compensation	49,411	62,421

There were no other related party transactions in the current or previous year.