

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 2017

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# 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 2017**

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The trustees present their report and accounts for the year ended 31 March 2017.

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 2016-2017, 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, regionally and nationally
- 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

# **BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED**

## **TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017**

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- **Youth Objectives**

- Increase the level of youth provision locally through additional staff, extended opening hours and bespoke youth facility
- Ensure the smooth running and personal development of the youth team through good communication and administration
- Work in partnership with school cluster to provide enhanced youth activity programme
- Develop positive links between young people and local police
- Work with young people affected by drug and alcohol related issues

- **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 playscheme 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**

- Continue the success of the café following a re-launch
- Expand the buffet and delivery service to help generate additional income
- Promote and market the café throughout Rhondda Cynon Taff and beyond
- Include more trainees and volunteers in the Café and help them to develop their skills

- **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.

# **BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED**

## **TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017**

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### **Achievements and performance**

This year has seen the finalising of the restructure of staff at Bryncynon Community Revival Strategy Ltd, reducing the staffing levels to fit in with the level of funding and income generated for the organisation. This has resulted in the reduction of activities taking place in the charity, allowing the organisation to focus on delivering it's key services effectively and well.

The reduction in staffing and operational costs has allowed the organisation to take a strong control on it's finances and secure the future of the organisation.

Bryncynon Community Revival Strategy has continued to deliver successfully its Flying Start provision through 3 centres, as part of a good quality, well respected and essential service for the local community. This is complimented well with our Play Scheme situated at the Feel Good Factory.

In conjunction with Communities First and Children in Need, Bryncynon Community Revival Strategy has continued to provide a Youth Provision to the local community, based at both our own Youth Club centre, as well in sites at Perthcelyn and Penrhiwceiber.

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, community nurse services and a community café. The Café has re-launched after a refurbishment, providing an excellent meeting space for local residents. Providing a buffet service to local businesses has continued to grow under a new, improved reputation.

### **Financial review**

#### **Results for the year**

Income for the year was £351,567, up from £311,495 in 2016. Expenditure for the year was £482,418, down from £520,603 in 2016. The overall deficit for the year was £130,851 of which £116,316 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 2017 (unrestricted reserves less fixed assets, investments properties and designated funds) amounted to £83,358 (2016: £52,807).

#### **Principle funding sources**

The principle funding sources of Bryncynon Community Revival Strategy Ltd for the year ended 31 March 2017 are Flying Start funding; Communities First funding and a BBC Children In Need grant.

#### **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.

### **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.

# BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

## TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017

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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	Appointed 31/03/17
Robert Andrew Dickens	Appointed 31/03/17
David Joseph Haines	Appointed 31/03/17
Paul Christopher Maliphant	Appointed 31/03/17
Gillian Berntsen	Appointed 31/03/17 and Resigned 04/09/17
James Andrew Flynn	Resigned 31/03/17
Ffion Miles	Appointed 31/03/17 and Resigned 12/04/17

### 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.

### 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 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  
Rhian Dennis - Finance co-ordinator (resigned July 2016)  
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.

# BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

## TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017

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### 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 end and our goal is now to continue to generate income and provide a quality provision against the funding we currently receive.

The board has brought in Empower Support for the Voluntary Sector to act as 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.

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.

Bryncynon Community Revival Strategy is in the process of disposing of 2-4 Commercial Place at market rates and finding a tenant for Green Valley. We are in negotiations with RCT CBC with a view to taking over the abandoned community centre in order to develop youth services. A priority for 2018 is to strengthen the trustee board further and recruitment will commence in January 2018.

The Trustees report was approved by the Board of Trustees.



Mr David Haines

Chair

Dated: 21.12.2017

# 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 2017

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Bryncynon Community Revival Strategy Limited for the year ended 31 March 2017, which comprise the Statement of Financial Activities, the Balance Sheet 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.

We have not been instructed to carry out an audit or a review of the accounts 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 accounts.



Broomfield & Alexander Limited

22/12/17

Member Of The Institute Of Chartered Accountants In England  
And Wales Accountants

Waters Lane Chambers

Waters Lane  
NEWPORT  
NP20 1LA  
UK



# BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

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I report on the accounts of the charity for the year ended 31 March 2017, which are set out on pages 8 to 20.

#### 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 accounts. 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 accounts 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 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 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 accounts 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 accounts to be reached.



Sarah Case FCA DChA  
Broomfield & Alexander Limited

Member of the Institute of Chartered Accountants in England and Wales  
Waters Lane Chambers  
Waters Lane  
NEWPORT  
NP20 1LA  
UK

Dated: 22/12/17

# BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
<b><u>Income from:</u></b>					
Donations and legacies	3	-	-	-	2,490
Charitable activities	4	28,083	275,558	303,641	279,366
Other trading activities	5	47,916	-	47,916	28,650
Investments	6	10	-	10	989
<b>Total income</b>		<b>76,009</b>	<b>275,558</b>	<b>351,567</b>	<b>311,495</b>
<b><u>Expenditure on:</u></b>					
Raising funds	7	14,044	-	14,044	12,469
Charitable activities	8	178,281	282,642	460,923	508,134
Other	12	-	7,451	7,451	-
<b>Total resources expended</b>		<b>192,325</b>	<b>290,093</b>	<b>482,418</b>	<b>520,603</b>
<b>Net expenditure for the year/ Net movement in funds</b>		<b>(116,316)</b>	<b>(14,535)</b>	<b>(130,851)</b>	<b>(209,108)</b>
Fund balances at 1 April 2016		248,310	890,337	1,138,647	1,347,755
<b>Fund balances at 31 March 2017</b>		<b>131,994</b>	<b>875,802</b>	<b>1,007,796</b>	<b>1,138,647</b>

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 2017

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Tangible assets	13		901,583		951,724
<b>Current assets</b>					
Stocks	15	750		750	
Debtors	16	19,885		40,547	
Cash at bank and in hand		109,465		167,040	
		<u>130,100</u>		<u>208,337</u>	
<b>Creditors: amounts falling due within one year</b>	17	<u>(23,887)</u>		<u>(21,414)</u>	
Net current assets			106,213		186,923
<b>Total assets less current liabilities</b>			<u>1,007,796</u>		<u>1,138,647</u>
<b>Income funds</b>					
Restricted funds	19		875,802		890,337
<u>Unrestricted funds</u>					
Designated funds	20	-		123,000	
General unrestricted funds		131,994		125,310	
		<u>131,994</u>		<u>248,310</u>	
			<u>1,007,796</u>		<u>1,138,647</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 2017. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The Trustees responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts 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 accounts, so far as applicable to the company.

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

The accounts were approved by the Trustees on 21.12.2017



Mr David Haines  
Chair

Company Registration No. 03195860

# BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

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

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

#### 1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

#### 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 accounts.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 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.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

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.

# BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Accounting policies (Continued)

#### 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).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

#### 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 2017

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### 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.

##### *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.

#### 1.12 Retirement benefits

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

# BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

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### 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

	2017	2016
	£	£
Donations and gifts	-	2,490
	<u>          </u>	<u>          </u>

# BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 4 Charitable activities

	2017	2016
	£	£
Tuition and other income - young children and youth activities	29,568	32,353
Performance related grants	274,073	247,013
	<u>303,641</u>	<u>279,366</u>
Analysis by fund		
Unrestricted funds	28,083	
Restricted funds	275,558	
	<u>303,641</u>	
<b>For the year ended 31 March 2016</b>		
Unrestricted funds		32,353
Restricted funds		247,013
		<u>279,366</u>
<b>Performance related grants</b>		
Flying Start	190,280	174,727
Greggs Foundation	-	1,076
Big Lottery Fund	2,885	-
Children in Need	30,976	30,278
Street Games Wales	9,100	-
Playscheme Bryncynon (Flying Start)	6,102	30,473
Communities First	34,730	10,459
	<u>274,073</u>	<u>247,013</u>

### 5 Other trading activities

	2017	2016
	£	£
Cafe income and buffet sales	39,791	24,027
Fundraising	125	2,981
Other income	8,000	1,642
	<u>47,916</u>	<u>28,650</u>



# BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 6 Investments

	2017	2016
	£	£
Interest receivable	10	989
	<u>10</u>	<u>989</u>

### 7 Raising funds

	2017	2016
	£	£
<u>Fundraising and publicity</u>		
Purchases	14,044	12,469
	<u>14,044</u>	<u>12,469</u>
<b>For the year ended 31 March 2016</b>		
Fundraising and publicity		<u>12,469</u>

### 8 Charitable activities

	2017	2016
	£	£
Staff costs	253,553	317,008
Depreciation and impairment	45,117	51,076
General activity	121,244	125,985
Food supplies	246	1,308
Independent examination fees	3,500	3,500
Legal and professional fees	37,263	9,257
	<u>460,923</u>	<u>508,134</u>
	<u>460,923</u>	<u>508,134</u>

### 9 Net movement in funds

	2017	2016
	£	£
Net movement in funds is stated after charging/(crediting)		
Depreciation of owned tangible fixed assets	45,117	51,076
Loss on disposal of tangible fixed assets	7,451	-
	<u>52,568</u>	<u>51,076</u>

# BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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### 10 Trustees

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

### 11 Employees

#### Number of employees

The average monthly number employees during the year was:

	2017 Number	2016 Number
Main project activities and administration	8	9
Part time staff	17	22
	<u>25</u>	<u>31</u>

#### Employment costs

	2017 £	2016 £
Wages and salaries	241,131	300,244
Social security costs	10,947	14,945
Other pension costs	1,475	1,819
	<u>253,553</u>	<u>317,008</u>

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

### 12 Other

	2017 £	2016 £
Net loss on disposal of tangible fixed assets	7,451	-
	<u>7,451</u>	<u>-</u>

# BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

13 Tangible fixed assets	Freehold land and buildings £	Plant and equipment £	Total £
<b>Cost</b>			
At 1 April 2016	1,056,921	501,585	1,558,506
Additions	-	8,629	8,629
Disposals	(7,653)	(74,141)	(81,794)
At 31 March 2017	<u>1,049,268</u>	<u>436,073</u>	<u>1,485,341</u>
<b>Depreciation and impairment</b>			
At 1 April 2016	195,008	411,774	606,782
Depreciation charged in the year	20,723	24,394	45,117
Eliminated in respect of disposals	(1,192)	(66,949)	(68,141)
At 31 March 2017	<u>214,539</u>	<u>369,219</u>	<u>583,758</u>
<b>Carrying amount</b>			
At 31 March 2017	<u>834,729</u>	<u>66,854</u>	<u>901,583</u>
At 31 March 2016	<u>861,913</u>	<u>89,811</u>	<u>951,724</u>
<b>14 Financial instruments</b>		<b>2017</b>	<b>2016</b>
		£	£
<b>Carrying amount of financial assets</b>			
Debt instruments measured at amortised cost		143,715	207,587
<b>Carrying amount of financial liabilities</b>			
Measured at amortised cost		22,637	11,747
<b>15 Stocks</b>		<b>2017</b>	<b>2016</b>
		£	£
Finished goods and goods for resale		750	750
<b>16 Debtors</b>		<b>2017</b>	<b>2016</b>
<b>Amounts falling due within one year:</b>		£	£
Trade debtors		13,455	17,745
Other debtors		6,430	22,802
		<u>19,885</u>	<u>40,547</u>

# BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

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17 Creditors: amounts falling due within one year

	2017 £	2016 £
Other taxation and social security	1,250	9,667
Trade creditors	19,137	4,110
Other creditors	3,500	7,637
	<u>23,887</u>	<u>21,414</u>

18 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 £1,475 (2016: £1,819)

# BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 19 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 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>

**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.

**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.

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

**Street games** - 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.

# BRYNCYNON COMMUNITY REVIVAL STRATEGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 20 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds				Balance at 31 March 2017 £
	Balance at 1 April 2016 £	Incoming resources £	Resources expended £	Transfers £	
Contingency fund	100,000	-	-	(100,000)	-
General fund	20,000	-	-	(20,000)	-
Youth fund	3,000	-	-	(3,000)	-
	<u>123,000</u>	<u>-</u>	<u>-</u>	<u>(123,000)</u>	<u>-</u>

Funds were transfers from designated fund to unrestricted fund as the trustees considered that designated funds were no longer required.

### 21 Analysis of net assets between funds

	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>

### 22 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2017 £	2016 £
Aggregate compensation	<u>62,421</u>	<u>59,987</u>

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