

# *Tax Relax Limited*

Mrs Gemma Watkins  
17 BRYNTEG  
TREHARRIS  
CF46 5RF  
CYLCH MEITHRIN TREHARRIS

10 May 2021

Dear Gemma ,

Accounts for Period ended 31/03/2021

Please find attached final accounts for CYLCH MEITHRIN TREHARRIS for the period ended 31/03/2021 .

Please review the attached carefully and if you are happy that the accounts can be approved please print out a set of each of the attached documents, obtain appropriate signatures at the foot of each Balance Sheet and return the signed documents to this office.

Please do not hesitate to contact us if you have any queries.

Yours sincerely,

Brandon Hutton

CYLCH MEITHRIN TREHARRIS

Charity No. 1055231

Trustees' Report and Unaudited Accounts

31 March 2021

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The Trustees present their report with the unaudited financial statements of the charity for the year ended 31 March 2021.

#### REFERENCE AND ADMINISTRATIVE DETAILS

Charity No. 1055231

Principal Office

17 Brynteg

Treharris

CF46 5RF

Trustees

The following Trustees served during the year:

T. Griffiths

G. Watkins

Directors of Corporate Trustees

Gemma Watkins

Tracey Griffiths

Accountants

Tax Relax Ltd

37 Oakland Street

Bedlinog

CF46 6TE

Bankers

HSBC UK

127-128 High Street

Merthyr Tydfil

CF47 8DN

#### OBJECTIVES AND ACTIVITIES

The purpose of the charity is to provide a happy family atmosphere in which children learn through the medium of Welsh.

The main activities undertaken in relation to those purposes are to plan daily fun and engaging activities following the foundation phase seven areas of learning to ensure every child is given the opportunity to explore and investigate through a wide range of activities whilst learning through play.

Promote such other charitable purposes as may from time to time be determined, the trustees are aware of the benefits to the community based on the guidance from the Charity Commission.

-Allowing children to learn through the medium of Welsh.

-Providing the residents access to local learning thereby allowing them to gain confidence, new knowledge and skills.

-Providing residents with job opportunities that build their confidence and self esteem.

#### ACHIEVEMENTS AND PERFORMANCE

The Cylch Meithrin provides an important part in the community. It provides good quality, affordable, childcare through the medium of Welsh. It is also a feeder for the Welsh Medium school and majority of the children who leave us progress to Welsh education. We offer both private and flying start places and are fully inclusive. We offer the 30 hour childcare as well as full day care or sessional.

#### FINANCIAL REVIEW

During 2020-21 financial year our income generating capacity has seen a positive increase this year, we have seen more grants from the MTCBC and increase in children using the day-care. We always strive to further increase our footfall and subsequent income so will continue to market the centre, we believe our planned projects for the year ahead will set us on the right path to achieve this.

The Policy for holding reserves is to insure we have a fall back for the day to day running costs of the charity.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

The nature of the governing document is constitution.

The trustees are appointed during our annual AGM and the charity is committee run and voluntary.

#### Statement of trustees' responsibilities in relation to the financial statements

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. The Trustees are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Treasurer is responsible for the Association's finances and works closely with the Centre Manager to maintain proper accounting records and provide accurate and timely financial reports for the Board.

Signed on behalf of the charity's trustees

G. Watkins

Trustee

31 March 2021

Independent Examiner's Report to the trustees of CYLCH MEITHRIN TREHARRIS

I report to the trustees on my examination of the accounts of CYLCH MEITHRIN TREHARRIS for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011('the Act'). The trustees consider that an audit is not required for this year under the Charities Act 2011, s.144(2) (the 2011 Act) and that an independent examination is needed.

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I can confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in, any material respect:

- the accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- the accounts do not accord with those records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Grant Hutton  
CPA  
Tax Relax Ltd  
37 Oakland Street  
Bedlinog

CF46 6TE  
31 March 2021

CYLCH MEITHRIN TREHARRIS  
Statement of Financial Activities  
for the year ended 31 March 2021

	Notes	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income and endowments from:				
Donations and legacies	3	2	2	-
Charitable activities	4	18,692	18,692	1,257
Other trading activities	5	20,796	20,796	20,361
Other	6	8,940	8,940	6,236
Total		48,430	48,430	27,854
Expenditure on:				
Raising funds	7	-	-	787
Other	8	28,309	28,309	25,292
Total		28,309	28,309	26,079
Net gains on investments		-	-	-
Net income		20,121	20,121	1,775
Transfers between funds		-	-	-
Net income before other gains/(losses)		20,121	20,121	1,775
Other gains and losses				
Net movement in funds		20,121	20,121	1,775
Reconciliation of funds:				
Total funds brought forward		(1,775)	(1,775)	-
Total funds carried forward		18,346	18,346	1,775

## CYLCH MEITHRIN TREHARRIS

## Balance Sheet

at 31 March 2021

Charity No. 1055231

	2021	2020
	£	£
Current assets		
Cash at bank and in hand	18,346	1,775
	<u>18,346</u>	<u>1,775</u>
Net current assets	18,346	1,775
Total assets less current liabilities	<u>18,346</u>	<u>1,775</u>
Net assets excluding pension asset or liability	<u>18,346</u>	<u>1,775</u>
Total net assets	<u>18,346</u>	<u>1,775</u>
The funds of the charity		
Restricted funds	11	
Unrestricted funds	11	
General funds	18,346	(1,775)
	<u>18,346</u>	<u>(1,775)</u>
Reserves	11	
Total funds	<u>18,346</u>	<u>(1,775)</u>

Approved by the trustees on 31 March 2021

And signed on their behalf by:

G. Watkins

Trustee

31 March 2021



for the year ended 31 March 2021

## 1 Accounting policies

## Basis of preparation

The financial statements have been prepared in accordance with Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

## Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

## Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

## Income

Recognition of income	Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.
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Income with related expenditure	Where income has related expenditure the income and related expenditure is reported gross in the SoFA.
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Donations and legacies	Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.
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Tax reclaims on donations and gifts	Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.
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Donated services and facilities	These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.
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Volunteer help	The value of any volunteer help received is not included in the accounts.
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Investment income	This is included in the accounts when receivable.
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Gains/(losses) on revaluation of fixed assets	This includes any gain or loss resulting from revaluing investments to market value at the end of the year.
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Gains/(losses) on investment assets	This includes any gain or loss on the sale of investments.
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## Notes to the Accounts

## Expenditure

Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

## Taxation

The charity is exempt from tax on its charitable activities.

## Freehold investment property

Investment properties are measured initially at cost and subsequently at fair value at each balance sheet date and are not depreciated. All gains or losses are taken to the Statement of Financial Activities as they arise.

## Stocks

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

## Trade and other debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

## Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

## Trade and other creditors

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

#### Research and development

Expenditure on research and development is written off in the year in which it is incurred.

#### Foreign currencies

Monetary assets and liabilities denominated in currencies other than the functional currency of the charity are translated at the rates of exchange prevailing at the end of the reporting period.

Transactions in currencies other than the functional currency of the charity are recorded at the rate of exchange on the date that the transaction occurred.

All exchange differences are taken into account in arriving at net income/expenditure.

#### Leased assets

Where the charity enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease.

Leases which do not transfer substantially all the risks and rewards of ownership to charity are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the charity at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet date as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the charity's policy on borrowing costs.

Assets held under finance leases are depreciated in the same way as owned assets.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

#### Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the charity pays fixed contributions into a separate entity. Once the contributions have been paid the charity has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the charity in independently administered funds.

#### Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

## 2 Statement of Financial Activities - prior year

	Unrestricted funds 2020 £	Total funds 2020 £
Income and endowments from:		
Charitable activities	1,257	1,257
Other trading activities	20,361	20,361
Other	6,236	6,236
Total	<u>27,854</u>	<u>27,854</u>
Expenditure on:		
Raising funds	787	787
Other	25,292	25,292
Total	<u>26,079</u>	<u>26,079</u>
Net income	<u>1,775</u>	<u>1,775</u>
Net income before other gains/(losses)	1,775	1,775
Other gains and losses:		
Net movement in funds	<u>1,775</u>	<u>1,775</u>
Reconciliation of funds:		
Total funds carried forward	<u><u>1,775</u></u>	<u><u>1,775</u></u>

## 3 Income from donations and legacies

Unrestricted	Total 2021	Total 2020
£	£	£
2	2	-
<u>2</u>	<u>2</u>	<u>-</u>

## Donated goods, facilities and services received

	Total 2021 £	Total 2020 £
Fundraising	1,119	1,257
MTCBC Grants	20,796	18,452
Government Grants	8,940	1,909
	<u>48,429</u>	<u>21,618</u>

## 4 Income from charitable activities

	Unrestricted	Total 2021	Total 2020
	£	£	£
Charity Fundraising	18,692	18,692	1,257
	<u>18,692</u>	<u>18,692</u>	<u>1,257</u>

## 5 Income from other trading activities

	Unrestricted	Total 2021	Total 2020
	£	£	£
Government Grants	1,478	1,478	1,909
MTCBC Grant	19,318	19,318	18,452
	<u>20,796</u>	<u>20,796</u>	<u>20,361</u>

## 6 Other income

	Unrestricted	Total 2021	Total 2020
	£	£	£
Government Covid19 Grants	8,940	8,940	6,236
	<u>8,940</u>	<u>8,940</u>	<u>6,236</u>

## 7 Expenditure on raising funds

	Unrestricted	Total 2021	Total 2020
	£	£	£
<i>Fundraising trading costs</i>			
Government Grants	-	-	787
	<u>-</u>	<u>-</u>	<u>787</u>

## 8 Other expenditure

	Unrestricted	Total 2021	Total 2020
	£	£	£
Employee costs	21,624	21,624	20,160
Motor and travel costs	-	-	463
Premises costs	3,021	3,021	4,252
General administrative costs	3,608	3,608	-
Legal and professional costs	56	56	417
	<u>28,309</u>	<u>28,309</u>	<u>25,292</u>

## 9 Trustee remuneration and expenses

	2021 Number	2020 Number
The nature of the reimbursed expenses	No payments to trustees	

## 10 Staff costs

Salaries and wages	21,090	20,130
Social security costs	375	-
Pension costs	159	30
	<u>21,624</u>	<u>20,160</u>

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

## 11 Movement in funds

	At 1 April 2020	Incoming resources (including other gains/losses ) £	Resources expended £	At 31 March 2021 £
Restricted funds:				
Unrestricted funds:				
General funds	(1,775)	48,430	(28,309)	18,346
Revaluation Reserves:				
Total funds	<u>(1,775)</u>	<u>48,430</u>	<u>(28,309)</u>	<u>18,346</u>

## 12 Analysis of net assets between funds

	Unrestricted funds £	Total £
Net current assets	18,346	18,346
	<u>18,346</u>	<u>18,346</u>

## 13 Reconciliation of net debt

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash and cash equivalents	1,775	16,571	18,346
	<u>1,775</u>	<u>16,571</u>	<u>18,346</u>
Net debt	<u>1,775</u>	<u>16,571</u>	<u>18,346</u>

## 14 Commitments

*Operating lease commitments*

Annual commitments under non-cancellable operating leases are as follows:

	2021	2021	2020	2020
	Land and	Other	Land and	Other
	buildings		buildings	
	£	£	£	£
Operating leases with expiry date:				

*Pension commitments*

	2021	2020
	£	£
The pension cost charge to the charity amounted to:	<u>159</u>	<u>30</u>

## CYLCH MEITHRIN TREHARRIS

## Statement of Cash flows

for the year ended 31 March 2021

	2021 £	2020 £
Cash flows from operating activities		
Net income per Statement of Financial Activities	20,121	1,775
Adjustments for:		
Dividends, interest and rents from investments	(8,940)	(6,236)
Net cash provided by/(used in) operating activities	<u>11,181</u>	<u>(4,461)</u>
Cash flows from investing activities		
Dividends, interest and rents from investments	8,940	6,236
Net cash from investing activities	<u>8,940</u>	<u>6,236</u>
Net cash from financing activities	<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents	20,121	1,775
Cash and cash equivalents at the beginning of the year	1,775	-
Cash and cash equivalents at the end of the year	<u>21,896</u>	<u>1,775</u>
Components of cash and cash equivalents		
Cash and bank balances	18,346	1,775
	<u>18,346</u>	<u>1,775</u>



CYLCH MEITHRIN TREHARRIS  
Detailed Statement of Financial Activities  
for the year ended 31 March 2021

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income and endowments from:			
Donations and legacies	2	2	-
	<u>2</u>	<u>2</u>	<u>-</u>
Charitable activities			
Charity Fundraising	18,692	18,692	1,257
	<u>18,692</u>	<u>18,692</u>	<u>1,257</u>
Other trading activities			
Government Grants	1,478	1,478	1,909
MTCBC Grant	19,318	19,318	18,452
	<u>20,796</u>	<u>20,796</u>	<u>20,361</u>
Other			
Government Covid19 Grants	8,940	8,940	6,236
	<u>8,940</u>	<u>8,940</u>	<u>6,236</u>
Total income and endowments	48,430	48,430	27,854
Expenditure on:			
Costs of other trading activities			
Government Grants	-	-	787
	<u>-</u>	<u>-</u>	<u>787</u>
Total of expenditure on raising funds	-	-	787
Employee costs			
Salaries/wages	21,090	21,090	20,130
Employer's NIC	375	375	-
Pension costs	159	159	30
	<u>21,624</u>	<u>21,624</u>	<u>20,160</u>
Vehicles - General costs	-	-	463
	<u>-</u>	<u>-</u>	<u>463</u>
Premises costs			
Rent	2,926	2,926	4,073
Premises insurances	-	-	179
Premises repairs and maintenance	95	95	-
	<u>3,021</u>	<u>3,021</u>	<u>4,252</u>
General administrative costs, including depreciation and amortisation			
Equipment expensed	3,365	3,365	-
Subscriptions	243	243	-

CYLCH MEITHRIN TREHARRIS  
Detailed Statement of Financial Activities

	3,608	3,608	-
Legal and professional costs			
Accountancy and bookkeeping	56	56	417
	56	56	417
Total of expenditure of other costs	28,309	28,309	25,292
Total expenditure	28,309	28,309	26,079
Net gains on investments	-	-	-
Net income	20,121	20,121	1,775
Net income before other gains/(losses)	20,121	20,121	1,775
Other Gains	-	-	-
Net movement in funds	20,121	20,121	1,775
Reconciliation of funds:			
Total funds brought forward	(1,775)	(1,775)	-
Total funds carried forward	18,346	18,346	1,775