

Charity Registration No. 1078995

Company Registration No. 3681562 (England and Wales)

TOUCH TRUST LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

TOUCH TRUST LIMITED

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TOUCH TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements 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) (effective 1 January 2019)".

Objectives and activities

TO PROVIDE EDUCATIONAL AND THERAPEUTIC PROGRAMMES FOR THE BENEFIT OF PEOPLE WITH PROFOUND PHYSICAL AND LEARNING DISABILITIES AND TO ESTABLISH AN EDUCATIONAL AND THERAPEUTIC CENTRE WHICH WILL PROVIDE A FOCAL POINT FOR THE DEVELOPMENT OF SUCH PROGRAMMES

COVID-19 has presented a "watershed" moment for Touch Trust, as it has for many charities.

We have relied on the furlough scheme and grants to meet our outgoings during the initial lockdown, when our income dropped to zero.

We have embraced technology to provide online sessions which have generated an income through the provision of paid for sessions, and funded projects delivered both in partnership with other Arts Organisations, or independently.

The use of ZOOM has provided a significant contribution to the wellbeing of individuals and families. It has enabled us to reach new guests, as well as existing guests, and has provided an opportunity to raise awareness of the charity and develop new customer bases.

Having said that, we accept that our level of activity remains significantly below pre COVID-19 levels.

We also recognise that we will not be able to host the numbers we had previously, and that the pre COVID-19 business model presents significant risks that must be recognised and mitigated against.

Prior to COVID-19 we reduced our space within the Wales Millennium Centre, which has substantially reduced our overheads. We have lost staff as a result of reduced delivery and recognise that we may face a skills gap as we grow again.

The reduced space means that, as we return to the Centre, we do not have the capacity to deliver the same numbers, and therefore a mixed delivery model must be advanced.

Partnerships

We have explored several interesting partnerships with other arts organisations which have been important both in terms of raising our profile as an arts organisation, but also enabling other organisations to deliver on widening arts access.

Not all our funding for further partnership working has been successful. Having secured a small grant from the Arts Council Wales, we had a further two declined.

We believe that an important aspect of our future direction involves a review of our governing document.

Governing Document

With support from Social Business Wales, we have worked with a specialist consultant to renew the structure of the charity considering our new focus, and this will include an aligning of governing document and potential dissolution of the Touch Trust Foundation, which was initially created as a trading arm. We are seeking guidance on this alongside a renew of the charitable objectives.

TOUCH TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2021**

Dilys Price OBE and Intellectual Property

Sadly, we lost our founder Dilys Price in April 2021, which was a great loss to the organisation. Many families old and new paid their respects to Dilys and shared their thoughts and recollections of her life and impact.

In consultation with our members, we have developed a new Provider Membership Agreement better reflects the current role of the Touch Trust model within the charity, whilst also honouring and protecting the legacy of Dilys Price OBE.

Membership

We recognised that with the loss of core funding from the Arts Council, we cannot deliver the membership model which was previously delivered. We have restructured the membership offer and are in the process of restructuring the membership fees, offering better value for money.

We have also consulted extensively with members to identify what support they require and will continue to do so. Our priorities for the current year will be to re-engage with members who have lapsed, or left, and to ensure our offer is relevant and valuable.

Training

We have restructured our organisation and sadly lost our dedicated training officer role. Whilst we will continue to deliver training and CPD on demand it is at a much reduced provision. However, despite the pandemic, we have been able to successfully deliver the Touch Trust programme to a provider member in Jersey.

Whilst much of our training is being delivered online there is still a requirement for trainees to be assessed through face to face engagement with guests.

We are committed to providing an attractive, relevant and high quality CPD offer to members and others within our capacity.

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

Achievements and performance

We worked hard to move swiftly and respond to the pandemic. We were the first residents of the WMC to put up warning notices, add sanitiser and contact carers about our plans. Once lockdown started we immediately looked at how we could support our guests.

We engaged families who we knew were struggling when they have children and young people at home during lockdown and have had to care for their children unsupported. We were fortunate to utilise our Awards for All to launch a small online club, but we realise that to survive we need to totally change the way we work and launch a new business model in the most challenging of circumstances.

In order to launch this new online model, we communicated with all participants throughout this time, to support them and their carers in understanding and accepting the changes we made during pandemic. We also ensured that we used accessible ways to engage with our participants in preparation for all the sessions and did our best to enable them to feel safe and comfortable accessing our services. Staff training, and additional online safeguarding and Health and Safety protocols have been developed so that we are delivering the new safe practise both online and in-person.

We have engaged with our guests and carers through social media and we made contact via telephone and emails with all participants and their care providers to identify how we can support them through this period. We also consulted with care providers about outreach, found out which would be their preferred methods of delivery. Speaking to care providers, many of our guests are living in anxious environments given the specific threats to guests in care homes and are getting limited stimulation. Many have grown up coming to Touch Trust and families rely on it.

TOUCH TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

We provided training for all staff on delivering sessions using Zoom, and assisted Care Providers and family carers on how to access these online sessions. Feedback from our participants on our online sessions has been overwhelmingly positive, and they were surprised how the sessions felt authentic and similar to our face-to-face sessions they received previously.

The beauty of our online sessions was that it can be delivered across Wales through ZOOM, and outreach can be delivered throughout South Wales, extending the reach of our service which previously had been reliant on access to our premises.

Feedback for our Online Sessions:

"We have been lucky to keep in touch with you and have loved them. Thank you so much, you really are all stars and have kept my daughter smiling this year"

"We were still able to feel the essence of a Touch Trust session in our own home. My son was finding it difficult to get to sleep, but he placed his own hands on his chest and focused on this breathing without being promoted just like in the face-to-face sessions he used to have at the centre."

Financial review

The charity made a surplus for the year ended 31 March 2021 of £87,558, consisting of an unrestricted surplus of £18,589 and a restricted surplus of £68,969. This is compared to a deficit in the year to 31 March 2020 of £50,327.

We have been managing to meet our monthly outgoings this year thanks to some core restricted funding. We have been continuing to develop our funding strategy so that we can offer activities to our clients/guests at a reduced or zero cost. This will be in addition to our paid services. We have continued with constant funding applications and secured new grant income.

In February 2021 we restructured the senior management team and made the training and membership coordinator post redundant. This area of the business was not paying for itself and the training and membership can continue to be administered from within the rest of the team.

We have reduced our space within the Wales Millennium Centre, utilising the space better and reducing Rent and Service Level Agreement Costs, and are continuing to clear the remaining old debts.

The interim CEO is still in place within Touch Trust until we can recruit a full time CEO, who will focus on fund raising and the charity's strategic direction.

Gift Aid is being collected on donations via Just Giving.

The new license agreement has been put in place to streamline the Licence agreement with the charity's future direction, and any royalties relating to the old license were all brought up to date.

COVID-19

In 2020 we had seen the onset of the Coronavirus pandemic. This halted our income almost immediately, and the management team had to think outside of the long running strategy to change the way the charity operated, and to enable Touch Trust to survive.

Last year we focussed on fund raising and changing the strategic vision to gain income via different methods. We set up a new virtual model of providing Touch Trust Sessions for those who could participate online, alongside a future model of Outreach and Face to Face Sessions when the charity is able to return to the Wales Millennium Centre.

TOUCH TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2021**

We have now started providing virtual outreach group sessions, alongside being able to provide one to one sessions back in the Wales Millennium Centre again. The virtual groups and one to one sessions are still taking place also, so the new model of income streams is up and running, and we are up to an average of 100 participations per month and still growing.

The funding raised to date has enabled Touch Trust to diversify into other areas of Expressive Arts and Subsidised Sessions, meaning that we could honour some working hours for creative facilitators and start building our guest list up again. The creative Facilitators are now being requested to return to their full contracted hours to cover the demand. However, the restrictions still inhibit Touch Trust from providing face to face group sessions, which reduces the numbers of participants that we can accommodate.

As of 31 May 2021 we are holding £89,856 in the bank accounts, of which £36,566 are unrestricted funds. The restrictive funding, however, covers a lot of the core costs as well as project costs.

Reserves Policy

The Board of Trustees has examined the charity's requirements for reserves considering the main risks to the organisation. A policy has been established to build free reserves enough to cover temporary shortfalls in income.

The free reserves of the charity represent the funds that are freely available to spend as at 31st March 2021 were £13,619 (2020: negative £5,420).

Plans for future periods

We have completed a strategic plan which will inform the growth and progression of the charity post COVID-19. This is based on a model of delivery which reduces the risk by increasing the breadth of the income streams. We are still navigating uncharted territories with our emergence from COVID-19, and whilst we see the importance of having a strategic plan, we also recognise that it may be necessary to depart from the plan to respond to emerging issues, opportunities or challenges. We recognise the stress this year has placed on the staff team, and in response to this we have created a people plan which informs how staff can expect to be supported by the charity.

We are hoping to secure funding to create a customer engagement manager to increase our reach to care providers, special schools, and potential provider members.

In order to respond to the potential growth in demand, we hope to develop our online provision, outreach and maximise our reduced space, to ensure we meet the needs of guests in the most appropriate method for them.

Having gone through a period of significant change, we hope to solidify our growth by recruiting a full time CEO whose role will be to further stabilise the charity, increase its reach, and lead on implementation of the strategic plan.

TOUCH TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2021**

Structure, governance and management

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

Risk management

The Management Committee has conducted a review of the major risks to which the charity is exposed. A more comprehensive risk register is currently being established and will be updated annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Significant threat to external risks to funding in past years have led to the development of a strategic plan which will allow for the diversification of funding streams and a review of the types of activities offered in the future. Internal control risks have been minimised by the implementation of procedures for authorisation of all transactions. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the centre. The continuing implementation of Health and Safety Standards ensure a consistent quality of delivery for all operational aspects of the charity. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

Organisational structure

The Touch Trust Ltd has a Board of Trustees, who meet quarterly and are responsible for the strategic direction and policy of the charity. All board members are from a variety of backgrounds, all relevant to the work of the charity. The Secretary also sits on the board but has no voting rights.

Trustees are recruited by the current trustee board, new trustees are selected by meeting of the trustees, where nominees are discussed and appointed accordingly.

A scheme of delegation is in place and day to day responsibility for the provision of activities rest with the Chief Executive Officer (CEO). The CEO is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. The CEO is also responsible for the day to day operational management of the centre, individual supervision of the staff team and also ensuring that the team continue to develop their skills and working practices in line with good practice. The level of payment made to all key personnel is reviewed annually by Trustees.

TOUCH TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Reference and administrative details

Charity name	Touch Trust Limited
Charity number	1078995
Company number	3681562
Registered office	Wales Millenium Centre Bute Place Cardiff Bay Cardiff CF10 5AL

Trustees	Ms J Osman Ms K Williams Ms H Hughes Mr N Hollett Ms R Whittington Ms E Willis
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Key management personnel	Bev Garside - CEO
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Independent examiners	Azets Audit Services Ty Derw Lime Tree Court Cardiff Gate Business Park Cardiff CF23 8AB
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The trustees' report was approved by the Board of Trustees.



K Williams - Trustee

Dated: 23-1-2021.....

TOUCH TRUST LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2021

The trustees, who are also the directors of Touch Trust Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

TOUCH TRUST LIMITED

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF TOUCH TRUST LIMITED

I report to the trustees on my examination of the financial statements of Touch Trust Limited (the charity) for the year ended 31 March 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accounts in England and Wales, which is one of the listed bodies.

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

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

I 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 financial statements to be reached.



Sarah Case FCA DChA

Azets Audit Services

Ty Derw

Lime Tree Court

Cardiff Gate Business Park

Cardiff

CF23 8AB

United Kingdom

Dated: 23-11-2021

TOUCH TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income from:							
Donations and legacies	3	8,054	-	8,054	35,524	-	35,524
Charitable activities	4	57,336	233,031	290,367	158,263	48,541	206,804
Other trading activities	5	22,645	-	22,645	21,799	-	21,799
Investments	6	44	-	44	16	-	16
Total income		88,079	233,031	321,110	215,602	48,541	264,143
Expenditure on:							
Charitable activities	7	67,082	166,470	233,552	285,925	28,545	314,470
Net incoming/ (outgoing) resources before transfers		20,997	66,561	87,558	(70,323)	19,996	(50,327)
Gross transfers between funds		(2,408)	2,408	-	-	-	-
Net income/(expenditure) for the year/ Net movement in funds		18,589	68,969	87,558	(70,323)	19,996	(50,327)
Fund balances at 1 April 2020		(4,400)	19,996	15,596	65,923	-	65,923
Fund balances at 31 March 2021		14,189	88,965	103,154	(4,400)	19,996	15,596

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.

TOUCH TRUST LIMITED

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	11		570		1,020
Current assets					
Debtors	12	29,663		78,441	
Cash at bank and in hand		121,287		13,185	
		<u>150,950</u>		<u>91,626</u>	
Creditors: amounts falling due within one year	13	<u>(48,366)</u>		<u>(77,050)</u>	
Net current assets			102,584		14,576
Total assets less current liabilities			<u>103,154</u>		<u>15,596</u>
Income funds					
Restricted funds	14		88,965		19,996
Unrestricted funds			14,189		(4,400)
			<u>103,154</u>		<u>15,596</u>

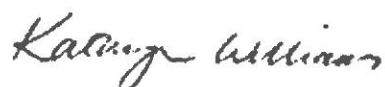
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021.

The trustees acknowledge their 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.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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 23-11-2021



K Williams -Trustee

Company Registration No. 3681562

TOUCH TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Touch Trust Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Wales Millennium Centre, Bute Place, Cardiff Bay, Cardiff, CF10 5AL, United Kingdom.

1.1 Accounting convention

The financial statements 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) (effective 1 January 2019)". 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 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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The charity currently has free reserves of £13,619. The trustees report details the charity's current financial position.

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. 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.

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 Income

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.

TOUCH TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Income from government grants, whether 'capital' or 'revenue' is recognised when the the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and not deferred.

Grants receivable for the specific purpose of purchasing fixed assets for the continued use of the charity are treated as restricted funds. The restricted fund is then reduced by amounts equivalent to the depreciation charges on the assets concerned and will continue to do so over the expected useful lives of the assets concerned.

Grants receivable for specific purposes are also treated as restricted funds so that any unused funds can be separately identified.

Grants receivable to facilitate the general running of the project i.e. where the directors/trustees can choose how the funds are expended, are treated as unrestricted funds.

Education and therapy income is recognised in the period in which the service is provided. Any amounts received in advance are deferred and released in future periods.

Management charges from its trading subsidiary are invoiced quarterly for services provided.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities includes all costs relating to the furtherance of the charity's objectives as stated in the trustees report and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

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:

Leasehold land and buildings	20% straight line
Plant and equipment	33% straight line
Fixtures and fittings	20% straight line

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.

TOUCH TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

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 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.

1.9 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.

TOUCH TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.10 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.

1.11 Retirement benefits

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

1.12 Leases

Rentals payable under operating leases are charged to the income and expenditure account on a straight line basis over the term of the relevant lease.

1.13 Taxation

As a registered charity, Touch Trust Limited is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

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	Unrestricted funds
	2021 £	2020 £
Donations and gifts	8,054	35,524

TOUCH TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

4 Charitable activities

	2021 £	2020 £
Education and therapy	32,220	158,263
Grants	258,147	48,541
	<u>290,367</u>	<u>206,804</u>
Analysis by fund		
Unrestricted funds	57,336	158,263
Restricted funds	233,031	48,541
	<u>290,367</u>	<u>206,804</u>
Grants		
Big Lottery Fund	-	28,545
BBC Children in Need	-	10,000
Wales Council for Voluntary Action	-	9,996
Wooden Spoon	5,000	-
The Edward Gostling Foundation	5,000	-
Wales Coronavirus Resilience Fund	5,000	-
Virgin Money Fund	1,166	-
Moondance Foundation	33,566	-
Arts Council of Wales	31,321	-
Economic Resilience Fund	22,500	-
The National Lottery People and Places	82,212	-
GVS	200	-
Admiral	500	-
The Percy Bilton Charity	500	-
The Persimmon Charitable Foundation	5,000	-
People's Postcode Trust	19,060	-
Coronavirus Job Retention Scheme	47,122	-
	<u>258,147</u>	<u>48,541</u>

TOUCH TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Management charges	22,000	18,000
Other income	218	2,213
Fundraising events	427	1,586
	<u> </u>	<u> </u>
Other trading activities	<u>22,645</u>	<u>21,799</u>

6 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	<u>44</u>	<u>16</u>

TOUCH TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

7 Charitable activities

	2021 £	2020 £
Staff costs	103,028	139,032
Depreciation and impairment	450	340
Bad debt	16,766	13,048
Insurance	1,938	3,355
Consultancy and professional fees	33,057	59,776
Premises expenses	12,774	22,333
Project costs	3,954	6,333
Repairs and maintenance	14,156	34,401
Royalties	255	2,402
Telephone and IT	10,081	5,006
	<u>196,459</u>	<u>286,026</u>
Share of support costs (see note 8)	35,043	25,144
Share of governance costs (see note 8)	2,050	3,300
	<u>233,552</u>	<u>314,470</u>
Analysis by fund		
Unrestricted funds	67,082	285,925
Restricted funds	166,470	28,545
	<u>233,552</u>	<u>314,470</u>

TOUCH TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

8 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Staff costs	8,354	-	8,354	11,273	-	11,273
Bank charges	451	-	451	835	-	835
HR, legal and consultancy fees	25,606	-	25,606	12,117	-	12,117
Subscriptions	130	-	130	217	-	217
Printing, post and stationery	502	-	502	702	-	702
Accountancy fees	-	2,050	2,050	-	3,300	3,300
	<u>35,043</u>	<u>2,050</u>	<u>37,093</u>	<u>25,144</u>	<u>3,300</u>	<u>28,444</u>
Analysed between Charitable activities	<u>35,043</u>	<u>2,050</u>	<u>37,093</u>	<u>25,144</u>	<u>3,300</u>	<u>28,444</u>

Governance costs includes payments to the independent examiners of £1,800 (2020: £1,800).

9 Trustees

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

No trustees were reimbursed for expenses during the current or previous year.

10 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	<u>11</u>	<u>17</u>
Employment costs	2021 £	2020 £
Wages and salaries	108,576	146,405
Social security costs	1,551	2,458
Other pension costs	1,255	1,442
	<u>111,382</u>	<u>150,305</u>

TOUCH TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

10 Employees

(Continued)

Key management personnel

The key management personnel of the charity received benefits (including gross salary, employers national insurance contributions and employers pension contributions) totalling £90,255 (2020: £87,490).

Redundancy payments

Included in staff costs above are redundancy payments totalling £2,437 (2020: £nil). There were no amounts outstanding at the current year end.

11 Tangible fixed assets

	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Total
	£	£	£	£
Cost				
At 1 April 2020	29,375	21,119	40,163	90,657
At 31 March 2021	29,375	21,119	40,163	90,657
Depreciation and impairment				
At 1 April 2020	29,375	20,139	40,123	89,637
Depreciation charged in the year	-	420	30	450
At 31 March 2021	29,375	20,559	40,153	90,087
Carrying amount				
At 31 March 2021	-	560	10	570
At 31 March 2020	-	980	40	1,020

12 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	29,663	78,441

13 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	-	2,383
Trade creditors	39,632	72,267
Amount owed to parent undertaking	4,890	-
Accruals and deferred income	3,844	2,400
	48,366	77,050

TOUCH TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

14 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:

	Movement in funds			Movement in funds			Transfers	Balance at 31 March 2021
	Incoming resources	Resources expended	Balance at 1 April 2020	Incoming resources	Resources expended	Balance at 31 March 2021		
	£	£	£	£	£	£	£	£
BBC Children in Need	28,545	(28,545)	-	-	-	-	-	-
Connected Families	10,000	-	10,000	-	(8,865)	-	-	1,135
Community Foundation Wales	9,996	-	9,996	-	-	-	-	9,996
Moondance Foundation	-	-	-	24,616	-	-	-	24,616
Arts Council of Wales	-	-	-	31,321	(33,729)	2,408	-	-
Economic Resilience Fund	-	-	-	22,500	(22,496)	-	-	4
The National Lottery People and Places	-	-	-	82,212	(53,577)	-	-	28,635
GVS	-	-	-	200	(200)	-	-	-
Admiral	-	-	-	500	(481)	-	-	19
The Percy Bilton Charity	-	-	-	500	-	-	-	500
The Persimmon Charitable Trust	-	-	-	5,000	-	-	-	5,000
People's Postcode Trust	-	-	-	19,060	-	-	-	19,060
Coronavirus Job Retention Scheme	-	-	-	47,122	(47,122)	-	-	-
	48,541	(28,545)	19,996	233,031	(166,470)	2,408	-	88,965

TOUCH TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

14 Restricted funds

(Continued)

BBC Children in Need

Funding was received for an after school club for Children with profound multiple disabilities.

Connected Families

The project is funded by the Big Lottery and is in partnership with Glamorgan Voluntary Services and the Parents Federation. It is all free of charge to the carers. The aim is to give family carers time to themselves. Touch Trust put on Time for Me Days where they bring the person they care for to a Touch Trust session while they have complimentary therapy or a workshop in the college room.

Community Foundation Wales

Funding was received in relation to the children and young people's project.

Moondance Foundation

Funding was received to cover the core costs of the charity.

Arts Council of Wales

Funding was received to cover the core costs of the charity and bid writing.

Economic Resilience Fund

Funding was received to cover the core costs of the charity.

The National Lottery People and Places

Funding was received to cover the core costs of the charity and the development of a new model.

TOUCH TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

14 Restricted funds	(Continued)
GVS	Funding was received to cover various hardware costs of the charity.
Admiral	Funding was received to purchase sensory boxes.
The Percy Bilton Charity	Funding was received to purchase sensory boxes.
The Persimmon Charitable Foundation	Funding was received for light wall removal and various building work.
People's Postcode Trust	Funding was received for the development of a new model, training and to cover the core costs of the charity.
Coronavirus Job Retention Scheme	Claims made to HMRC to cover the staff costs of the organisation

TOUCH TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

15 Analysis of net assets between funds

	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:						
Tangible assets	570	-	570	1,020	-	1,020
Current assets/ (liabilities)	13,619	88,965	102,584	(5,420)	19,996	14,576
	<u>14,189</u>	<u>88,965</u>	<u>103,154</u>	<u>(4,400)</u>	<u>19,996</u>	<u>15,596</u>

TOUCH TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

16 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	<u>20,646</u>	<u>14,537</u>

TOUCH TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

17 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

During the year the charity received donations from Touch Trust Foundation Limited totalling £2,000 (2020: £29,280). The charity also received management charges from Touch Trust Foundation Limited totalling £22,000 (2020: £18,000) At the year end the charity owed Touch Trust Foundation Limited £4,890 (2020: £nil).

18 Subsidiaries

These financial statements are separate charity financial statements for Touch Trust Limited.

As the income of the group falls below the relevant thresholds consolidated accounts have not been prepared.

Details of the charity's subsidiaries at 31 March 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Touch Trust Foundation Limited	Wales	Trading Arm	Ordinary Shares	100.00	

The aggregate capital and reserves and the result for the year of subsidiaries was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Touch Trust Foundation Limited	2,661	10,836

