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Charity Registration No. 1079018

Company Registration No. 03832123 (England and Wales)

CHELL AREA FAMILY ACTION GROUP

(KNOWN AS 'C.A.F.A.G')

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

CHELL AREA FAMILY ACTION GROUP
(KNOWN AS 'C.A.F.A.G')
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Margaret Ferneyhough	
	Kathleen Roberts	
	Andrew Franklin	
	Dr Keziah Stott	(Appointed 7 July 2020)
	Mike Riddell	(Appointed 29 June 2020)
	Amanda Murphy	(Appointed 4 July 2020)
	Philippa Calver	(Appointed 21 June 2021)
	Charlotte Smith	(Appointed 1 June 2021)
	Frank Ferneyhough	(Appointed 1 June 2021)
Secretary	Kathleen Roberts	
Charity number	1079018	
Company number	03832123	
Registered office	The Whitfield Valley Centre Fegg Hayes Road Stoke on Trent Staffordshire ST6 6QR	
Independent examiner	K V Staley FCA Geens Limited 68 Liverpool Road Stoke on Trent ST4 1BG	

CHELL AREA FAMILY ACTION GROUP
(KNOWN AS 'C.A.F.A.G')
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**CHELL AREA FAMILY ACTION GROUP
(KNOWN AS 'C.A.F.A.G')
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 Charitable company'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

The charitable company objects include the following:

To promote the benefit of the inhabitants of Chell and the neighbourhood thereof without the distinction of sex, sexual orientation, race or political, religious or other opinions, by associating together the said inhabitants and the local authorities, voluntary and other organisations in a common effort to :

Advance education, and provide facilities in the interest of social welfare for recreation and other leisure time occupation. To improve the general public health and welfare of the said inhabitants. To establish or secure the establishment of a family centre and maintain and manage the same, whether alone or in co-operation with any local authority or other person or body in furtherance of these objects.

Summary of the main activities undertaken for the public benefit

To achieve its objects, the charity operates a number of projects. The trustees have had regard to the guidance issued by the Charity Commission on public benefit. As an organisation CAFAG continues to develop and consolidate its position in the third sector, delivering its services to all in the community whilst developing new opportunities and tackling new challenges in the changing world. The focus has been on health improvement for the people of Fegg Hayes as well as increasing volunteering opportunities.

The Board of Trustees continue to guide CAFAG and opportunities to join the Board are still available and suitable candidates are being sought.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charitable company should undertake.

**CHELL AREA FAMILY ACTION GROUP
(KNOWN AS 'C.A.F.A.G')
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Achievements and Performance:

Summary of the main achievements during the year:

Nursery:

From March 2020 and throughout the pandemic, The Whitfield Valley Centre Nursery has remained open and supported those who were classed as keyworkers by providing childcare facilities. We were then able to gradually open to the public with secure COVID safety measures in place and following the government guidelines and Ofsted policies and procedures. This influenced the development of the Nursery, and the financial situation is being closely monitored. Restructure and improvements are in place and the Assistant Charity Manager of CAFAG is currently in training, to take over as one of the Directors of the Nursery and is working in close partnership with the Charity Manager to develop a long-term sustainability plan for the Nursery and all other social enterprise/community-led businesses. During the pandemic Nursery also provided online activities through their social media platforms for families, provided books and gifts that were kindly donated and some of the nursery families received electronic devices as part of the Connecting Families project. When the Nursery re-opened to the public, they were able to carry out fundraising events for Children in Need, develop the outdoor Nursery space and have now built an outdoor shed for group educational play to take place and reunited all families, providing ongoing support throughout the pandemic and the effects thereafter.

Creche:

In line with the other services, the Creche adapted their social media platforms and staff provided online videos, live activities that families could do from home, provided Activity and Sensory baskets, one to one video call sessions for children who required additional support and group zoom sessions for all Creche children with parents/carers present. Due to the closure of Creche we had a small underspend, which was then used to purchase resources and tools to create an outdoor children's garden within CAFAGs grounds. This has now provided a safe outdoor environment for both the Creche and Nursery to use.

Youth Club

During the lockdowns, the Youth Club staff provided online videos, live activities that young people could do from home, and we also provided activity, stationery, and hygiene packs. For those that required additional support or raised safeguarding concerns we held one-to-one sessions. Free training was provided to all young people on E-Safety and parents/carers also had access to this service. Easter eggs and Christmas hampers were also provided to all youth members and a CAFAG Youth Worker telephone support line was established. Free meals and packed lunches were given to families in need and free school uniforms were distributed in partnership with the Chell Parish Church.

**CHELL AREA FAMILY ACTION GROUP
(KNOWN AS 'C.A.F.A.G')
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

'Toether there is Hope' Building Connections

The Together there is Hope project's specific remit was tackling loneliness and isolation however because of lockdown restrictions and the Whitfield Valley Centre being closed we had to adapt our project plan to provide online activities and arts & craft packs, specifically targeting those who were lonely and/or at risk of being lonely. We wanted to provide them with fun activities and distraction things to do and encouraged them to also be a part of an online social group through CAFAG's main Facebook page.

Men in Sheds began providing online activity worksheets via CAFAG's website which the public could access and complete at home. Men In Sheds workshop bags were also provided to those who wanted them and could be completed in a safely at home. A telephone support line was also offered and during the Christmas period 2020 the Men in Sheds team of staff and customers made planters, which were sold to the public and the money was donated back into the charity and this service. Councillor Jan Bridges gave CAFAG a small pot of money to create an outdoor Men in Sheds workshop which enabled this project to start opening towards the end of the lockdown, following recommended government guidelines.

ICT free training was also open to the public via the charity's website and staff, volunteer and customer IT training was carried out and available to access.

The Community Inclusion Officers, alongside the Health & Wellbeing Officer also offered a telephone support line for all current and new service users.

Between lockdown periods in 2020/21 we also started a small walking club.

Reaching Communities

At the beginning of March 2020, we hired an Assistant Charity Manager to help support the Charity Manager and the management of the Centre and all services. Management training is ongoing and unfortunately, was not possible to be carried out during the pandemic as this was the charities sole focus in readapting all services and continuing employment for all staff where possible. However, training was actioned where possible, and adaptation of the charities business and sustainability plans were carried out.

From March 2020 our Health & Wellbeing Officer began working as outreach along with the Youth Club Lead and provided crucial services such as delivering free emergency food parcels to those in need, vulnerable or at risk, collection of food shopping and prescriptions for those needing to isolate or shielding due to being clinically vulnerable. Activity packs, food and toy hampers for children and Christmas hampers were also delivered to CAFAG service user where possible. The team was highly effective and proactive to assist and support, during the crisis. CAFAG was also involved in the distribution of free food provided by JCB and the Co-Op which was given to vulnerable families and those most in need.

The management team at the beginning of 2020 had to solely focus and prioritise COVID-19 and how we as a charity could continue our services, aid, and support where possible. Once set plans were in place, trial periods carried out and necessary amendments were made where needed. From 2020/21 the Charity Manager, Assistant Charity Manager, Community Enterprise Officer and Finance Administrator collectively evaluated the charity's circumstances considering all main funding streams ending in 2021 and began working on the next steps in terms of securing continuation funding. All end of project reports were completed, and adaption of business plans were discussed and set in place, closely monitored, and recorded monthly. Focus on any areas of improvements were highlighted and overall discussions and agreements were made by the board of Trustees. The financial circumstances and sustainability of the charity was addressed and currently the charity has over six months unrestricted funding which is in line with the Charity Commission's Guidelines.

Furthermore, each project's recording and filing processes were updated to meet regulation standards and improvement in recording of data, case studies and evidence on impact. Monthly targets and outcomes were provided to all staff leads and managers for each department, to develop, progress and meeting over the last twelve months, which from evidence has shown true progression for each variable.

**CHELL AREA FAMILY ACTION GROUP
(KNOWN AS 'C.A.F.A.G')
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Cafe/FOTM

Unfortunately, our Café had to close its door in March 2020 due to the COVID-19 pandemic, meaning we lost one of our main sources of revenue. The Café was solely running by volunteers, and this was trialled for twelve months. However, after management review a paid staff member was required to lead and train the volunteers, oversee the café and running plus ensuring the management and legal policies and procedures were followed thoroughly.

The café was closed between March 2020 – February 2021. The volunteers led a specials Afternoon Tea takeaway boxes for Valentine's Day which was a success. We were successfully awarded funding from CCLORS to set up our Food on the Move delivery service, which is now hugely popular and is becoming one of our mainstream services and income generators and has exciting potential to grow and expand. This funding also enabled us to hire a Chef Lead who is now managing and overseeing the Café and Delivery Service, supported, and regularly monitored by the management team. This project is still in the trial period but aims to be one of our main sources for sustainability. We now have a new affordable menu for the local and wider community to receive nutritious healthy meals and FOTM focuses on the vulnerable, those who cannot prepare their own meals and the elderly who require care or additional support.

Gardening/Maintenance

We were fortunate that our gardening service was able to continue throughout the pandemic and this was our only source of income during the twelve months. The demand for this project has grown immensely and has now reached capacity, this includes additional flexible hour contracts and volunteer support. We recently received £5, 000 now working in partnership with Stoke-on-Trent Council's Hyper Local Community Support Programme, offering gardening, general maintenance, and home removal work. This has increased a great demand of referrals and we have now had to create a waiting list for general home gardening. This shows immense potential of regular income supporting the sustainability of the charity and supporting a wide area within the community. This also includes general weekly maintenance to complete around CAFAG's grounds, providing regular volunteering opportunities, support and a weekly Gardening Club.

Charity Shop

Through Community Investment Funding from Stoke-on-Trent City Council, we have now been able to renovate three rooms within the Centre into a local charity shop which will support in providing affordable resources, clothing, and equipment. Upcycling and recycling and reusing items for a greener, more economical environment whilst also increasing revenue. This was carried out by request and interest from the public and local community through evaluations and polls. Awards for All funding from The National Lottery Community Fund has enabled us to hire a Charity Shop manager for the next twelve months to set up and train all volunteers in the running of the shop. This will in the long term provide employability and volunteering opportunities, training and gain customer service skills, as well as provide an additional source of the charities aim to become self-sustainable in covering at least all core costs of the charity in five years' time. We receive ongoing donations and have had a great response and interest from the opening of CAFAGs 'Twice the Value' Charity Shop.

Any school uniform clothing that is donated, is then given to vulnerable families for free.

**CHELL AREA FAMILY ACTION GROUP
(KNOWN AS 'C.A.F.A.G')
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Room Hire

Room hire includes an external organisation 'Aston Health & Fitness' have rented the charities gym room and are solely responsible for the running of the Gym, overseen and monitored by management. This brings an income to CAFAG as well as new interest from their clients in CAFAG and its activities and services. We have worked in partnership with Aston Health & Fitness to provide the best opportunity for community members and are researching into funding to upgrade the gym and gym facilities.

Training rooms, multipurpose room and café/kitchen spaces are also available to hire and/or rent, which provides additional opportunity for potential additional services or regular income back into the Charity and support in covering core costs of the building.

Two yoga groups also hire the multipurpose room out two days per week, providing yoga classes suitable for all ages.

Babies weigh in, Council, Mental health services and housing services also sometimes use the Community Centre Space to provide their services for the community.

We also allow use of space for fundraising events, weddings, wakes and birthdays, additionally also offering a catering service.

Room hire is in the process and an area for development includes marketing strategies, increase network connections and long term aim to upgrade spaces and facilities.

Connecting Devices/ICT Training

100 tablet devices and Wi-Fi dongles were provided to vulnerable families to help provide access to home-schooling software and create virtual connection during the pandemic.

Free ICT training course were available and provided to all families that were completed, where they developed knowledge and understanding of the safety when using technology, e-safety and keeping children safe online. Ongoing support was provided throughout the pandemic and tech training was also provided to all staff as the Centre closed its door for twelve months and majority of staff all worked from home. Adapting to this new way of working raised both problems and benefits, trying to find a new way to adapt our services but still be able to communicate and manage staff effectively and ICT training was provided to all staff and volunteers so that they were supported through the transition process. This has in return allowed us to communicate more economical and effective via virtual video call meetings where possible and grow the team of Trustees at CAFAG by Trustees being able to attend meetings virtually and in person as restrictions were lifted. However, during the pandemic meetings could only take place virtually, which initially made lots of staff apprehensive of change and out of their comfort zone.

Yoga Class

During the pandemic our gym facility, fitness and yoga classes had to stop with immediate effect due to lockdown restrictions and was one of the many areas which was delayed allowing facilities to open again. During the months between March 21 and July 21, weekly yoga classes were carried out live via the charities Facebook page and social platforms, fitness and yoga videos shared and interactive classes to participate in. These were suitable for all ages and some sessions were tailored to support children, the elderly or mental wellbeing. These activities were provided for free by CAFAG on all social media platforms, which increased interaction, long term support, motivation and encouragement to stay active at home and keep families active and engaged whilst they were unable to leave their homes.

**CHELL AREA FAMILY ACTION GROUP
(KNOWN AS 'C.A.F.A.G')
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Fundraising events

As we were unable to carry out our annual fundraising community events to help raise money for CAFAG and other non-profit organisations, we instead had to adapt and sign up online, to ask for online donations, we signed up to an app which took a percentage from shoppers who shopped online at certain stores and a percentage of this would go to the charity. Finally, we also were provided with extra planning time and requested all staff to provide different fundraising ideas and events that could take place once back open.

Volunteering

CAFAG offer regular volunteering opportunities which cover in the following areas: Administration, marketing, Chef Support, Waiter/Waitressing, Café, Customer Service, Delivery Support, Delivery Driver, Driver Support, Charity Shop assistant, Befriending support, Community Events, Nursery/Creche and Youth Club support, Gardening, general maintenance support, IT Tech and so much more.

All our volunteers are regularly trained, supported, and are assigned to their designated staff lead of which area they are particularly interested in. Helping volunteers to thrive, provide opportunity, build skills and confidence, CV building and gain independence.

We also offer additional benefits which include 10% discount from the Café, Charity Shop volunteer discount deals, discounted gym membership and travel bus fare cover costs.

Funding

We were very fortunate in being able to secure an additional £90,000 of funding during the pandemic. This not only enabled us to expand our online community support, provide additional support in the community such as distributing emergency food parcels, welfare packs, arts & craft materials but it also helped to negate some of the impact that the loss of income had on CAFAG's unrestricted funding.

In summary this £90,000 came through Devices Dot Now: Connecting Families (£4,500) 100 electronic devices were distributed to the most vulnerable families in the community to help them to remain connected online and to assist young people with online learning. £3,000 from the CAF Coronavirus Emergency Funding to cover a deep clean of the Centre and purchasing PPE and screens for the Centre. A grant of £2,150 from Stoke-on-Trent City Council and DEFRA to supply food and essentials to the most vulnerable. A Business Support Grant of £10,000 from Stoke-on-Trent City Council to help with the loss of income. £2,100 to cover the cost of supervising and reporting on the four Year 2 Keel University Medical Students who were on their Community Partnership Placement with us. £47,000 from CCLORS Power to Change to establish the Food on the Move Project. A £3,000 Children in Need Booster Grant to update the technology in the Creche. Finally, an unrestricted £17,500 Power to Change Community Business Renewal Fund grant to enable us to recover our business element and to continue the development of our social enterprises.

Financial review

During the year income exceeded expenditure leaving a net income for the year of £22,410 (2020: net income £2,629). This has resulted in a surplus on unrestricted funds of £29,430 (2020: £11,970) and a deficit in restricted funds of £7,020 (2020: deficit: £9,341).

It is the policy of the trustees to maintain unrestricted funds, which are the free reserves of the charity, to enable the charity to continue to operate if funding were to fall whilst replacement funding was obtained. The trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets (the 'free reserves') held by the charity should be between 3 and 6 months of the unrestricted expenditure.

At present the free reserves, excluding long-term net assets stand at a surplus of £154,738 (2020: £116,285).

**CHELL AREA FAMILY ACTION GROUP
(KNOWN AS 'C.A.F.A.G')
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

The trustees have considered the major risks, which are faced by the charity and confirm that systems have been established to lessen these risks.

Investment policy

The trustees have considered the most appropriate policy for investing funds and have found that CafCash high interest bank accounts, designed for the charity sector, meet their requirements to generate both income and capital growth. The trustees consider the return on investments to be satisfactory.

Exemptions

The trustees have taken advantage of the exemptions available to small companies, including the audit exemption (see statement on balance sheet).

Funds held as custodian

No funds are held by the Chell Area Family Action Group as a custodian on behalf of others.

Structure, governance and management

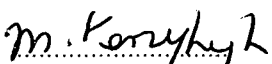
The Charitable company is a company limited by guarantee and is a registered charity in England and Wales. The day to day operations are undertaken using the name CAFAG and is operated under the rules of its Memorandum and Articles of Association dated 26 August 1999 and most recently amended by special resolution in February 2012. It has no share capital and the liability of each member in the event of a winding-up is limited to £10.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Margaret Ferneyhough	
Kathleen Roberts	
Stephen Southward	(Resigned 31 July 2020)
Bryan Kelly	(Resigned 30 June 2020)
Andrew Franklin	
Lucy Kelly	(Resigned 11 May 2020)
Dr Keziah Stott	(Appointed 7 July 2020)
Mike Riddell	(Appointed 29 June 2020)
Amanda Murphy	(Appointed 4 July 2020)
Philippa Calver	(Appointed 21 June 2021)
Charlotte Smith	(Appointed 1 June 2021)
Frank Ferneyhough	(Appointed 1 June 2021)

The charity is required to have between five and fifteen trustees. The congregation of St Michael's Church Chell, Stoke-on-Trent are entitled to appoint up to three Trustees. The congregation of the Church of the Saviour, Chell Heath, Stoke-on-Trent are entitled to appoint one trustee. The existing Trustees are entitled to appoint the remainder.

The Trustees report was approved by the Board of Trustees.


Margaret Ferneyhough
Trustee
Dated: 19-10-21

**CHELL AREA FAMILY ACTION GROUP
(KNOWN AS 'C.A.F.A.G')
INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF CHELL AREA FAMILY ACTION GROUP**

I report to the Trustees on my examination of the financial statements of Chell Area Family Action Group (the Charitable company) for the year ended 31 March 2021.

Responsibilities and basis of report

As the Trustees of the Charitable company (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 Charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Charitable company'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.

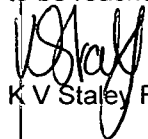
Independent examiner's statement

Since the Charitable company'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 Accountants in England & Wales (ICAEW), 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 accounting records were not kept in respect of the Charitable company as required by section 386 of the 2006 Act; or
- 2 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.



K V Staley FCA

Geens Limited
68 Liverpool Road
Stoke on Trent
Staffordshire
ST4 1BG

Dated: 19/10/21

**CHELL AREA FAMILY ACTION GROUP
(KNOWN AS 'C.A.F.A.G')
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2021**

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes						
<u>Income and endowments from:</u>							
Donations and legacies	3	6,375	265,654	272,029	750	240,376	241,126
Charitable activities	4	92,356	-	92,356	146,464	-	146,464
Other income	5	25,250	-	25,250	-	-	-
Total income		123,981	265,654	389,635	147,214	240,376	387,590
<u>Expenditure on:</u>							
Charitable activities	6	94,551	272,674	367,225	144,918	240,043	384,961
Gross transfers between funds		-	-	-	9,674	(9,674)	-
Net income/(expenditure) for the year/							
Net movement in funds		29,430	(7,020)	22,410	11,970	(9,341)	2,629
Fund balances at 1 April 2020		134,651	1,018,784	1,153,435	122,681	1,028,125	1,150,806
Fund balances at 31 March 2021		164,081	1,011,764	1,175,845	134,651	1,018,784	1,153,435

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.

**CHELL AREA FAMILY ACTION GROUP
(KNOWN AS 'C.A.F.A.G')
BALANCE SHEET
AS AT 31 MARCH 2021**

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	10		979,325		984,928
Current assets					
Debtors	11	6,377		1,141	
Cash at bank and in hand		199,606		195,384	
		<u>205,983</u>		<u>196,525</u>	
Creditors: amounts falling due within one year	12	(9,463)		(28,018)	
Net current assets			<u>196,520</u>		<u>168,507</u>
Total assets less current liabilities			<u>1,175,845</u>		<u>1,153,435</u>
Income funds					
Restricted funds	14	1,011,764		1,018,784	
Unrestricted funds		164,081		134,651	
		<u>1,175,845</u>		<u>1,153,435</u>	

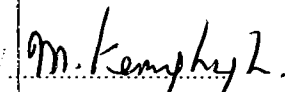
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021.

The directors 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 13/10/21


Margaret Ferneyhough
Trustee

Company Registration No. 03832123

CHELL AREA FAMILY ACTION GROUP (KNOWN AS 'C.A.F.A.G')

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Chell Area Family Action Group is a private charitable company limited by guarantee incorporated in England and Wales. The registered office is The Whitfield Valley Centre, Fegg Hayes Road, Stoke on Trent, Staffordshire, ST6 6QR.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charitable company'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 Charitable company is a Public Benefit Entity as defined by FRS 102.

The Charitable company 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 Charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

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

1.2 Going concern

Despite the Covid-19 pandemic, at the time of approving the financial statements, the Trustees have a reasonable expectation that the Charitable company 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 Incoming resources

Income is recognised when the Charitable company 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.

Donations, are recognised when they have been communicated and received in writing with notification of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

**CHELL AREA FAMILY ACTION GROUP
(KNOWN AS 'C.A.F.A.G')
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

1 Accounting policies

(Continued)

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/ executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset has been transferred to the charity.

1.5 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities.

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	50% straight line on improvements
Fixtures, fittings and equipment	25%-33% per annum of net book value
Motor vehicles	25% straight line
Gym equipment	25% per annum of net book value

The directors consider that freehold properties are maintained in such a state of repair that their residual value is at least equal to their net book value. As a result, the corresponding depreciation would not be material and therefore is not charged in the profit or loss account.

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.

1.7 Impairment of fixed assets

At each reporting end date, the Charitable company 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.

**CHELL AREA FAMILY ACTION GROUP
(KNOWN AS 'C.A.F.A.G')
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

1 Accounting policies

(Continued)

1.9 Financial instruments

The Charitable company 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 Charitable company's balance sheet when the Charitable company 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 Charitable company's contractual obligations expire or are discharged or cancelled.

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 Charitable company 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 Taxation

Chell Area Family Action Group is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

CHELL AREA FAMILY ACTION GROUP
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

2 Critical accounting estimates and judgements

In the application of the Charitable company'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.

At the year end there were no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	6,375	265,654	272,029	750	240,376	241,126

4 Charitable activities

	2021 £	2020 £
Room hire	1,045	12,252
Other Centre activities	3,418	24,996
Nursery fees	81,112	103,697
Gardening Activities	6,781	5,519
	92,356	146,464

5 Other income

	Unrestricted funds	Total
	2021 £	2020 £
Other income	25,250	-

**CHELL AREA FAMILY ACTION GROUP
(KNOWN AS 'C.A.F.A.G')
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

6 Charitable activities

	2021 £	2020 £
Staff costs	194,064	198,916
Direct expenses	2	-
Other charitable expenditure	22,734	19,825
Food purchase	3,969	9,395
Printing and stationery	415	422
Sundry expenses	531	169
Legal and professional fees	7,114	4,442
Rent rates and water	-	14,503
Repairs and maintenance	1,725	4,515
	<u>230,554</u>	<u>252,187</u>
Share of support costs (see note 7)	131,991	128,674
Share of governance costs (see note 7)	4,680	4,100
	<u>367,225</u>	<u>384,961</u>
Analysis by fund		
Unrestricted funds	94,551	144,918
Restricted funds	272,674	240,043
	<u>367,225</u>	<u>384,961</u>
For the year ended 31 March 2020		
Unrestricted funds	144,918	
Restricted funds	240,043	
	<u>384,961</u>	

**CHELL AREA FAMILY ACTION GROUP
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

7 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Staff costs	59,013	-	59,013	63,850	-	63,850
Depreciation	24,744	-	24,744	20,497	-	20,497
Other costs	48,234	-	48,234	44,327	-	44,327
Accountancy	-	4,680	4,680	-	4,100	4,100
	<u>131,991</u>	<u>4,680</u>	<u>136,671</u>	<u>128,674</u>	<u>4,100</u>	<u>132,774</u>
Analysed between Charitable activities	<u>131,991</u>	<u>4,680</u>	<u>136,671</u>	<u>128,674</u>	<u>4,100</u>	<u>132,774</u>

Independent examination fees for the year were £2,520 (2020:: £2,400).

8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charitable company during the year.

9 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Charitable activities	25	22
Administrative	3	3
Total	<u>28</u>	<u>25</u>
Employment costs	2021 £	2020 £
Wages and salaries	245,682	255,910
Social security costs	4,596	3,867
Other pension costs	2,799	2,989
	<u>253,077</u>	<u>262,766</u>

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

**CHELL AREA FAMILY ACTION GROUP
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

10 Tangible fixed assets

	Freehold land and buildings	Fixtures, fittings and equipment	Gym Motor vehicles equipment		Total
	£	£	£	£	£
Cost					
At 1 April 2020	956,449	69,842	83,263	27,069	1,136,623
Additions	-	11,353	-	7,788	19,141
At 31 March 2021	956,449	81,195	83,263	34,857	1,155,764
Depreciation and impairment					
At 1 April 2020	5,129	51,978	81,052	13,536	151,695
Depreciation charged in the year	5,128	10,347	554	8,715	24,744
At 31 March 2021	10,257	62,325	81,606	22,251	176,439
Carrying amount					
At 31 March 2021	946,192	18,870	1,657	12,606	979,325
At 31 March 2020	951,320	17,864	2,211	13,533	984,928

All tangible fixed assets are held for direct charitable purposes.

The freehold land and buildings are subject to a legal charge in favour of the Secretary of State for Health, which will take effect if the charity fails to comply with the conditions set out in the Memorandum of Grant dated 30 June 2000.

11 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	6,240	1,004
Other debtors	137	137
	6,377	1,141

12 Creditors: amounts falling due within one year

	Notes	2021	2020
		£	£
Other taxation and social security		1,055	1,055
Deferred income	13	5,000	23,900
Trade creditors		83	570
Other creditors		92	206
Accruals and deferred income		3,233	2,287
		9,463	28,018

**CHELL AREA FAMILY ACTION GROUP
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

13 Deferred income

	2021 £	2020 £
Other deferred income	5,000	23,900

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:

	Balance at 1 April 2020 £	Incoming resources £	Movement in funds Resources expended £	Balance at 31 March 2021 £
Building Connections	39,460	28,588	(38,176)	29,872
Children in Need	1,750	39,626	(37,049)	4,327
Postcode Lottery	9,997	-	(4,999)	4,998
CCLORS	-	47,000	(25,833)	21,167
DEFRA	-	2,150	(1,818)	332
Refurbishment and purchase of building	946,191	-	-	946,191
Big Lottery Fund	21,386	100,490	(120,573)	1,303
Henry Smith youth project	-	47,800	(44,226)	3,574
	1,018,784	265,654	(272,674)	1,011,764

- **Reaching Communities:** Through the employment of a Community Enterprise Officer, a Community Café Cook and a Community Gardener we will deliver community enterprise projects that not only meet the needs of individuals, communities and organisations but, will also increase the employability and development skills of those individuals volunteering within these projects. Initially the project will focus upon the establishment of community enterprises such as a Community Café, Community Gardening Project and Meals on Wheels. The funding will also cover a percentage of the Centre Manager's time and a Project Administrator role.
- **Children in Need:** To provide crèche and play facilities to children aged 0 – 9 in a highly deprived area. Through the positive support and engagement children will improve their personal and educational development and their social skills.
- **Henry Smith:** This is 3 years of continuation funding for the Youth Project which includes three youth session per week targeting 10 to 19 year olds and includes one issue based workshop per week in addition to outreach and detached youth sessions, an annual residential stay and day trips to provide young people with new experiences. The project is staffed by a fully-qualified Youth Worker and two part-time Peer Youth Workers.

Refurbishment of Building: A restricted fund provided by Stoke on Trent City Council for the refurbishment of the charity's cafe and kitchen.

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

14 Restricted funds

(Continued)

• **Building Connections:**

To provide activities and opportunities to support the needs of people who are isolated and lonely. The "Together there is Hope" project was set up by the government as a legacy to the late Jo Cox MP.

• **CCLORS:**

This provided 6 months of funding to create our 'Food on the Move' project and provide a delivery service from CAFAG's cafe. This funding also enabled us to purchase a 'Food on the Move' delivery van, to cover the cost of van insurance and fuel. Upgrading and purchasing additional kitchen equipment and hiring of Chef Lead to manage this project. Finally, we were able to provide training to all staff and volunteers involved in and to provide marketing and marketing materials to promote the charity and this long-term project.

• **DEFRA:**

This project covered funding for 3 months, which had enabled us to provide free meals to the vulnerable during the lockdown pandemic. Due to the effects of COVID-19, this resulted in isolation, loneliness, loss of employment, poverty and hardship over the last 12 months and the effects from this has had a huge impact on peoples mental and physical health and wellbeing. This funding helped to provide free meals to the vulnerable and those in need, also contributing towards equipment, packaging costs, travel expenses and marketing.

15 Analysis of net assets between funds

	Unrestricted Funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted Funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:						
Tangible assets	9,345	969,980	979,325	8,692	976,236	984,928
Current assets/ (liabilities)	154,736	41,784	196,520	116,285	52,222	168,507
	<u>164,081</u>	<u>1,011,764</u>	<u>1,175,845</u>	<u>124,977</u>	<u>1,028,458</u>	<u>1,153,435</u>

16 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).