

**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 2022**

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

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<b>Trustees</b>	Margaret Ferneyhough Kathleen Roberts Mike Riddell Charlotte Smith Frank Ferneyhough Janine Bridges	(Appointed 1 June 2021) (Appointed 1 June 2021) (Appointed 10 January 2022)
<b>Secretary</b>	Kathleen Roberts	
<b>Charity number</b>	1079018	
<b>Company number</b>	03832123	
<b>Registered office</b>	The Whitfield Valley Centre Fegg Hayes Road Stoke on Trent Staffordshire ST6 6QR	
<b>Independent examiner</b>	K V Staley FCA Geens Limited 68 Liverpool Road Stoke on Trent ST4 1BG	

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

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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 2022**

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The Trustees present their annual report and financial statements for the year ended 31 March 2022.

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 2022**

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## **Achievements and Performance:**

Summary of the main achievements during the year:

### **Nursery:**

The Whitfield Valley Centre Nursery provides a childcare facility in the local area, the Nursery continues to improve its facilities and services and revenue has increased in this financial year. The sustainability of the Nursery and the Charity is being closely monitored and business plans are in place to support all social enterprises, to enable the continuation of the Charity and sustainability of the organisation and Nursery. The Nursery places are at full capacity this year and have focused on layout changes of the room, providing activities through EYPP money from an external organisation 'Little Athletes' that offer sport and physical group engagement sessions. New games and educational play have been introduced, including break out zones that enables more one to one engagement and observations on progression and development, following Early Years practise and guidelines as an Ofsted Registered Nursery. The Nursery is thriving, and we are also in the process of expanding the outdoor shelter space, to allow more room and space for play, the Nursery staff have weekly meetings to keep updated with changes of policies and procedures, identifying the needs of each child, and developing a positive relationship not only with the child but with the parents and families to provide long term support. Marketing all services that the Centre has to offer, for all ages. We continue to regularly monitor the financial situation of the Nursery monthly and carry out weekly meetings to keep on track of progress, staffing, and development areas for ongoing improvement.

### **Creche:**

Our Creche service was successful in receiving continuation funding from Children in Need in March 2022, which has enabled us to continue this service for a further three years, providing a Creche service to all ages, which allows childcare to support and engage families in using additional facilities at the Centre such as the gym, café, training, charity shop and much more. With Children in Need COVID support funding, we have been able to create an outdoor garden space for Creche and Nursery children to use to grow fruit and vegetables, plant and learn in a safe outdoor environment and have access to raised beds, including a greenhouse, with the maintenance support from our gardeners, volunteers, and youth group. Our service remains at a low cost of £1 per hour to use the Creche which contributes to the running costs and regular fundraising for Children in Need is also carried out and raised annually.

### **Youth Club:**

We have been lucky in receiving funding again from Henry Smith which has enabled us to continue our Youth Service for a further three years. This funding will help to cover staffing, annual residentials, trips, equipment and resources, sessional workers and contribute towards on-costs. We have expanded our service by not only continuing to provide a youth service for young people aged between 10-19yrs, but we have additionally created a Transitional Group for ages 9-12 yrs. which focuses on a small group of young people that are interested in social action, aspire to develop further, take a leadership role, or would like to build confidence. We additionally also provide a new play service for ages 5-10yrs as we feel there are not many services out there that target this specific age bracket. Ensuring that all ages are covered at the Centre and that there is something for everyone. We are providing regular training in different areas and specific subjects to develop the youth workers which has had a positive impact on the delivery of sessions.

**CHELL AREA FAMILY ACTION GROUP  
(KNOWN AS 'C.A.F.A.G')  
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

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**Reaching Communities:**

In November 2021 we received five years of funding totalling to £498,248 that supports on enabling to keep our doors open, continue our services, cover management of the centre and contribute to the running costs of CAFAG at The Whitfield Valley Centre. The purpose of this funding is to help cover our core costs, project management salaries, and commence our business enterprise strategy to continue the longevity of this charities invaluable service. This has enabled us to provide a Business Development Manager role which will have the key responsibility in endeavouring to improve the development of our enterprises and increase revenue. Also providing a management structure to oversee, manage and support all departments and staff in projects which CAFAG currently provide. The funded roles include a Charity Manager, Business Development Manager, Fundraising Officer, and Finance Administrator. These roles have a crucial involvement in managerial tasks, running of all community projects and enterprises, overseeing finances, and general administration. This provides continuation and running of this organisation and its services. Our objectives include a new business plan where we aim to increase our revenue over these next five years and our aim is that by Year five, our current enterprise projects will cover all core running costs of the Charity. We recognise that activities such as the youth club and crèche will always require funding. We also have a Health & Wellbeing funding bid, which we are looking for alternative funders to support which if successful will include a team of staff to support in major community services, to offer support to those affected by COVID-19 especially and this will benefit the Community in the recovery stages from the economic and emotional effects.

Furthermore, we have also applied for an Enterprise Funding Bid via a separate funder, which will also boost our current Community and Enterprise projects. By increasing staff numbers this will enable us to offer continued support to local and wider residents, with the increasing demand and need for this service. This has allowed CAFAG to provide more employability opportunities for one of the most deprived areas in the North of Stoke on Trent. The fundraising officer plays a major part in sourcing further income and revenue by writing funding bids, organising fundraising events, increasing donations received and researching and networking with other organisations to find potential donors throughout each year.

We have also recently acquired new Board Trustee members who have joined CAFAG, whom all have a wide range of knowledge in business, management, philanthropy, environmental and community involvement. We have updated our computer systems and now evaluate our data electronically where possible, making this process easier to record, monitor and collate feedback.

Measurable outcomes will enable us to achieve our main aim in becoming self-sustainable. Our mission is unique in the local area as we have developed long standing relationships with our Community Members and provide a safe welcoming space and various services for all ages ranging from birth, all the way up to our senior residents and continuous new members.

During the pandemic we have reached over 8000 Community members through the services we offer and have delivered out an overall figure of 650 activity, sensory and hygiene packs, an average of 6600 food parcels, 100 tablet devices, 25 slow cookers to encourage home family cooking, phone call support lines and so much more.

This funding has allowed for CAFAGs restructured sustainability plan to take effect, allowing us the opportunity to continue to have the facilities and provide the necessary services for the Local Community. We have involved our members when evaluating projects, carrying out a public AGM in December 2021, requesting regular feedback, online public surveys, and questionnaires. Then collating this information and evaluating so that we can continue to create and improve. This funding also contributes to the general running costs, utilities, training, and consultancy costs. Our focus in this last year, which we have achieved is to increase our networking, marketing and promotion of the Charity and the services that we offer, regular development training for all staff and increase in revenue for all enterprise services where great progress is already evidenced.

**CHELL AREA FAMILY ACTION GROUP  
(KNOWN AS 'C.A.F.A.G')  
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

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**Café/FOTM:**

We plan to develop and expand our trading income over the next 12 months. We have recently secured funding to employ a dedicated Business Development Manager who will take on a strategic project function in identifying the necessary steps that the Charity needs to take to make it financially self-reliant including setting clear income targets for each of our social enterprises and reviewing them on a regular basis to ensure that sufficient income is being generated.

We will further develop the Whitfield Valley Centre as a community hub offering a range of services and activities aimed at breaking the cycle of social and economic deprivation that currently exists in the area. This includes expanding upon the range of contracted services which we currently offer and making ourselves procurement ready.

All of our trading activities it is our Catering Services that have been most affected by the COVID-19 pandemic, which is now currently on hold, due to end of funding for this project. We realise that it is too much to ask volunteers alone to restart the services and get them trading again. It needs the employment of a qualified professional and two assistants to grow the services back to where they were pre-COVID and to expand trading activity.

We require funding to support our catering services short term which will support our Community Café, Food on the Move (Meals on Wheels) and internal & external catering for events and meetings.

In addition to the above, we are now also providing workshops which the local community are invited to participate in, including cook and eat sessions for families, single people, healthy eating and cooking on budgets here at the Centre organised and delivered by an external organisation.

We aim to restart all our Catering Services again under the guidance and supervision of a suitably qualified Catering Manager and potential two Catering Assistants if successful in retaining funding for this. The services have been closed for such a long period of time that it would be a mammoth task for the volunteers alone to restart them without dedicated supervision and guidance. The funding will therefore enable all the existing and new volunteers to begin volunteering in the Community Café, delivering the Food on the Move project and internal & external catering.

It will allow us to provide the volunteers with refresher training for the existing volunteers and full training for all new volunteers to ensure that they all have up to date Food Hygiene qualifications. It will enable us to review our old menu and refresh, so that it meets the needs of the local community.

Our community Café is currently open on a smaller scale, which is being successfully ran solely by our volunteers and overseen by the Business Development Manager. The Volunteers have shown true dedication and support for the charity and have been the heart in allowing our café to remain open to the public and this has shown a great build in confidence and leadership skills from all volunteers, that are thriving in the café and helping to support where possible so that the local community can come and socialise, meet friends, and enjoy healthy, nutritious and affordable meals.

Our café provides volunteering opportunities including training, developing new skills, improving confidence and self-esteem and our mission is to restart our Catering Services so that they are trading and is making a sufficient income to support the running costs of this service.

**CHELL AREA FAMILY ACTION GROUP  
(KNOWN AS 'C.A.F.A.G')  
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

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**Gardening/Maintenance:**

Our men in sheds project has sadly ended due to the end of previous funding. However, our gardening project has taken a different direction and now offers a gardening service full time out into the local and wider community areas. The gardener salary is no longer covered under funding but is now one of our first self-sustainable enterprise services. The gardener covers his own salary through the income of jobs and makes a small profit to contribute towards the running of the Centre. We also have a team of volunteers that support in both gardening jobs and maintaining the Centre's gardens and grounds. We aim to set up a gardening club for the Centre who also then have access to our men in sheds workshop to complete woodwork workshops and who enjoy or want to get involved in gardening. We use our gardening enterprise service as an example and template on how we can build around this through our other sources of income. Not only does this cover a salary but it also provides an affordable gardening service for all gardening enquires to those at risk of eviction or require their gardens to be maintained at an affordable price. We are in partnership and in connection with the Stoke Council and receive referrals through for members of the public that are at risk of eviction and instead help them to maintain their gardens and offer advice, tools, and resources where they can continue to maintain their gardens at home. Our gardener is also the charity's maintenance man, who can help to fix minor jobs applicable and suitable to carry out, which also helps to lower maintenance and upkeep costs of the Centre. Not only does our gardener maintain gardens but he is also a friendly face and at CAFAG we offer additional services alongside what we do by spending the time to get to know our customers, offer any help and support where we can and signpost onto the several other services that we offer, as there is something for everyone.

**Charity Shop:**

The Charity shop is currently funded by Awards for All, which is coming to an end in June 2022. Since the Charity Shop has been built at the Centre from Community Investment Funds, this has been a great success and a good case study includes a local resident who used our Creche service then went onto her own journey with us at CAFAG and became a Charity Shop volunteer initially and after seeing such potential, growth and progression she is now our CAFAG Charity Shop Manager who runs a team of volunteers in the shop and is involved in the overall management of this shop. Through the efforts of our shop manager and business development manager, we now run a successful shop that brings a monthly income between £500-1000 per month which now not only covers the shop manager's salary but a profit that supports the continuation of the organisation and enterprise growth. Not only does this service enable the charity to continue its work but also provides a shop within walking distance that is not only upcycling materials and items, but this also encourages recycling, reusing items and helping the environment and at an affordable cost. As the Centre is in a deprived area, alongside the increase in cost this has put further pressure and financial difficulty onto families and members of the community who already require support. We aim to keep the charity shop open with the support from the Charity Shop manager who is training all volunteers in managing and maintaining the shop.

**Room Hire:**

Over this last financial year our room hire bookings have increased in the last twelve months, where we hire out the multipurpose room, training room and kitchen facility at The Whitfield Valley Centre. We currently hire these rooms out to professionals, local organisations, businesses, and community members. We have longstanding professional relationships with long term customers who use rent out rooms and additionally purchase our catering service that we offer often. This brings in a significant income that supports with outgoing running costs of the Centre. We permanently rent out two of our rooms within the building which is rented out to Aston Health & Fitness – Gym Facility and LadsXclusive – Clothing Company (for storage and office use) which is a monthly income for the Charity and additional services accessible for the public.



# **CHELL AREA FAMILY ACTION GROUP (KNOWN AS 'C.A.F.A.G') TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022**

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## **Fundraising/Networking Events:**

Fundraising was an area that has been highlighted and is a need in which we need to improve on and has been evidenced over the last twelve months. Our improvements working both digitally, through social media platforms and general marketing materials has helped to advertise what we do at CAFAG, who we are and what services we offer. More people now know and understand more about the charity, plus an increase in football. We have carried out many fundraising events this year including a fun day event, easter event, afternoon tea, afternoon lunch, coffee morning and much more. We have raised more money this year, compared to previous financial years and will continue to grow, learn, and provide more events welcome for the public to attend.

We are now also in connection with many other organisations and work in partnership with The Hubb Foundation, The Hubb, Residents Association, Sylvester's Trust, YMCA North Staffordshire, Stoke on Trent City Council and many more.

## **Volunteering:**

Currently, we have 30 volunteers on the books who help to support in all different areas, and we provide a range of employability experience, opportunity, confidence building, learning new skills and training/workshops that they can access. The volunteers are overseen by the Health & Wellbeing Officer, Department leads and Charity Manager. We have many successful case studies of several volunteers that are now CAFAG employees. We are mainly led by the need and support from volunteers to keep our services going which includes our centre gardens, gardening jobs, charity shop, café, childcare assistants, admin, events, small projects, community inclusion and networking. Our Café is currently solely run by volunteers and all volunteers are put onto regular training and development workshops to ensure engagement, interest and have provided feedback that feel a sense of purpose, a part of a community and can thrive in a positive, safe working environment.

## **Funding:**

Year 2021-2022 has been successful in terms of funding as we received the following so far in this period;

Reaching Communities (5 Year Funding) £498,248 November 2021-2026

Henry Smith (Youth Service) (3 Year Funding) £178,500 31/07/2021-2024

Children in Need (Creche) (3 Year Funding) £95,550 01/04/2022-2025

Power to Change (Community Business Renewal Fund) £17,500 2021-2022

Awards For All (Charity Shop) £9,100 June 2021-2022

Garfield Weston (Match Funding) £20,004 2022-2023

Small pots of funding from the local council (Stoke on Trent City Council) and Keele University (Work Experience)

We have recently received funding from Henry Smith (Making Connections) to start a new project on reaching out to communities and being able to provide more activities, sessions, and wellbeing support to those in need. £118,367

We have also received funding from the Community Investment Fund to upgrade The Whitfield Valley Centre's multi-purpose room and restructure and build more office spaces within the Centre to accommodate our expanding team at CAFAG.

Furthermore, we have also received funding from Sport England – Together Active £2,450 to provide summer activities for young people who attend our youth services in 2022.

We are awaiting the outcome of our other funding applications which include Severn Trent – Health & Wellbeing Project, Social Enterprise Funding – Café and Co-operative funding to support our weekly over 55's Lunch Club and to potentially restart our weekly Armchair Fitness programme.

**CHELL AREA FAMILY ACTION GROUP  
(KNOWN AS 'C.A.F.A.G')  
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

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**Financial review**

During the year expenditure exceeded income leaving net expenditure for the year of £16,722 (2021: net income £22,410). This has resulted in a deficit on unrestricted funds of £43,128 (2021: surplus £29,430) and a surplus in restricted funds of £26,406 (2021: deficit: £7,020).

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 £108,094 (2021: £154,736).

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

**CHELL AREA FAMILY ACTION GROUP  
(KNOWN AS 'C.A.F.A.G')  
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

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Andrew Franklin	(Resigned 11 July 2022)
Dr Keziah Stott	(Resigned 21 March 2022)
Mike Riddell	
Amanda Murphy	(Resigned 1 July 2022)
Philippa Calver	(Appointed 21 June 2021 and resigned 1 July 2022)
Charlotte Smith	(Appointed 1 June 2021)
Frank Ferneyhough	(Appointed 1 June 2021)
Janine Bridges	(Appointed 10 January 2022)

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: 3 August 2022

# **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**

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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 2022.

## **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: 3 August 2022

**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 2022**

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes						
<b><u>Income and endowments from:</u></b>							
Donations and legacies	3	34,895	169,167	204,062	6,375	265,654	272,029
Charitable activities	4	148,195	-	148,195	92,356	-	92,356
Other income	5	13,360	-	13,360	25,250	-	25,250
<b>Total income</b>		<b>196,450</b>	<b>169,167</b>	<b>365,617</b>	<b>123,981</b>	<b>265,654</b>	<b>389,635</b>
<b><u>Expenditure on:</u></b>							
Charitable activities	6	242,910	139,429	382,339	94,551	272,674	367,225
<b>Net (outgoing)/incoming resources before transfers</b>		<b>(46,460)</b>	<b>29,738</b>	<b>(16,722)</b>	<b>29,430</b>	<b>(7,020)</b>	<b>22,410</b>
Gross transfers between funds		3,332	(3,332)	-	-	-	-
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<b>(43,128)</b>	<b>26,406</b>	<b>(16,722)</b>	<b>29,430</b>	<b>(7,020)</b>	<b>22,410</b>
Fund balances at 1 April 2021		164,081	1,011,764	1,175,845	134,651	1,018,784	1,153,435
<b>Fund balances at 31 March 2022</b>		<b>120,953</b>	<b>1,038,170</b>	<b>1,159,123</b>	<b>164,081</b>	<b>1,011,764</b>	<b>1,175,845</b>

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

All income and expenditure derive from continuing activities.

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

**CHELL AREA FAMILY ACTION GROUP  
(KNOWN AS 'C.A.F.A.G')  
BALANCE SHEET  
AS AT 31 MARCH 2022**

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	10		962,436		979,325
<b>Current assets</b>					
Debtors	11	3,301		6,377	
Cash at bank and in hand		204,537		199,606	
		<u>207,838</u>		<u>205,983</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(11,151)</u>		<u>(9,463)</u>	
Net current assets			196,687		196,520
<b>Total assets less current liabilities</b>			<u>1,159,123</u>		<u>1,175,845</u>
<b>Income funds</b>					
Restricted funds	14	1,038,170		1,011,764	
Unrestricted funds		120,953		164,081	
		<u>1,159,123</u>		<u>1,175,845</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 2022.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 3 August 2022

Margaret Ferneyhough  
**Trustee**

**Company registration number 03832123**

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

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 MARCH 2022**

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#### **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**

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 2022**

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**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 the statement of financial activities.

**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  
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

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**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 2022**

**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**

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total</b>
	<b>2022 £</b>	<b>2022 £</b>	<b>2022 £</b>	<b>2021 £</b>	<b>2021 £</b>	<b>2021 £</b>
Donations and gifts	34,895	169,167	204,062	6,375	265,654	272,029

**4 Charitable activities**

	<b>2022 £</b>	<b>2021 £</b>
Room hire	7,489	1,045
Other Centre activities	23,638	3,418
Nursery fees	104,853	81,112
Gardening Activities	12,215	6,781
	<b>148,195</b>	<b>92,356</b>

**5 Other income**

	<b>Unrestricted funds</b>	<b>Unrestricted funds</b>
	<b>2022 £</b>	<b>2021 £</b>
Other income	13,360	25,250

**CHELL AREA FAMILY ACTION GROUP  
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

**6 Charitable activities**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Staff costs	184,047	194,064
Direct expenses	-	2
Other charitable expenditure	9,948	22,734
Food purchase	14,501	3,969
Printing and stationery	627	415
Sundry expenses	913	531
Legal and professional fees	11,568	7,114
Repairs and maintenance	122	1,725
	<u>221,726</u>	<u>230,554</u>
Share of support costs (see note 7)	155,823	131,991
Share of governance costs (see note 7)	4,790	4,680
	<u>382,339</u>	<u>367,225</u>
<b>Analysis by fund</b>		
Unrestricted funds	242,910	94,551
Restricted funds	139,429	272,674
	<u>382,339</u>	<u>367,225</u>
<b>For the year ended 31 March 2021</b>		
Unrestricted funds	94,551	
Restricted funds	272,674	
	<u>367,225</u>	

**CHELL AREA FAMILY ACTION GROUP  
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

**7 Support costs**

	<b>Support costs</b>	<b>Governance costs</b>	<b>2022</b>	<b>Support costs</b>	<b>Governance costs</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Staff costs	85,570	-	85,570	59,013	-	59,013
Depreciation	19,006	-	19,006	24,744	-	24,744
Other costs	51,247	-	51,247	48,234	-	48,234
Accountancy	-	4,790	4,790	-	4,680	4,680
	<u>155,823</u>	<u>4,790</u>	<u>160,613</u>	<u>131,991</u>	<u>4,680</u>	<u>136,671</u>
Analysed between Charitable activities	<u>155,823</u>	<u>4,790</u>	<u>160,613</u>	<u>131,991</u>	<u>4,680</u>	<u>136,671</u>

Independent examination fees for the year were £2,580 (2021: £2,520).

**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:

	<b>2022 Number</b>	<b>2021 Number</b>
Charitable activities	25	25
Administrative	4	3
Total	<u>29</u>	<u>28</u>
<b>Employment costs</b>	<b>2022 £</b>	<b>2021 £</b>
Wages and salaries	258,986	245,682
Social security costs	7,849	4,596
Other pension costs	2,782	2,799
	<u>269,617</u>	<u>253,077</u>

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

**CHELL AREA FAMILY ACTION GROUP  
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

**10 Tangible fixed assets**

	Freehold land and buildings	Fixtures, fittings and equipment	Gym equipment	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 April 2021	956,449	81,195	83,263	34,857	1,155,764
Additions	-	2,117	-	-	2,117
At 31 March 2022	956,449	83,312	83,263	34,857	1,157,881
<b>Depreciation and impairment</b>					
At 1 April 2021	10,257	62,325	81,606	22,251	176,439
Depreciation charged in the year	-	9,879	415	8,712	19,006
At 31 March 2022	10,257	72,204	82,021	30,963	195,445
<b>Carrying amount</b>					
At 31 March 2022	946,192	11,108	1,242	3,894	962,436
At 31 March 2021	946,192	18,870	1,657	12,606	979,325

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**

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Trade debtors	3,164	6,240
Other debtors	137	137
	3,301	6,377

**12 Creditors: amounts falling due within one year**

	Notes	2022 £	2021 £
Other taxation and social security		1,137	1,055
Deferred income	13	6,567	5,000
Trade creditors		-	83
Other creditors		92	92
Accruals and deferred income		3,355	3,233
		11,151	9,463

**CHELL AREA FAMILY ACTION GROUP**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**13 Deferred income**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Other deferred income	6,567	5,000
	<u>6,567</u>	<u>5,000</u>
Deferred income is included in the financial statements as follows:		
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Deferred income is included within:		
Current liabilities	6,567	5,000
	<u>6,567</u>	<u>5,000</u>
Movements in the year:		
Deferred income at 1 April 2021	5,000	23,900
Released from previous periods	(5,000)	(23,900)
Resources deferred in the year	6,567	5,000
	<u>6,567</u>	<u>5,000</u>
Deferred income at 31 March 2022	<u>6,567</u>	<u>5,000</u>

**CHELL AREA FAMILY ACTION GROUP  
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

**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:

	<b>Movement in funds</b>				
	<b>Balance at 1 April 2021</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers</b>	<b>Balance at 31 March 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Building Connections	29,872	-	(29,872)	-	-
Children in Need	4,327	-	(6,272)	3,217	1,272
Postcode Lottery	4,998	-	(4,998)	-	-
Awards for All	-	9,100	(6,421)	-	2,679
CCLORS	21,167	-	(14,167)	(7,000)	-
DEFRA	332	-	-	(332)	-
Social Care	-	5,000	(33)	-	4,967
Refurbishment and purchase of building	946,191	-	-	-	946,191
CIF	-	17,500	(18,283)	783	-
Big Lottery Fund	1,303	85,948	(34,410)	-	52,841
Henry Smith youth project	3,574	51,619	(24,973)	-	30,220
	<u>1,011,764</u>	<u>169,167</u>	<u>(139,429)</u>	<u>(3,332)</u>	<u>1,038,170</u>

- **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.

**CHELL AREA FAMILY ACTION GROUP  
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

**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 finding 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**

	<b>Unrestricted Funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Total 2022 £</b>	<b>Unrestricted Funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total 2021 £</b>
Fund balances at 31 March 2022 are represented by:						
Tangible assets	4,646	957,790	962,436	9,345	969,980	979,325
Current assets/ (liabilities)	116,307	80,380	196,687	154,736	41,784	196,520
	<u>120,953</u>	<u>1,038,170</u>	<u>1,159,123</u>	<u>164,081</u>	<u>1,011,764</u>	<u>1,175,845</u>

**16 Related party transactions**

There were no disclosable related party transactions during the year (2021 - none).