

PROMO - CYMRU

England & Wales · Charity number 1094652

Details

Other names	CYMRU WALES CO-OPERATIVE DEVELOPMENT ASSOCIATION LIMITED, CDA
Status	Registered
Legal form	Charitable company
Company number	01816889
Registered	2002-11-18
Register	View on the Charity Commission register

Contact

Address	17 West Bute Street Cardiff CF10 5EP
Phone	02920462222
Email	info@promo.cymru
Website	www.promo.cymru

Activities

Objects: 1. THE RELIEF OF UNEMPLOYMENT FOR THE PUBLIC BENEFIT IN SUCH WAYS AS MAY BE THOUGHT FIT, INCLUDING ASSISTANCE TO FIND EMPLOYMENT.2. THE ADVANCEMENT OF THE EDUCATION, TRAINING OR RE-TRAINING OF BOTH UNEMPLOYED PERSONS AND THOSE PERSONS WHO HAVE SECURED EMPLOYMENT.

Activities: To promote youth co-operation development within the field of cultural enterprise

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, Disability, The Prevention Or Relief Of Poverty, Arts/culture/heritage/science, Economic/community Development/employment
- **Who:** Children/young People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,880,212	£1,875,847	£1,593,234	48
2024-03-31	£1,622,060	£1,612,953	£1,514,133	40
2023-03-31	£1,470,679	£1,385,987	£1,510,554	29
2022-03-31	£1,243,648	£1,066,685	£1,495,070	33
2021-03-31	£1,216,423	£952,680	£1,268,454	30

Trustees

Name	Role	Appointed
A Sefa Ozalp		2020-09-09
ATHINA SUMMERBELL		2025-05-14
DAVID MARTIN		2014-05-19
ELEANOR PARKER		2025-03-04
FAITH WALKER		2025-05-14
MATTHEW WILLIAMS		2020-07-22
Meirion Morgan		2014-05-19
Professor Euan Jonathan Hails		2023-10-04
REBECCA HARFORD		2025-05-14

PROMO - CYMRU

England & Wales - Charity number 1094652

Accounts

Company registration number: 1816889 (England and Wales)

Charity registration number: 1094652

**REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025
FOR
PROMO-CYMRU LTD**

**Robert Hugh Limited
Registered Auditors
and Chartered Accountants
15 Dan y Bryn Avenue
Radyr
Cardiff
CF15 8DD**

PROMO-CYMRU LTD

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FOR THE YEAR ENDED 31 MARCH 2025

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PROMO-CYMRU LTD

REFERENCE AND ADMINISTRATIVE DETAILS

Charity name Promo-Cymru Ltd

Charity registration number 1094652

Company registration number 1816889

Principal office 17 West Bute Street
Cardiff
CF10 5EP

Registered office 17 West Bute Street
Cardiff
CF10 5EP

The charity is incorporated in England and Wales.

Trustees M Morgan, Chair
D M Martin
MD Williams
AS Ozalp
E Hails
RA Harford
E Parker
AR Summerbell
F Walker

Secretary M Gil-Cervantes

Auditors Robert Hugh Limited
Registered Auditors and Chartered Accountants
15 Dan y Bryn Avenue
Radyr
Cardiff
CF15 8DD

PROMO-CYMRU LTD

TRUSTEES' REPORT

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 March 2025.

Structure, Governance and Management

Governing Document

The charity is controlled by its governing document, its Memorandum and Articles of Association, and is limited by guarantee and not having a share capital, as defined by the Companies Act 2006.

Every member of the company undertakes to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up while he/she is a member or within one year after he/she ceased to be a member, for repayment of the company's debts and liabilities contracted before he/she ceased to be a member, and of the costs and expenses of winding up, and for the adjustment of the rights of the contributors amongst themselves.

Recruitment and Appointment of New Trustees

The company is directed by a board of trustees, the members of which are all committed to the sector's principles and ideals.

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Council of Management. Under the requirements of the Memorandum and Articles of Association, the members of the Council of Management are elected to serve for a year after which they must be re-elected at the next Annual General Meeting.

The members of the board receive no material benefits or remuneration from the company for their time and services.

Induction and Training of New Trustees

Most trustees are already familiar with the practical work of the charity. Information is made available covering the following.

- The obligations of Management Committee members.
- The main documents which set out the operational framework for the charity including the Memorandum and Articles of Association.
- Resourcing and the current financial position as set out in the latest published accounts.
- Future plans and objectives.

Organisational Structure

The board of trustees, who meet bi-monthly, administer the charity. A chief executive is appointed by the trustees to manage the day-to-day operation of the charity. The trustees at the year end were as shown on page 1.

E Parker was appointed on 4 March 2025, AR Summerbell, RA Harford and F Walker were appointed on 14 May 2025. M Bowden resigned on 14 May 2025. D Finnegan resigned on 28 January 2025. JH Lee resigned on 29 October 2024.

PROMO-CYMRU LTD

TRUSTEES' REPORT

Wider Network

Promo-Cymru has continued to work with a number of partners, funders and clients. These include:-

Partners:

- Council for Wales Voluntary Youth Service - CWVYS
- Wales Council for Voluntary Action - WCVA
- Cwmpas
- Voluntary Councils across Wales
- European Youth Information and Counselling Agency - ERYICA
- Catalyst
- National Academy for Educational Leadership Wales
- Local Authorities
- Welsh Government

Funders:

- The National Lottery
- UK Levelling Up Fund
- Welsh Government

Clients:

- Cardiff Third Sector Council
- Development Trust Association
- Children in Wales
- Cyfannol Women's Aid
- Barod Gwent N-Gage

Subsidiary Undertakings

Promo-Cymru Ltd is the holding company of a trading subsidiary company called Promo-Cymru Trading Limited. The principal activities of the company in the year under review were:

1. Activities centred around providing information, advice and advocacy for young people and adults in Wales. This was carried out under the project name MEIC (The National Information and Advice and Advocacy Service - direct contact, telephone, instant messaging and text based). Plus, adult advocacy lines for Cardiff and the Vale, Bridgend and the counties of Gwent.
2. The development of the Ebbw Vale Institute as a youth, community and cultural centre for the communities of Blaenau Gwent and beyond.
3. In the area of digital, multimedia and communications, Promo-Cymru Trading continued to deliver goods and services such as consultation, service design, video production, social media training and website development and administration.
4. Service Design: Promo-Cymru has developed sector leading expertise to implement this user led, human focused, methodology and promote across the voluntary and public services in Wales and the European Youth Services via ERYICA.

Risk Management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Major risks are reported to the board via the Chief Executive and Deputy Chief Executive via the project and finance reports produced for and presented at the Promo-Cymru Management Board. The examination will cover the major strategies, business and operational risks which the charity faces. The reporting system so established is to enable regular reports to be produced so that any necessary steps can be taken to mitigate exposure to these risks.

PROMO-CYMRU LTD

TRUSTEES' REPORT

These procedures are to be periodically reviewed to ensure that they still meet the needs of the charity.

The risk management strategy will comprise:-

- An annual review of the risks the charity may face.
 - The establishment of systems and procedures to mitigate those risks identified in the plan.
 - The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.
- Trustees:
- Risk management statement - reviewed each year.
 - Conflict of interest register - updated each year.
 - Trustee welcome pack inclusive of signed statements of ability to serve as a trustee.
- Staff:
- Proof of ID required.
 - DBS checks (where applicable).
 - References.
 - Probation period.
 - Regular appraisals.
 - Comprehensive personnel files.
 - Trained to ensure capability to undertake role.
- HR:
- Ongoing updates and training to keep up with changes in legislation.
 - Robust policy and procedures - updates where required.
 - Back up legal assistance in place.
- Health & safety:
- Office risk assessments.
 - Updates and training when necessary.
- Information technology:
- All laptops are password protected.
 - All laptops are set for scheduled security updates and are protected by AVG antivirus.
 - Users are forced to change their Office365 password every 90 days for security purposes.
 - All websites are secured with SSL Certificates. They are also protected by industry leading security plugin Wordfence.
 - Independent web security testing takes place annually.
 - All websites are updated monthly for relevant themes, plugins and OS.

The risk register of the organisation is maintained and regularly reviewed at trustee meetings. The trustees' comments and response to the risk register are recorded in the minutes including follow up actions. The trustees are satisfied that Promo-Cymru is undertaking all actions required to mitigate risk across the organisation.

Objectives and Activities

Objectives and Aims

The objective of Promo-Cymru is to support the development of young people, families and the communities they live in.

Vision

Creative Change for Social Good.

Mission

To communicate, design, build with young people and communities to make change happen.

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TRUSTEES' REPORT

How we work

Promo-Cymru partners with third and public sectors to imagine, test and create more equitable services that are designed and delivered with people.

We work across:

- Digital
- Culture
- Youth and Community
- Advocacy
- Communications
- Helplines
- Information and advice
- Design
- Media

Our work is informed by decades of delivering digital youth information and community services. We share this knowledge through training, consultancy, delivery and forming long-term partnerships for mutual benefit.

Promo-Cymru is a registered charity and social enterprise; we invest our profits into making a difference.

Public Benefit Statement

In setting our objectives and planning our activities, the trustees of Promo-Cymru have given careful consideration to The Charity Commission's general guidance on public benefit.

Promo-Cymru is committed to the development of young people and families in Wales through their participation in activities that enable young people to voice their opinions and contribute to an inclusive Wales in line with the United Nations Charter on the Rights of the Child and to work with partners to develop and deliver anti-poverty strategies.

Promo-Cymru is also committed to delivering a community and creative hub, facilitated at EVI as part of the regeneration of Ebbw Vale town and the surrounding area. This project will provide the local community with a much needed focus for cultural, social and economic development in Ebbw Vale and the Heads of the Valleys areas.

Significant Activities

Young people's mental health difficulties have been highlighted in various Welsh Government documents. We are also very aware from the contacts we receive to the Meic Helpline from young people. This has led us to forward two key projects supporting the development of services supporting young people with mental health difficulties. The Mind our Future Gwent project, <https://www.promo.cymru/project/mind-our-future-gwent/> is a significant project supporting this area of our work. This project supports the co-design and co-production of services. It directly involves and hires young people to work as Peer researchers, to learn skills and engage directly with other young people.

NHS Wales Performance and Improvement, together with the Lottery, have developed great interest in this groundbreaking work. They are supporting Promo-Cymru to lead with Platform and Barnardos as partners to develop a youth consultation group to be part of the development of Mental Health Services in Wales and ensure youth voices can shape future services.

EVI - Ebbw Vale Institute Project - working to develop the Ebbw Vale Institute as a cultural centre in Ebbw Vale. Following funding from UK Government Community Regeneration Fund, EVI received £250,918 from Shared Prosperity Fund. This fund has ensured employment of key staff in EVI and delivery of community based activities such as The Food Pantry. Developments have surpassed expectation and been led by the involvement of the communities surrounding EVI.

Key evaluation reports from this project, together with the great work, community involvement and interest from UK, Wales and Blaenau Gwent local and national Governments has led to further successful bids to the UK Shared Prosperity Funds in Blaenau Gwent.

PROMO-CYMRU LTD

TRUSTEES' REPORT

The financial input is consolidating the Ebbw Vale Institute as a Flagship Community Anchor developing key projects such as the Community Food Pantry, Repair Shop, Community Arts Projects, a wealth of volunteering opportunities. We have also been able to develop and maintain the material fabric of the building including work on minimising its environmental impact.

The Shared Prosperity Fund is part of UK Government's Levelling Up agenda which is seen as the replacement to European Funds.

Meic Helpline - the Wales wide advocacy based helpline for young people in Wales. Promo-Cymru has been instrumental in this development from its inception. Meic operates every day of the year, seven days a week from 8am to 12 midnight. Meic also has an extensive online and social media presence which is increasingly used by Welsh Government as an information outlet for young people and professionals in Wales. Meic has developed a strong presence in the social and educational support landscape to support young people in Wales. In August 2022, Promo-Cymru was awarded a new 3 year contract to deliver the Meic Service going forward.

ERYICA - European Youth Information and Counselling Agency. Promo-Cymru continues a productive relationship with ERYICA. Promo produces ERYICA's podcast, is part of its training programme and has supported the development of the ERYICA Information Quality Mark for National and locally based information providers and takes part in a number of training events.

Taith - we are keeping abreast of this Welsh government grant initiative to support Youth and Education establishments to have meaningful interchanges and collaborations with others in Europe and beyond and have been successful with two applications which will allow Promo-Cymru to be involved with ERYICA training programmes and create a youth exchange between the twin cities of Cardiff and Nantes.

Promo-Cymru is also providing information as part of a UK Gov consultation process to re-engage with the European Erasmus programme.

Service Design Consultancy - Promo-Cymru has developed expertise in the area of Service Design/Agile working. This way of working has developed over a number of years and forms part of the internal working of our organisation, which will continue to develop and disseminate internally.

Newid is a Welsh Government funded programme that promotes good digital practice across the third sector in Wales, through providing training, support and information. Promo-Cymru delivers the service in partnership with WCVA and Cwmpas. Supporting digital infrastructure is an ongoing priority for Welsh Government and we foresee this programme continuing.

Third Sector Digital is a lottery funded programme. Similarly to Newid, we provide digital support to third sector organisations in Wales. With the rise of artificial intelligence (AI), we are seeing an increasing need to support organisations with digital skills and expertise.

Volunteers

Management Board

Promo-Cymru's Management Board are all volunteers who give of their time and invaluable experience. Without their advice and support Promo-Cymru would not have the organisational substance to deliver unique services.

Achievement and Performance

Charitable Activities

EVI Ebbw Vale Institute Project

Promo-Cymru has, since the completion of the Community Asset Transfer in 2011, brought Ebbw Vale Institute back into use as a vibrant community space offering cultural and social activities for the Blaenau Gwent area and beyond.

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As a community and arts activities venue, EVI facilities include:-

- A gallery exhibition space
- A fully equipped conference venue
- Community café
- Rental spaces for third and public sector organisations
- Community Food Pantry
- Repair Café
- Volunteers
- Community Film Club
- Community Luncheon Club

EVI is currently used by a wide range of public, third sector organisations and community groups and individuals. EVI has developed into a Cultural and Community Hub for the communities of Ebbw Vale and Blaenau Gwent.

Internal and External Factors

The most significant internal and external factors arising during the year were as follows:

Internal

Promo-Cymru continues to develop its internal policies and procedures in line with legislative and HR developments. We have been able to direct increased staffing resources to develop this work in order to have more developed core function in order to create stable foundations for growth.

Promo-Cymru has developed within the spirit of a distributed leadership approach, a Senior Management Team to guide and control the operational management of the organisation and, with the Directors of Promo-Cymru, be part of the organisation's strategic direction. This work will also actively seek input from all staff, volunteers and clients of Promo-Cymru.

The development of Promo-Cymru's new headquarters building in Cardiff Bay has ensured that the building is energy efficient by installing new high grade insulation. Promo-Cymru has also taken some space within the Cardiff University Sbarc/Spark Building which is a hub for university research, incubator spaces, public sector and voluntary sector partners.

Promo-Cymru has continued to embrace effective communication tools with young people in Wales and have endeavoured to be the leading provider. We have embraced a wide reaching digital approach to our developments and are providing advice and support to the third and public sectors across Wales and beyond.

Promo-Cymru has embraced Service Design methodologies as a natural progression to our work and are gaining recognition for this innovative work across Wales, UK and the European Youth Sector.

Promo-Cymru periodically has staff observers and young clients attending board meetings, where appropriate, to allow for their direct input into discussions.

Clients are fully involved in Promo-Cymru projects via our core co-production and engagement methodology. Their involvement and feedback is channelled into project delivery and into the Management Board.

As a value driven organisation, we have made steps to make our values clearer and publish them on our website and make them part of our recruitment process to ensure we let the public, clients and our staff know what is important to us. This work is on-going and has a group made up of board and staff members to review.

External

The work environment has changed in the post pandemic world. We have embraced hybrid working. This has included the development of well-being and social events. We are working to embrace the agile developments brought forward by the necessities of facing the pandemic and ensure we do not slip back to unnecessary pre-pandemic practices.

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TRUSTEES' REPORT

At the same time, we are experiencing a swing back to the need for face to face connections and 'being in the office'.

Promo-Cymru also realised that it had a skills base able to help many organisations adapt to the post pandemic world. We set up a free set of workshops accessed by the voluntary sector across Wales which sped up the 'digitalisation' of many organisations.

Promo-Cymru also developed its youth focused communications knowledge, especially on social media, to target young people no longer in schools, youth services and the social services they were previously able to access face-to-face. The Meic Instagram account grew exponentially. This targeted young people to make sure they had someone to contact in need for the 16 hours a day the helpline was open.

Promo-Cymru continues to develop expertise in the use of AI, its potential together with interent risk factors and its impact and use in the third sectors and are considered sector leaders.

The external environment continues to be a challenge. We continue to monitor policy developments in Wales and the UK and make changes accordingly.

Promo-Cymru has led the field in digital transformation for a number of years. Clearer branding, identity, communications and self-belief have increased our profile and confidence leading to new markets and clients.

Financial Review

The trustees receive management financial reports and review the financial position of Promo-Cymru on a regular basis as a key standing agenda item. The trustees have considered budgets and forecasts for the period to March 2025 and support the management team in the on-going financial development of the organisation as a going concern.

The management team work closely with the Chair of the trustees on a regular basis outside of board meetings.

Austerity has certainly impacted not only on Promo-Cymru, but also across the third sector. Promo-Cymru continues to innovate and forward think. Key corporate strategies of heightening the profile of Promo-Cymru, which have led to the winning of a number of key awards and the development of inroads in new markets, are beginning to work.

Unrestricted reserves after transfers increased by £31,424 (group £31,203) during the year, compared with an increase in the previous year of £79,992 (group £85,520). Depreciation charges on assets owned by Promo-Cymru Ltd, including the land and buildings of Ebbw Vale Institute and 17 West Bute Street, also impact on the financial activities reported.

Promo-Cymru continues to invest in its staff and profile.

At the year end Promo-Cymru Ltd remains in a strong financial position, with unrestricted reserves of £545,439 (group £619,954) and total combined unrestricted and restricted net assets of £1,518,719 (group £1,593,234).

The organisation also continues to maintain adequate working capital to facilitate its activities.

PROMO-CYMRU LTD

TRUSTEES' REPORT

Reserves Policy

Purpose

The purpose of the Reserves Policy of Promo-Cymru is to ensure the stability of the projects, employment and ongoing operations of the organisation. The Operating Reserve (ie, unrestricted reserves) is intended to provide an internal source of funds for situations such as a sudden increase in expenses, one time unbudgeted expenses, unanticipated loss in funding, or uninsured losses. The Reserves may also be used for one-time, non-recurring expenses that will build long-term capacity, such as staff development, research and development, or investment in infrastructure.

Operating Reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap. It is the intention of Promo-Cymru for Operating Reserves to be used and replenished within a reasonably short period of time. The Operating Reserves Policy will be implemented in concert with the other governance and financial policies of Promo-Cymru and is intended to support the goals and strategies contained in these related policies and in strategic and operational plans.

Definitions and Goals

The Operating Reserve Fund is defined as a designated fund set aside by action of the trustees. The minimum amount to be designated as Operating Reserve will be established in an amount sufficient to maintain ongoing operations and programmes for a set period of time. The Operating Reserve serves a dynamic role and will be reviewed and adjusted in response to internal and external changes.

The target minimum Operating Reserve Fund is equal to 6 months of average operating costs. The calculation of average monthly operating costs includes all recurring, predictable expenses such as salaries and benefits, loans, office, travel, project, and ongoing professional services. Depreciation, in-kind, and other non-cash expenses are not included in the calculation.

The calculation of average monthly expenses also excludes some expenses, eg, one-time or unusual and capital purchases. The amount of the Operating Reserve Fund target minimum will be calculated each year after approval of the annual budget, reported to the trustees and Finance Sub Committee, and included in the regular financial reports.

Accounting for Reserves

The Operating Reserve Fund will be recorded in the financial records as unrestricted reserves. The Fund will be funded and available in cash or cash equivalent funds.

Funding of Reserves

The Operating Reserve Fund will be funded with surplus unrestricted operating funds. The trustees may from time to time direct that a specific source of revenue be set aside for Operating Reserves.

Use of Reserves

Use of the Operating Reserves requires three steps:

1. Identification of appropriate use of reserve funds

The trustees and staff will identify the need for access to reserve funds and confirm that the use is consistent with the purpose of the reserves as described in this Policy. This step requires analysis of the reason for the shortfall, the availability of any other sources of funds before using reserves, and evaluation of the time period that the funds will be required and replenished.

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2. Authority to use operating reserves

Authority for use of Operating Reserves is delegated to the CEO in consultation with the Chair of the trustees. The use of Operating Reserves will be reported to the trustees at their next scheduled meeting, accompanied by a description of the analysis and determination of the use of funds and plans for replenishment to restore the Operating Reserve Fund to the target minimum amount. The CEO must receive prior approval from the trustees if the Operating Reserves will take longer than 12 months to replenish.

3. Reporting and monitoring

The CEO is responsible for ensuring that the Operating Reserve Fund is maintained and used only as described in this Policy. Upon approval for the use of Operating Reserve funds, the CEO will maintain records of the use of funds and plan for replenishment. The CEO will provide regular reports to the Finance Sub Committee and board of trustees of progress to restore the Fund to the target minimum amount.

Policy Review

This policy will be reviewed every other year, at minimum, by the Finance Sub Committee, or sooner if warranted by internal or external events or changes. Changes to the Policy will be recommended by the Finance Sub Committee to the board of trustees.

Funding Sources

Promo-Cymru has a diverse portfolio of funding. Promo-Cymru is funded from the receipt of grant income from numerous sources including the Welsh Government, Cardiff County Council, UK Community Renewal Fund, Welsh Government's Community Division, Welsh Government Social Services Division and Paul Hamlyn.

Plans for Future Periods

Promo-Cymru seeks to further develop its charitable activities.

Promo-Cymru will continue to use its experience to develop its expertise across a number of areas. These are:

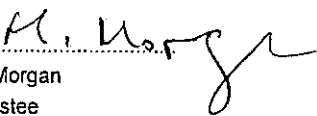
- 1 Helpline expertise, online and office information to include the promotion of citizen voices. We have developed an integrated communications model to better describe our offer.
- 2 The development of further support to communities, families and people of all ages to support both physical and social developments.
- 3 The development of support and mentoring services to other third sector organisations such as leadership and management development, finance management and other corporate issues.
- 4 The support of organisations to better utilise Service Design Methodologies, IT and communications technology, such as social media practice and policy. Further developments have begun to utilise and support the use of AI in the third sector.
- 5 The development of our central administrative building to allow disparate areas of Promo-Cymru to be housed together and the wider involvement of clients and other organisations in the work of the organisation is working well. We will continue to review better and more efficient use of the building and consider renting further spaces to like minded organisations.
- 6 Promo-Cymru continues to explore working with young people on the development of Social and Environmental Economy projects and organisations.

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TRUSTEES' REPORT

- 7 One of the most exciting areas of development for Promo-Cymru is Artificial Intelligence (AI). Over the past 2 years, we have positioned ourselves as leaders in AI for the third sector in Wales, delivering talks, training and creating digital resources for charities and non-profits. As AI continues to develop at pace, there will be increased demand for support, which provides the opportunity for increased revenue and growth. This could include the development of a larger training offer, specialised one-to-one support, and scope to deliver new projects for funding partners.
- 8 In a post pandemic world, Promo-Cymru has taken a conscious decision to utilise its wide ranging digital expertise to support the third sector during these difficult times. We have mobilised our staff and extensive knowledge. We have been working to sustain this work and are now part of the Newid partnership made up of WCVA, Cwmpas and Promo-Cymru to develop this support. We have also been in discussion with The National Lottery for a number of years and were awarded in September 2022 a £500,000 grant to further enhance this work over three years - project 3rd Sector Digital.
- 9 In 2022 Promo-Cymru was successful with The National Lottery Mind Our Future bid to help design better mental health services for young people in Blaenau Gwent. We deliver this project with MIND in Gwent. NHS Wales Performance and Improvement, together with the Lottery have developed great interest in this ground-breaking work. They are supporting Promo-Cymru to lead with Platform and Barnardos as partners to develop a youth consultation group to be part of the development of Mental Health Services in Wales and ensure youth voices can shape future services.

The annual report was approved by the trustees of the charity on 25 November 2025 and signed on its behalf by:


M Morgan
Trustee

PROMO-CYMRU LTD

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Promo-Cymru Ltd for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

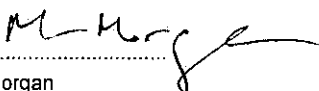
Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

Approved by the trustees of the charity on 25 November 2025 and signed on its behalf by:


.....
M Morgan
Trustee

PROMO-CYMRU LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROMO-CYMRU LTD

Opinion

We have audited the financial statements of Promo-Cymru Ltd, the 'charitable parent company' and its subsidiary (the 'group') for the year ended 31 March 2025, which comprise the Consolidated Statement of Financial Activities, Company Statement of Financial Activities, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Cash Flows, Company Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 March 2025 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

PROMO-CYMRU LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROMO-CYMRU LTD

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 12), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements, including how fraud may occur by enquiring of management of its own consideration of fraud. In particular, we looked at where management made subjective judgements, for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. We also considered potential financial or other pressures, opportunity and motivations for fraud. As part of this discussion we identified the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations and how management monitor these processes. Appropriate procedures included the review and testing of manual journals and key estimates and judgements made by management.

PROMO-CYMRU LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROMO CYMRU LTD

We gained an understanding of the legal and regulatory framework applicable to the charity and the industry in which it operates, drawing on our broad sector experience, and considered the risk of acts by the charity that were contrary to these laws and regulations, including fraud.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to the Charities Act, Companies Acts, UK tax legislation and equivalent local laws and regulations.

We made enquiries of management with regards to compliance with the above laws and regulations and corroborated any necessary evidence to relevant information, for example, minutes of the Trustees' meetings and any other relevant correspondence.

We completed samples of transaction testing with a focus on the income and expenditure throughout the year to ensure that activities were supported and in line with the charity's rules and practices. Any unusual findings were raised with management for further investigation.

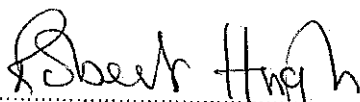
Our tests included agreeing the financial statements disclosures to underlying supporting documentation and enquiries with management.

We did not identify any key audit matters relating to irregularities, including fraud. As in all of our audits, we also addressed the risk of management override of internal controls including testing journals and evaluation whether there was evidence of bias by management that represented a risk of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

Use of our report

This report is made solely to the charitable parent company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group's charity trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Robert Hugh (Senior Statutory Auditor)

For and on behalf of Robert Hugh Limited, Statutory Auditor

15 Dan y Bryn Avenue
Radyr
Cardiff
CF15 8DD

Signed on 30 November 2025

PROMO-CYMRU LTD
STATEMENT OF CONSOLIDATED FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2025
(INCLUDING INCOME AND EXPENDITURE ACCOUNT AND
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES)

Consolidated	Notes	Unrestricted funds £	Restricted funds £	Continuing operations total 2025 £	Discontinued operations total 2025 £	Total 2025 £
INCOME AND ENDOWMENTS FROM:						
Activities for generating funds	3	804,153	-	804,153	-	804,153
Voluntary income	4	798	5,000	5,798	-	5,798
Investment income	5	126,623	-	126,623	-	126,623
Charitable activities	6	-	943,638	943,638	-	943,638
Total income		931,574	948,638	1,880,212	-	1,880,212
EXPENDITURE ON:						
Charitable activities	7	900,371	975,476	1,875,847	-	1,875,847
Total expenditure		900,371	975,476	1,875,847	-	1,875,847
NET INCOME/(EXPENDITURE)		31,203	-26,838	4,365	-	4,365
Gross transfers between funds		-	-	-	-	-
NET MOVEMENT IN FUNDS		31,203	-26,838	4,365	-	4,365
Reconciliation of funds:						
Total funds brought forward		588,751	1,000,118	1,588,869	-	1,588,869
TOTAL FUNDS CARRIED FORWARD	19	619,954	973,280	1,593,234	-	1,593,234

Consolidated	Notes	Unrestricted funds £	Restricted funds £	Continuing operations total 2024 £	Discontinued operations total 2024 £	Total 2024 £
INCOME AND ENDOWMENTS FROM:						
Activities for generating funds	3	768,031	-	768,031	-	768,031
Voluntary income	4	10,304	5,110	15,414	-	15,414
Investment income	5	120,896	-	120,896	-	120,896
Charitable activities	6	7,500	710,219	717,719	-	717,719
Total income		906,731	715,329	1,622,060	-	1,622,060
EXPENDITURE ON:						
Charitable activities	7	821,211	791,742	1,612,953	-	1,612,953
Total expenditure		821,211	791,742	1,612,953	-	1,612,953
NET INCOME/(EXPENDITURE)		85,520	-76,413	9,107	-	9,107
Gross transfers between funds		-	-	-	-	-
NET MOVEMENT IN FUNDS		85,520	-76,413	9,107	-	9,107
Reconciliation of funds:						
Total funds brought forward		503,231	1,076,531	1,579,762	-	1,579,762
TOTAL FUNDS CARRIED FORWARD	19	588,751	1,000,118	1,588,869	-	1,588,869

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2025 and 2024 is shown in note 19.

PROMO-CYMRU LTD
STATEMENT OF COMPANY FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2025
(INCLUDING INCOME AND EXPENDITURE ACCOUNT AND
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES)

Company	Notes	Unrestricted funds £	Restricted funds £	Continuing operations total 2025 £	Discontinued operations total 2025 £	Total 2025 £
INCOME AND ENDOWMENTS FROM:						
Voluntary income		70,798	5,000	75,798	-	75,798
Charitable activities		63,801	943,638	1,007,439	-	1,007,439
Investment income		10,966	-	10,966	-	10,966
Total income		145,565	948,638	1,094,203	-	1,094,203
EXPENDITURE ON:						
Charitable activities		114,141	975,476	1,089,617	-	1,089,617
Total expenditure		114,141	975,476	1,089,617	-	1,089,617
NET INCOME/(EXPENDITURE)		31,424	-26,838	4,586	-	4,586
Gross transfers between funds		-	-	-	-	-
NET MOVEMENT IN FUNDS		31,424	-26,838	4,586	-	4,586
Reconciliation of funds:						
Total funds brought forward		514,015	1,000,118	1,514,133	-	1,514,133
TOTAL FUNDS CARRIED FORWARD	20	545,439	973,280	1,518,719	-	1,518,719

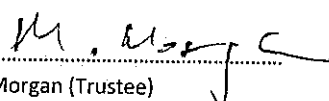
Company	Notes	Unrestricted funds £	Restricted funds £	Continuing operations total 2024 £	Discontinued operations total 2024 £	Total 2024 £
INCOME AND ENDOWMENTS FROM:						
Voluntary income		95,304	5,110	100,414	-	100,414
Charitable activities		57,144	710,219	767,363	-	767,363
Investment income		9,406	-	9,406	-	9,406
Total income		161,854	715,329	877,183	-	877,183
EXPENDITURE ON:						
Charitable activities		81,862	791,742	873,604	-	873,604
Total expenditure		81,862	791,742	873,604	-	873,604
NET INCOME/(EXPENDITURE)		79,992	-76,413	3,579	-	3,579
Gross transfers between funds		-	-	-	-	-
NET MOVEMENT IN FUNDS		79,992	-76,413	3,579	-	3,579
Reconciliation of funds:						
Total funds brought forward		434,023	1,076,531	1,510,554	-	1,510,554
TOTAL FUNDS CARRIED FORWARD	20	514,015	1,000,118	1,514,133	-	1,514,133

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2025 and 2024 is shown in note 19.

PROMO-CYMRU LTD
BALANCE SHEETS
AT 31 MARCH 2025

		Consolidated		Company	
		2025	2024	2025	2024
	Notes	Total funds	Total funds	Total funds	Total funds
		£	£	£	£
FIXED ASSETS					
Tangible assets	14	1,264,847	1,288,512	1,257,351	1,278,709
Investments	15	-	-	100	100
		<u>1,264,847</u>	<u>1,288,512</u>	<u>1,257,451</u>	<u>1,278,809</u>
CURRENT ASSETS					
Stocks		2,286	2,849	-	-
Debtors	16	244,799	170,930	43,795	60,208
Cash at bank and in hand		498,945	514,751	474,126	421,695
		<u>746,030</u>	<u>688,530</u>	<u>517,921</u>	<u>481,903</u>
CREDITORS					
Amounts falling due within one year	17	-246,229	-203,265	-86,489	-63,321
NET CURRENT ASSETS					
		<u>499,801</u>	<u>485,265</u>	<u>431,432</u>	<u>418,582</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		1,764,648	1,773,777	1,688,883	1,697,391
CREDITORS AND PROVISIONS					
Amounts falling due after one year	18	-170,164	-183,258	-170,164	-183,258
Provisions for liabilities	18	-1,250	-1,650	-	-
		<u>1,593,234</u>	<u>1,588,869</u>	<u>1,518,719</u>	<u>1,514,133</u>
FUNDS					
Unrestricted funds	19	619,954	588,751	545,439	514,015
Restricted funds	19	973,280	1,000,118	973,280	1,000,118
NET ASSETS					
		<u>1,593,234</u>	<u>1,588,869</u>	<u>1,518,719</u>	<u>1,514,133</u>

The financial statements on pages 16 to 36 were approved by the trustees, and authorised for issue on 25 November 2025 and signed on their behalf by


M Morgan (Trustee)

PROMO-CYMRU LTD

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025**

Notes	Consolidated		Company	
	2025 Total funds £	2024 Total funds £	2025 Total funds £	2024 Total funds £
Cash flows from operating activities				
Net cash income	4,365	9,107	4,586	3,579
Adjustments to cash flows from non-cash items				
Depreciation	48,664	50,331	45,284	47,372
Income tax expense	1,565	62	–	–
Investment income	5	-11,147	-10,459	-10,966
	43,447	49,041	38,904	41,545
Working capital adjustments				
(Increase)/decrease in stocks	563	-1,274	–	–
(Increase)/decrease in debtors	16	-73,869	-106,571	16,413
(Decrease)/increase in creditors	17	22,222	-5,779	17,926
(Decrease)/increase in deferred income	17	18,123	-7,163	4588
(Decrease)/increase in provisions	18	–	–	–
Net cash flows from operating activities	10,486	-71,746	77,831	-23,391
Cash flows from investing activities				
Interest receivable and similar income	11,147	10,459	10,966	9,406
Purchase of tangible fixed assets	14	-24,999	-19,208	-23,926
Net cash flows from investing activities	-13,852	-8,749	-12,960	-7,008
Cash flows from financing activities				
Repayments of loans and borrowings	-12,440	-11,001	-12,440	-11,001
Net cash flows from financing activities	-12,440	-11,001	-12,440	-11,001
Net (decrease)/increase in cash and cash equivalents				
	-15,806	-91,496	52,431	-41,400
Cash and cash equivalents at 1 April	514,751	606,247	421,695	463,095
Cash and cash equivalents at 31 March	498,945	514,751	474,126	421,695

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1 CHARITY STATUS

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office and principal place of business is:
17 West Bute Street, Cardiff Bay CF10 5EP

These financial statements were authorised for issue by the trustees on 25 November 2025.

2 ACCOUNTING POLICIES

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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)) (issued October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Promo-Cymru Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The financial statements have been prepared on the going concern basis.

The trustees assess whether the use of going concern is appropriate, ie, whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Group accounts and investment in subsidiary

The accounts have been consolidated to include the results of the charity's subsidiary. No income and expenditure account of the charity has been presented as permitted by the Companies Act 2006 and paragraph 423 of the SORP. The investment in the subsidiary is stated at cost less provision for any impairment.

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Intercompany transactions, balances and unrealised gains on transactions between the charity and its subsidiary, which are related parties, are eliminated in full.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity 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 these conditions will be fulfilled in the reporting period.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the 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 of the 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.

Tangible fixed assets

Individual fixed assets costing £150.00 or more are initially recorded at cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Freehold property	•	2% on cost
Fixtures, fittings and equipment	•	10% to 25% on reducing balance
Computer equipment	•	33 1/3% on reducing balance

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

Fixed asset investments

Investments in associates are accounted for using the equity method. Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the charities share of the profit or loss and other comprehensive income of the associate. Goodwill arising on the acquisition of associates is accounted for in accordance with the policy set out above. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method, where applicable.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Debt instruments

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method.

- a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

PROMO-CYMRU LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment. With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit and loss. Commitments to make and receive loans meeting the conditions mentioned above are measured at cost (which may be nil) less impairment.

3 ACTIVITIES FOR GENERATING FUNDS

		Consolidated	
		2025	2024
		£	£
Projects, consultancy, workshops, events and helpline fees		804,153	768,031

4 VOLUNTARY INCOME

		Consolidated	
		2025	2024
		£	£
Donations		5,798	15,414

5 INVESTMENT INCOME

		Consolidated	
		2025	2024
		£	£
Rents received		115,476	110,437
Interest received		11,147	10,459
		126,623	120,896

6 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted funds £	Consolidated	
			2025 £	2024 £
Fees and related income	-	-	-	7,500
NEWID grant	-	150,443	150,443	5,613
Blaenau Gwent CBC Food Distribution grant	-	-	-	6,000
Wales Council for Voluntary Action	-	2,500	2,500	-
National Academy for Educational Leadership - Associate grant	-	-	-	10,000
Innovation grant	-	-	-	5,000
Taith grant	-	3,244	3,244	11,936
National Lottery - Mind our Future Gwent grant	-	200,730	200,730	192,385
National Lottery - Third Sector Digital Fund	-	177,365	177,365	162,365
Youth Access grant	-	17,372	17,372	15,542
Strategic Voluntary Youth Work Organisations	-	35,000	35,000	35,000
Share Prosperity Fund - People and Skills	-	142,763	142,763	209,527
Share Prosperity Fund - Community and Place	-	78,554	78,554	41,391
Share Prosperity Fund - Multiply	-	59,898	59,898	-
Tai Calon grant	-	-	-	5,000
GAVO grant	-	1,500	1,500	1,000
National Grid - Community Fund Matters	-	-	-	9,460
St Giles' Trust grant	-	37,999	37,999	-
BG CBC Quickstart grant	-	36,270	36,270	-
	-	943,638	943,638	717,719

PROMO-CYMRU LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

6	INCOME FROM CHARITABLE ACTIVITIES (continued)	Unrestricted	Restricted	Consolidated	
		funds	funds	2024	2023
		£	£	£	£
	Fees and related income	7,500	–	7,500	7,200
	NEWID grant	–	5,613	5,613	100,000
	UK Community Renewal Fund	–	–	–	216,675
	Blaenau Gwent CBC Food Distribution grant	–	6,000	6,000	7,950
	Wales Council for Voluntary Action	–	–	–	18,704
	National Academy for Educational Leadership - Associate grant	–	10,000	10,000	10,000
	Innovation grant	–	5,000	5,000	–
	Taith Learning grant	–	11,936	11,936	7,605
	National Lottery - Mind our Future Gwent grant	–	192,385	192,385	95,728
	National Lottery - Third Sector Digital Fund	–	162,365	162,365	72,182
	Youth Access grant	–	15,542	15,542	18,932
	Social Business Growth Fund 2	–	–	–	6,674
	Strategic Voluntary Youth Work Organisations	–	35,000	35,000	–
	Share Prosperity Fund - People and Skills	–	209,527	209,527	–
	Share Prosperity Fund - Community and Place	–	41,391	41,391	–
	Tai Calon grant	–	5,000	5,000	–
	GAVO grant	–	1,000	1,000	–
	National Grid - Community Fund Matters	–	9,460	9,460	–
	Other project grants	–	–	–	525
		7,500	710,219	717,719	562,175

7	EXPENDITURE ON CHARITABLE ACTIVITIES	Unrestricted	Restricted	Consolidated	
		funds	funds	2025	2024
		£	£	£	£
	Subsidiary company	781,230	–	781,230	734,109
	Staff costs	29,787	599,186	628,973	533,271
	Project costs	12,047	270,203	282,250	158,335
	Office costs	9,028	3,609	12,637	12,106
	Repairs and renewals	9,363	12,564	21,927	29,719
	Insurance	1,034	17,302	18,336	17,517
	Premises costs	27,008	40,591	67,599	57,313
	Loan interest	12,483	–	12,483	13,171
	Depreciation	7,941	32,021	39,962	47,372
		889,921	975,476	1,865,397	1,602,913

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

7	EXPENDITURE ON CHARITABLE ACTIVITIES (continued)	Activity	Activity	Consolidated	
		undertaken	support	2025	2024
		directly	costs	£	£
		£	£		
	Subsidiary company	781,230	–	781,230	734,109
	Staff costs	553,718	75,255	628,973	533,271
	Project costs	282,250	–	282,250	158,335
	Office costs	–	12,637	12,637	12,106
	Repairs and renewals	21,927	–	21,927	29,719
	Insurance	–	18,336	18,336	17,517
	Premises costs	–	67,599	67,599	57,313
	Loan interest	–	12,483	12,483	13,171
	Depreciation	39,962	–	39,962	47,372
		1,679,087	186,310	1,865,397	1,602,913
		Unrestricted	Restricted	Consolidated	
		funds	funds	2024	2023
		£	£	£	£
	Subsidiary company	734,109	–	734,109	765,143
	Staff costs	–	533,271	533,271	360,501
	Project costs	16,593	141,742	158,335	98,691
	Office costs	9,168	2,938	12,106	14,438
	Repairs and renewals	1,849	27,870	29,719	33,958
	Insurance	934	16,583	17,517	15,556
	Premises costs	21,664	35,649	57,313	24,200
	Loan interest	13,171	–	13,171	13,700
	Depreciation	13,683	33,689	47,372	50,150
		811,171	791,742	1,602,913	1,376,337
		Activity	Activity	Consolidated	
		undertaken	support	2024	2023
		directly	costs	£	£
		£	£		
	Subsidiary company	734,109	–	734,109	765,988
	Staff costs	478,669	54,602	533,271	359,656
	Project costs	158,335	–	158,335	98,691
	Office costs	–	12,106	12,106	14,438
	Repairs and renewals	29,719	–	29,719	33,958
	Insurance	–	17,517	17,517	15,556
	Premises costs	–	57,313	57,313	24,200
	Loan interest	–	13,171	13,171	13,700
	Depreciation	47,372	–	47,372	50,150
		1,448,204	154,709	1,602,913	1,376,337

In addition to the expenditure analysed above, there are also governance costs of £10,450 (2024 - £10,040) which relate directly to charitable activities. See note 8 for further details.

PROMO-CYMRU LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

8 ANALYSIS OF GOVERNANCE AND SUPPORT COSTS

SUPPORT COSTS

Finance	Admin	Premises	Insurance	Staff costs	Subsidiary	Totals 2025	Totals 2024
£	£	£	£	£	£	£	£
12,483	12,637	67,599	18,336	75,255	-	186,310	
13,171	12,106	57,313	17,517	54,602	-		154,709

The support costs cover the promotion of youth, adult and family development work.

GOVERNANCE COSTS

	Consolidated	
	2025	2024
	£	£
Auditor's remuneration	10,450	10,040

9 GOVERNMENT AND OTHER FUNDED GRANTS

The following government and other funded grants were received during the year.

YOUTH ACCESS £17,372

Promo-Cymru is working with Youth Access as part of a national project funded by the National Lottery UK. We are working with young people and partners to help ensure that youth voice is heard in the design process of mental health and wellbeing services.

WCVA £2,500

Promo-Cymru received the Walter Dickie Leadership Bursary. The award granted £2,500 to support an individual in Wales to become a better leader.

GAVO £1,500

Promo-Cymru received £1,500 on behalf of the Ebbw Vale Institute towards energy costs.

St. Giles' Trust £37,999

Promo-Cymru received £37,999 to produce an online toolkit that embeds Lived Experience Models into volunteering.

Strategic Voluntary Youth Work Organisations (SVYWO) £35,000

Promo-Cymru received £35,000 as a core contribution to provide a strategic input towards the development of youth information services across Wales.

BGCBC £36,270

Promo-Cymru received £36,270 under the Quickstart Scheme. The grant was used to provide 6 month job placements for young people at the Ebbw Vale Institute to help enhance their future employment prospects.

PROMO-CYMRU LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Shared Prosperity Fund £281,215

Promo-Cymru received £281,215 from UK Government via BGC under the Shared Prosperity Fund to support core costs and deliver 3 community based programmes.

Newid £150,443

Promo-Cymru received £150,443 from WCVA to promote good digital practice across the third sector in Wales through providing training, support and information.

Taith £3,244

Promo-Cymru received £3,244 towards organising a multicultural arts youth exchange with Nantes.

Mind our Future Gwent (MoFG) £200,730

Promo-Cymru was awarded £999,888 from The National Lottery Community Funded project to design new ways to prevent mental health challenges from developing or worsening across Gwent and ensure that young people get the right support at the right time, wherever they turn for help. We will be delivering this project over 5 years in partnership with Newport Mind. Our other project partners also include local Minds and youth services in Gwent.

Third Sector Digital Fund £177,365

Promo-Cymru has been awarded £500,000 from The National Lottery Community Fund to support the Welsh third sector with digital. We will be supporting third sector organisations to tackle challenges relating to a digital way of working, develop knowledge and confidence in their digital skills and share good practice. This 3 year project will be delivered in partnership with WCVA.

The amount of grants recognised in the financial statement was £943,638 (2024: £710,219).

10 NET INCOMING (OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	Consolidated	
	2025	2024
	£	£
Audit fees	10,450	10,040
Depreciation - owned assets	48,664	50,331

11 TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2025 nor for the year ended 31 March 2024.

Trustees' Expenses

No expenses were paid to trustees for the year ended 31 March 2025 (2024: £NIL).

12 TAXATION

No taxation is payable by the charity for the year as it is able to make use of the tax exemptions on income and capital gains available to charities.

The taxable profit in the subsidiary was £10,344 (2024: £NIL).

13 GROUP STAFF COSTS

	2025	2024
	£	£
Wages, salaries and pensions	1,397,160	1,128,595

The average number of persons employed by the group and included in the above figures during the year was 48 (2024: 40).

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

14	TANGIBLE FIXED ASSETS			
	a) Consolidated fixed assets	Freehold property £	Furn. & equip. £	Totals £
	COST			
	At 1 April 2024	1,516,945	544,015	2,060,960
	Additions	20,000	4,999	24,999
	Disposals	–	-26,300	-26,300
	At 31 March 2025	1,536,945	522,714	2,059,659
	DEPRECIATION			
	At 1 April 2024	280,502	491,946	772,448
	Charge for year	30,540	18,124	48,664
	Eliminated on disposals	–	-26,300	-26,300
	At 31 March 2025	311,042	483,770	794,812
	NET BOOK VALUE			
	At 31 March 2025	1,225,903	38,944	1,264,847
	At 1 April 2024	1,236,443	52,069	1,288,512

The cost brought forward at 1 April 2016 of freehold property includes a valuation of £175,000 in respect of the freehold interest in The Ebbw Vale Institute transferred to the charity for nil consideration. The remainder of the balance brought forward of freehold property represents building improvements that have been undertaken by the charity during subsequent years together with the addition of, and improvements to, the freehold property at 17 West Bute Street, Cardiff.

	b) Company fixed assets	Freehold land and buildings £	Fixtures, fittings & equip. £	Total £
	COST			
	At 1 April 2024	1,516,945	441,804	1,958,749
	Additions	20,000	3,926	23,926
	Disposals	–	-26,300	-26,300
	At 31 March 2025	1,536,945	419,430	1,956,375
	DEPRECIATION			
	At 1 April 2024	280,502	399,538	680,040
	Charge for year	30,540	14,744	45,284
	Eliminated on disposals	–	-26,300	-26,300
	At 31 March 2025	311,042	387,982	699,024
	NET BOOK VALUE			
	At 31 March 2025	1,225,903	31,448	1,257,351
	At 1 April 2024	1,236,443	42,266	1,278,709

PROMO-CYMRU LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

15 FIXED ASSET INVESTMENTS

Shares in
group
company
£

NET BOOK VALUE

At 31 March 2025 100

At 31 March 2024 100

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Promo-Cymru Trading Limited

Nature of business: Providing information, advice and advocacy for young people in Wales.

Class of share: holding
£1 ordinary 100%

	2025	2024
	£	£
Aggregate reserves	74,515	74,736
Profit/(loss) for the year	-221	5,528

The results for the charity's subsidiary at 31 March 2025 and 31 March 2024 were as follows.

	2025	2024
	£	£
Turnover	1,570,796	1,376,957
Direct costs	-1,301,914	-1,082,307
Gross profit	268,882	294,650
Other income	77,337	36,834
	346,219	331,484
Other costs	-346,440	-325,956
Profit/(loss) for the year	-221	5,528

PROMO-CYMRU LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

16 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated	
	2025	2024
	£	£
Trade debtors	198,542	109,197
Prepayments and accrued income	45,795	61,733
Other debtors	462	-
	<u>244,799</u>	<u>170,930</u>

	Company	
	2025	2024
	£	£
Trade debtors	3955	360
Prepayments and accrued income	39378	59848
Other debtors	462	-
	<u>43,795</u>	<u>60,208</u>

17 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated	
	2025	2024
	£	£
Trade creditors	14,128	31,016
Other loans	13,094	12,440
Taxation and social security	25,024	21,276
Pension creditor	7,345	-
VAT payable	64,715	48,130
Accruals and deferred income	114,190	89,206
Other creditors	7,733	1,197
	<u>246,229</u>	<u>203,265</u>

	Company	
	2025	2024
	£	£
Trade creditors	2,900	17,146
Loans	13,094	12,440
Amounts owed to group undertakings	43,284	23,907
VAT payable	2,018	1,929
Accruals and deferred income	17,460	6,900
Other creditors	7,733	999
	<u>86,489</u>	<u>63,321</u>

Creditors due within one year includes the following liabilities, on which security has been given by the charity:

	2025	2024
	£	£
Wales Council for Voluntary Action	<u>10,090</u>	<u>9,436</u>

Freehold property at 17 West Bute Street, Cardiff CF10 5EP

Borrowings

a) Loan from Wales Council for Voluntary Action

The loan has a carrying amount of £173,496 (2024 - £182,932) and is denominated in Sterling with a nominal interest rate of 7%. The final instalment is due in October 2036. It is repayable at £1,678.08 per month for 20 years from 3 January 2017, increased to £1,826.64 arising from a further drawdown of £55,000. Security is held on the freehold property at 17 West Bute Street, Cardiff CF10 5EP.

PROMO-CYMRU LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

The charity undertakes with Wales Council for Voluntary Action, without prior notification or approval, the following.

1. Not to make any change in the project proposal.
2. Not to incorporate any company as its subsidiary.
3. Not to amend or replace its Memorandum and Articles of Association in any way which could materially and adversely affect the interests of the lender under the financing agreement.

b) Loan from the Social Business Growth Fund

The loan has a carrying amount of £9,762 (2024 - £12,766) and is denominated in Sterling with an interest rate of 0%. The final instalment is due in June 2028. It is repayable at £250.31 per month for 5 years from June 2023.

The charity undertakes with WCVA the following.

1. To use the financial support solely to manage and implement the project in accordance with the details described in the application.
2. To achieve the targets and job target set out.
3. To obtain written consent before implementing any change to the project.

Deferred income

Accruals and deferred income includes deferred income relating to grants received in advance of the period to which they relate:

	Consolidated	
	2025	2024
	£	£
At 31 March 2024	77,306	84,469
Amount released to incoming resources	-77,306	-79,177
Amount deferred in the year	95,429	72,014
At 31 March 2025	95,429	77,306

18 CREDITORS AND PROVISIONS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR/PROVISIONS FOR LIABILITIES

	Consolidated	
	2025	2024
	£	£
Loans	170,164	183,258
Deferred tax	1,250	1,650

Creditors' amounts falling due after more than one year includes the following liabilities, on which security has been given by the charity on the freehold property at 17 West Bute Street, Cardiff CF10 5EP.

	2025	2024
	£	£
Loan from Wales Council for Voluntary Action	163,406	173,496

Included in the creditors are the following amounts due after more than five years:

	2025	2024
	£	£
After more than five years by instalments	115,205	128,545

Borrowings due after five years

£115,205 (2024 - £128,545) repayable at £1,826.64 per month including interest at 7%, fixed, will be repaid in October 2036.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

19	MOVEMENT IN FUNDS	At 1.4.24 £	Incoming resources £	Resources expended £	Transfers £	At 31.3.25 £
	Unrestricted funds					
	General fund	588,751	931,574	-900,371	-	619,954
		588,751	931,574	-900,371	-	619,954
	Restricted funds					
	Heads of the Valleys Programme	142,015	-	-4,040	-	137,975
	Blaenau Gwent Youth Service					
	Capital and Revenue grant	18,821	-	-507	-	18,314
	Big Lottery Community Asset Trfr	326,528	-	-8,617	-	317,911
	Blaenau Gwent Community -					
	Economic Development grant	13,546	-	-352	-	13,194
	Asset Transfer	133,875	-	-3,500	-	130,375
	Arts for All grant	4,207	-	-99	-	4,108
	Valleys Environment grant	4,250	-	-100	-	4,150
	Gavo grant	-	1,500	-1,500	-	-
	WAG Landfill Disposal Scheme	16,585	-	-369	-	16,216
	Youth Access grant	-	17,372	-17,372	-	-
	EVI CFAP grant	207,845	-	-6,658	-	201,187
	Covid Support grant	2,682	-	-894	-	1,788
	Social Business Growth Fund 2	4,337	-	-1,446	-	2,891
	NEWiD grant	4,778	150,443	-154,834	-	387
	UK Community Renewal Fund	5,972	-	-1,991	-	3,981
	Wales Council for Voluntary Action	-	2,500	-	-	2,500
	National Academy for					
	Educational Leadership grant -					
	Associate grant	3,636	-	-3,636	-	-
	Taith Learning grant	12,978	3,244	-16,222	-	-
	Asda grant	525	-	-	-	525
	National Lottery -					
	Mind our Future Gwent grant	41,652	200,730	-212,790	-	29,592
	Third Sector Digital Fund	45,024	177,365	-164,192	-	58,197
	Carol Powell Donation Fund	1,892	5,000	-4,949	-	1,943
	Strategic Vol. Youth Work Org.	-	35,000	-35,000	-	-
	Share Prosperity Fund -					
	People and Skills	5,961	142,763	-144,750	-	3,974
	Community and Place	3,009	78,554	-57,491	-	24,072
	Multiply	-	59,898	-59,898	-	-
	St. Giles' Trust	-	37,999	-37,999	-	-
	BG CBC Quickstart grant	-	36,270	-36,270	-	-
		1,000,118	948,638	-975,476	-	973,280
	TOTAL FUNDS	1,588,869	1,880,212	-1,875,847	-	1,593,234

The general fund balance at 31 March 2025 includes £74,615 of funds retained within the non-charitable subsidiary (2024: £74,836).

The incoming resources include £912,910 (2024: £879,521) of income received by the non-charitable subsidiary.

The resources expended include £1,540,062 (2024: £1,285,091) of costs expended by the non-charitable subsidiary.

These figures exclude inter-company transactions.

The non-charitable subsidiary paid £70,000 (2024: £85,000) to Promo-Cymru Ltd by way of gift aid. The net deficit for the year sustained by the non-charitable subsidiary was £221 (2024: surplus £5,528).

PROMO-CYMRU LTD**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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MOVEMENT IN FUNDS	At 1.4.23	Incoming resources	Resources expended	Transfers	At 31.3.24
	£	£	£	£	£
Unrestricted funds					
General fund	503,231	906,731	-821,211	-	588,751
	503,231	906,731	-821,211	-	588,751
Restricted funds					
Heads of the Valleys Programme	146,055	-	-4,040	-	142,015
Blaenau Gwent Youth Service					
Capital and Revenue grant	19,328	-	-507	-	18,821
Big Lottery Community Asset Trfr	335,302	-	-8,774	-	326,528
Blaenau Gwent Community -					
Economic Development grant	13,898	-	-352	-	13,546
Asset Transfer	137,375	-	-3,500	-	133,875
Blaenau Gwent CBC					
Food Distribution grant	1,780	6,000	-7,780	-	-
Arts for All grant	4,306	-	-99	-	4,207
Tai Calon grant	-	5,000	-5,000	-	-
Valleys Environment grant	4,350	-	-100	-	4,250
Gavo Cash4u grant	-	1,000	-1,000	-	-
WAG Landfill Disposal Scheme	16,954	-	-369	-	16,585
Youth Access grant	-	15,542	-15,542	-	-
EVI CFAP grant	215,697	-	-7,852	-	207,845
Covid Support grant	4,023	-	-1,341	-	2,682
Social Business Growth Fund 2	6,506	-	-2,169	-	4,337
NEWID grant	100,000	5,613	-100,835	-	4,778
UK Community Renewal Fund	8,958	-	-2,986	-	5,972
Wales Council for Voluntary Action	18,704	-	-18,704	-	-
National Academy for					
Educational Leadership grant -					
Associate grant	3,636	10,000	-10,000	-	3,636
Innovation grant	-	5,000	-5,000	-	-
Taith Learning grant	6,492	11,936	-5,450	-	12,978
Asda grant	525	-	-	-	525
National Lottery -					
Mind our Future Gwent grant	18,817	192,385	-169,550	-	41,652
Third Sector Digital Fund	12,750	162,365	-130,091	-	45,024
Carol Powell Donation Fund	1,075	5,110	-4,293	-	1,892
Strategic Vol. Youth Work Org.	-	35,000	-35,000	-	-
Share Prosperity Fund -					
People and Skills	-	209,527	-203,566	-	5,961
Community and Place	-	41,391	-38,382	-	3,009
National Grid -					
Community Matters Fund	-	9,460	-9,460	-	-
	1,076,531	715,329	-791,742	-	1,000,118
TOTAL FUNDS	1,579,762	1,622,060	-1,612,953	-	1,588,869

The general fund balance at 31 March 2024 includes £74,836 of funds retained within the non-charitable subsidiary (2023: £69,308).

The incoming resources include £879,521 (2023: £899,544) of income received by the non-charitable subsidiary.

The resources expended include £1,285,091 (2023: £1,134,087) of costs expended by the non-charitable subsidiary.

These figures exclude inter-company transactions.

The non-charitable subsidiary paid £85,000 (2023: £70,000) to Promo-Cymru Ltd by way of gift aid. The net surplus for the year achieved by the non-charitable subsidiary was £5,528 (2023: £6,199).

PROMO-CYMRU LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Consolidated		Consolidated	
	Unrestricted	Restricted	total funds	
	funds	funds	2025	2024
	£	£	£	£
Tangible fixed assets	384,711	880,136	1,264,847	1,288,512
Current assets	630,567	115,463	746,030	688,530
Current liabilities	-230,668	-15,561	-246,229	-203,265
Deferred liabilities	-164,656	-6758	-171,414	-184,908
TOTAL FUNDS	619,954	973,280	1,593,234	1,588,869

	Company		Company	
	Unrestricted	Restricted	total funds	
	funds	funds	2025	2024
	£	£	£	£
Tangible fixed assets	377,215	880,136	1,257,351	1,278,709
Fixed asset investments	100	-	100	100
Current assets	402,458	115,463	517,921	481,903
Current liabilities	-70,928	-15,561	-86,489	-63,321
Deferred liabilities	-163,406	-6758	-170,164	-183,258
TOTAL FUNDS	545,439	973,280	1,518,719	1,514,133

21 ANALYSIS OF NET FUNDS

	At 1 April 2024	Cashflow	At 31 March 2025
	£	£	£
Cash at bank and in hand	514,751	-15,806	498,945
Debt due within one year	-12,440	-654	-13,094
Debt due after more than one year	-183,258	13,094	-170,164
Net debt	319,053	-3,366	315,687

	At 1 April 2023	Cashflow	At 31 March 2024
	£	£	£
Cash at bank and in hand	606,247	-91,496	514,751
Debt due within one year	-11,001	-1,439	-12,440
Debt due after more than one year	-195,698	12,440	-183,258
Net debt	399,548	-80,495	319,053

PROMO-CYMRU LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

22 RELATED PARTIES

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

Related party transactions

Promo-Cymru Ltd contracts with Promo-Cymru Trading Ltd for the provision of support resources to facilitate the completion of grant funded projects.

During the year the charity purchased goods or received services or incurred other liabilities from Promo-Cymru Trading Limited, a wholly owned subsidiary company, in the sum of £699,260 (2024: £583,913) and, sold goods or rendered services or provided other assets to Promo-Cymru Trading Limited in the sum of £56,900 (2024: £3,783). The charity also received £70,000 (2024: £85,000) by way of gift aid from Prom-Cymru Trading Limited. The balance due by the charity at the year end was £43,284 (2024: £23,907).

PROMO - CYMRU

England & Wales - Charity number 1094652

Accounts

Company registration number: 1816889 (England and Wales)
Charity registration number: 1094652

**REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024
FOR
PROMO-CYMRU LTD**

**Robert Hugh Limited
Registered Auditors
and Chartered Accountants
15 Dan y Bryn Avenue
Radyr
Cardiff
CF15 8DD**

PROMO-CYMRU LTD

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FOR THE YEAR ENDED 31 MARCH 2024

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PROMO-CYMRU LTD

REFERENCE AND ADMINISTRATIVE DETAILS

Charity name Promo-Cymru Ltd

Charity registration number 1094652

Company registration number 1816889

Principal office 17 West Bute Street
Cardiff
CF10 5EP

Registered office 17 West Bute Street
Cardiff
CF10 5EP

The charity is incorporated in England and Wales.

Trustees M Morgan, Chair
M Bowden
D M Martin
MD Williams
AS Ozalp
D Finnegan
JH Lee
E Hails

Secretary M Gil-Cervantes

Auditors Robert Hugh Limited
Registered Auditors and Chartered Accountants
15 Dan y Bryn Avenue
Radyr
Cardiff
CF15 8DD

PROMO-CYMRU LTD

TRUSTEES' REPORT

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 March 2024.

Structure, Governance and Management

Governing Document

The charity is controlled by its governing document, its Memorandum and Articles of Association, and is limited by guarantee and not having a share capital, as defined by the Companies Act 2006.

Every member of the company undertakes to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up while he/she is a member or within one year after he/she ceased to be a member, for repayment of the company's debts and liabilities contracted before he/she ceased to be a member, and of the costs and expenses of winding up, and for the adjustment of the rights of the contributors amongst themselves.

Recruitment and Appointment of New Trustees

The company is directed by a board of trustees, the members of which are all committed to the sector's principles and ideals.

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Council of Management. Under the requirements of the Memorandum and Articles of Association, the members of the Council of Management are elected to serve for a year after which they must be re-elected at the next Annual General Meeting.

The members of the board receive no material benefits or remuneration from the company for their time and services.

Induction and Training of New Trustees

Most trustees are already familiar with the practical work of the charity. Information is made available covering the following.

- The obligations of Management Committee members.
- The main documents which set out the operational framework for the charity including the Memorandum and Articles of Association.
- Resourcing and the current financial position as set out in the latest published accounts.
- Future plans and objectives.

Organisational Structure

The board of trustees, who meet bi-monthly, administer the charity. A chief executive is appointed by the trustees to manage the day-to-day operation of the charity. The trustees at the year end were as shown on page 1.

S Corria and A Rogan resigned as trustees on 25 October 2023.

PROMO-CYMRU LTD

TRUSTEES' REPORT

Wider Network

Promo-Cymru has continued to work with a number of partners, funders and clients. These include:-

Partners:

- Council for Wales Voluntary Youth Service - CWWYS
- Wales Council for Voluntary Action - WCVA
- Cwmpas
- Voluntary Councils across Wales
- European Youth Information and Counselling Agency - ERYICA
- Catalyst
- National Academy for Educational Leadership Wales
- Local Authorities
- Welsh Government

Funders:

- The National Lottery
- UK Levelling Up Fund
- Welsh Government

Clients:

- Cardiff Third Sector Council
- Development Trust Association
- Children in Wales
- Cyfannol Women's Aid
- Barod Gwent N-Gage

Subsidiary Undertakings

Promo-Cymru Ltd is the holding company of a trading subsidiary company called Promo-Cymru Trading Limited. The principal activities of the company in the year under review were:

1. Activities centred around providing information, advice and advocacy for young people and adults in Wales. This was carried out under the project name MEIC (The National Information and Advice and Advocacy Service - direct contact, telephone, instant messaging and text based). Plus, adult advocacy lines for Cardiff and the Vale, Bridgend and the counties of Gwent.
2. The development of the Ebbw Vale Institute as a youth, community and cultural centre for the communities of Blaenau Gwent and beyond.
3. In the area of digital, multimedia and communications, Promo-Cymru Trading continued to deliver goods and services such as consultation, service design, video production, social media training and website development and administration.

Risk Management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Major risks are reported to the board via the Chief Executive and Deputy Chief Executive via the project and finance reports produced for and presented at the Promo-Cymru Management Board. The examination will cover the major strategies, business and operational risks which the charity faces. The reporting system so established is to enable regular reports to be produced so that any necessary steps can be taken to mitigate exposure to these risks. These procedures are to be periodically reviewed to ensure that they still meet the needs of the charity.

PROMO-CYMRU LTD

TRUSTEES' REPORT

The risk management strategy will comprise:-

- An annual review of the risks the charity may face.
- The establishment of systems and procedures to mitigate those risks identified in the plan.
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

Trustees:

- Risk management statement - reviewed each year.
- Conflict of interest register - updated each year.
- Trustee welcome pack inclusive of signed statements of ability to serve as a trustee.

Staff:

- Proof of ID required.
- DBS checks (where applicable).
- References.
- Probation period.
- Regular appraisals.
- Comprehensive personnel files.
- Trained to ensure capability to undertake role.

HR:

- Ongoing updates and training to keep up with changes in legislation.
- Robust policy and procedures - updates where required.
- Back up legal assistance in place.

Health & safety:

- Office risk assessments.
- Updates and training when necessary.

Information technology:

- All laptops are password protected.
- All laptops are set for scheduled security updates and are protected by AVG antivirus.
- Users are forced to change their Office365 password every 90 days for security purposes.
- All websites are secured with SSL Certificates. They are also protected by industry leading security plugin Wordfence.
- Independent web security testing takes place annually.
- All websites are updated monthly for relevant themes, plugins and OS.

The risk register of the organisation is maintained and regularly reviewed at trustee meetings. The trustees' comments and response to the risk register are recorded in the minutes including follow up actions. The trustees are satisfied that Promo-Cymru is undertaking all actions required to mitigate risk across the organisation.

Objectives and Activities

Objectives and Aims

The objective of Promo-Cymru is to support the development of young people, families and the communities they live in.

Vision

Creative Change for Social Good.

Mission

To communicate, design, build with young people and communities to make change happen.

PROMO-CYMRU LTD

TRUSTEES' REPORT

How we work

Promo-Cymru partners with third and public sectors to imagine, test and create more equitable services that are designed and delivered with people.

We work across:

- Digital
- Culture
- Youth and Community
- Advocacy
- Communications
- Helplines
- Information and advice
- Design
- Media

Our work is informed by decades of delivering digital youth information and community services. We share this knowledge through training, consultancy, delivery and forming long-term partnerships for mutual benefit.

Promo-Cymru is a registered charity and social enterprise; we invest our profits into making a difference.

Public Benefit Statement

In setting our objectives and planning our activities, the trustees of Promo-Cymru have given careful consideration to The Charity Commission's general guidance on public benefit.

Promo-Cymru is committed to the development of young people and families in Wales through their participation in activities that enable young people to voice their opinions and contribute to an inclusive Wales in line with the United Nations Charter on the Rights of the Child and to work with partners to develop and deliver anti-poverty strategies.

Promo-Cymru is also committed to delivering a community and creative hub, facilitated at EVI as part of the regeneration of Ebbw Vale town and the surrounding area. This project will provide the local community with a much needed focus for cultural, social and economic development in Ebbw Vale and the Heads of the Valleys areas.

Significant Activities

Young people's mental health difficulties have been highlighted in various Welsh Government documents. We are also very aware from the contacts we receive to the Meic Helpline from young people. This has led us to forward two key projects supporting the development of services supporting young people with mental health difficulties. The Mind our Future Gwent project, <https://www.promo.cymru/project/mind-our-future-gwent/> is a significant project supporting this area of our work. This project supports the co-design and co-production of services. It directly involves and hires young people to work as Peer researchers, to learn skills and engage directly with other young people.

EVI - Ebbw Vale Institute Project - working to develop the Ebbw Vale Institute as a cultural centre in Ebbw Vale. Following funding from UK Government Community Regeneration Fund, EVI received £250,918 from Shared Prosperity Fund. This fund has ensured employment of key staff in EVI and delivery of community based activities such as The Food Pantry. Developments have surpassed expectation and been led by the involvement of the communities surrounding EVI.

Key evaluation reports from this project, together with the great work, community involvement and interest from UK, Wales and Blaenau Gwent local and national Governments has led to further successful bids to the UK Shared Prosperity Funds in Blaenau Gwent.

The financial input is consolidating the Ebbw Vale Institute as a Flagship Community Anchor developing key projects such as the Community Food Pantry, Repair Shop, Community Arts Projects, a wealth of volunteering opportunities. We have also been able to develop and maintain the material fabric of the building including work on minimising its environmental impact.

PROMO-CYMRU LTD

TRUSTEES' REPORT

The Shared Prosperity Fund is part of UK Government's Levelling Up agenda which is seen as the replacement to European Funds.

Meic Helpline - the Wales wide advocacy based helpline for young people in Wales. Promo-Cymru has been instrumental in this development from its inception. Meic operates every day of the year, seven days a week from 8am to 12 midnight. Meic also has an extensive online and social media presence which is increasingly used by Welsh Government as an information outlet for young people and professionals in Wales. Meic has developed a strong presence in the social and educational support landscape to support young people in Wales. In August 2022, Promo-Cymru was awarded a new 3 year contract to deliver the Meic Service going forward.

ERYICA - European Youth Information and Counselling Agency. Promo-Cymru continues a productive relationship with ERYICA. Promo produces ERYICA's podcast, is part of its training programme and has supported the development of the ERYICA Information Quality Mark for National and locally based information providers and takes part in a number of training events.

Taith - we are keeping abreast of this Welsh government grant initiative to support Youth and Education establishments to have meaningful interchanges and collaborations with others in Europe and beyond and have been successful with two applications which will allow Promo-Cymru to be involved with ERYICA training programmes and create a youth exchange between the twin cities of Cardiff and Nantes.

Service Design Consultancy - Promo-Cymru has developed expertise in the area of Service Design/Agile working. This way of working has developed over a number of years and forms part of the internal working of our organisation, which will continue to develop and disseminate internally.

Volunteers

Management Board

Promo-Cymru's Management Board are all volunteers who give of their time and invaluable experience. Without their advice and support Promo-Cymru would not have the organisational substance to deliver unique services.

Achievement and Performance

Charitable Activities

The Sprout.co.uk

Promo-Cymru continues to support this project to provide information to young people in Cardiff and beyond.

EVI Ebbw Vale Institute Project

Promo-Cymru has, since the completion of the Community Asset Transfer in 2011, brought Ebbw Vale Institute back into use as a vibrant community space offering cultural and social activities for the Blaenau Gwent area and beyond.

As a community and arts activities venue, EVI facilities include:-

- A gallery exhibition space
- A fully equipped conference venue
- Community café
- Rental spaces for third and public sector organisations
- Community Food Pantry
- Repair Café
- Volunteers
- Community Film Club
- Community Luncheon Club

PROMO-CYMRU LTD

TRUSTEES' REPORT

EVI is currently used by a wide range of public, third sector organisations and community groups and individuals. EVI has developed into a Cultural and Community Hub for the communities of Ebbw Vale and Blaenau Gwent.

Internal and External Factors

The most significant internal and external factors arising during the year were as follows:

Internal

Promo-Cymru continues to develop its internal policies and procedures in line with legislative and HR developments. We have been able to direct increased staffing resources to develop this work in order to have more developed core function in order to create stable foundations for growth.

Promo-Cymru has developed within the spirit of a distributed leadership approach, a Senior Management Team to guide and control the operational management of the organisation and, with the Directors of Promo-Cymru, be part of the organisation's strategic direction. This work will also actively seek input from all staff, volunteers and clients of Promo-Cymru.

The development of Promo-Cymru's new headquarters building in Cardiff Bay has ensured that the building is energy efficient by installing new high grade insulation. Promo-Cymru has also taken some space within the Cardiff University Sbarc/Spark Building which is a hub for university research, incubator spaces, public sector and voluntary sector partners.

Promo-Cymru has continued to embrace effective communication tools with young people in Wales and have endeavoured to be the leading provider. We have embraced a wide reaching digital approach to our developments and are providing advice and support to the third and public sectors across Wales and beyond.

Promo-Cymru has embraced Service Design methodologies as a natural progression to our work and are gaining recognition for this innovative work across Wales, UK and the European Youth Sector.

Promo-Cymru periodically has staff observers and young clients attending board meetings, where appropriate, to allow for their direct input into discussions.

Clients are fully involved in Promo-Cymru projects via our core co-production and engagement methodology. Their involvement and feedback is channelled into project delivery and into the Management Board.

As a value driven organisation, we have made steps to make our values clearer and publish them on our website and make them part of our recruitment process to ensure we let the public, clients and our staff know what is important to us. This work is on-going and has a group made up of board and staff members to review.

External

The work environment has changed in the post pandemic world. We have embraced hybrid working. This has included the development of well-being and social events. We are working to embrace the agile developments brought forward by the necessities of facing the pandemic and ensure we do not slip back to unnecessary pre-pandemic practices.

Promo-Cymru also realised that it had a skills base able to help many organisations adapt to the post pandemic world. We set up a free set of workshops accessed by the voluntary sector across Wales which sped up the 'digitalisation' of many organisations.

Promo-Cymru also developed its youth focused communications knowledge, especially on social media, to target young people no longer in schools, youth services and the social services they were previously able to access face-to-face. The Meic Instagram account grew exponentially. This targeted young people to make sure they had someone to contact in need for the 16 hours a day the helpline was open.

We have also started successful communications pilots using the Tik Tok platform with one piece going viral with 3.5 million views.

PROMO-CYMRU LTD

TRUSTEES' REPORT

Promo-Cymru continues to explore the use of AI and its impact and use in the third sectors.

The external environment continues to be a challenge. We continue to monitor policy developments in Wales and the UK and make changes accordingly.

Promo-Cymru has led the field in digital transformation for a number of years. Clearer branding, identity, communications and self-belief have increased our profile and confidence leading to new markets and clients.

Financial Review

The trustees receive management financial reports and review the financial position of Promo-Cymru on a regular basis as a key standing agenda item. The trustees have considered budgets and forecasts for the period to March 2024 and support the management team in the on-going financial development of the organisation as a going concern.

The management team work closely with the Chair of the trustees on a regular basis outside of board meetings.

Austerity has certainly impacted not only on Promo-Cymru, but also across the third sector. Promo-Cymru continues to innovate and forward think. Key corporate strategies of heightening the profile of Promo-Cymru, which have led to the winning of a number of key awards and the development of inroads in new markets, are beginning to work.

Unrestricted reserves after transfers increased by £79,992 (group £85,520) during the year, compared with an increase in the previous year of £20,319 (group £26,518). Depreciation charges on assets owned by Promo-Cymru Ltd, including the land and buildings of Ebbw Vale Institute and 17 West Bute Street, also impact on the financial activities reported.

Promo-Cymru continues to invest in its staff and profile.

At the year end Promo-Cymru Ltd remains in a strong financial position, with unrestricted reserves of £514,015 (group £588,751) and total net assets of £1,514,133 (group £1,588,869).

The organisation also continues to maintain adequate working capital to facilitate its activities.

Reserves Policy

Purpose

The purpose of the Reserves Policy of Promo-Cymru is to ensure the stability of the projects, employment and ongoing operations of the organisation. The Operating Reserve (ie, unrestricted reserves) is intended to provide an internal source of funds for situations such as a sudden increase in expenses, one time unbudgeted expenses, unanticipated loss in funding, or uninsured losses. The Reserves may also be used for one-time, non-recurring expenses that will build long-term capacity, such as staff development, research and development, or investment in infrastructure.

Operating Reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap. It is the intention of Promo-Cymru for Operating Reserves to be used and replenished within a reasonably short period of time. The Operating Reserves Policy will be implemented in concert with the other governance and financial policies of Promo-Cymru and is intended to support the goals and strategies contained in these related policies and in strategic and operational plans.

Definitions and Goals

The Operating Reserve Fund is defined as a designated fund set aside by action of the trustees. The minimum amount to be designated as Operating Reserve will be established in an amount sufficient to maintain ongoing operations and programmes for a set period of time. The Operating Reserve serves a dynamic role and will be reviewed and adjusted in response to internal and external changes.

PROMO-CYMRU LTD

TRUSTEES' REPORT

The target minimum Operating Reserve Fund is equal to 6 months of average operating costs. The calculation of average monthly operating costs includes all recurring, predictable expenses such as salaries and benefits, loans, office, travel, project, and ongoing professional services. Depreciation, in-kind, and other non-cash expenses are not included in the calculation.

The calculation of average monthly expenses also excludes some expenses, eg, one-time or unusual and capital purchases. The amount of the Operating Reserve Fund target minimum will be calculated each year after approval of the annual budget, reported to the trustees and Finance Sub Committee, and included in the regular financial reports.

Accounting for Reserves

The Operating Reserve Fund will be recorded in the financial records as unrestricted reserves. The Fund will be funded and available in cash or cash equivalent funds.

Funding of Reserves

The Operating Reserve Fund will be funded with surplus unrestricted operating funds. The trustees may from time to time direct that a specific source of revenue be set aside for Operating Reserves.

Use of Reserves

Use of the Operating Reserves requires three steps:

1. Identification of appropriate use of reserve funds

The trustees and staff will identify the need for access to reserve funds and confirm that the use is consistent with the purpose of the reserves as described in this Policy. This step requires analysis of the reason for the shortfall, the availability of any other sources of funds before using reserves, and evaluation of the time period that the funds will be required and replenished.

2. Authority to use operating reserves

Authority for use of Operating Reserves is delegated to the CEO in consultation with the Chair of the trustees. The use of Operating Reserves will be reported to the trustees at their next scheduled meeting, accompanied by a description of the analysis and determination of the use of funds and plans for replenishment to restore the Operating Reserve Fund to the target minimum amount. The CEO must receive prior approval from the trustees if the Operating Reserves will take longer than 12 months to replenish.

3. Reporting and monitoring

The CEO is responsible for ensuring that the Operating Reserve Fund is maintained and used only as described in this Policy. Upon approval for the use of Operating Reserve funds, the CEO will maintain records of the use of funds and plan for replenishment. The CEO will provide regular reports to the Finance Sub Committee and board of trustees of progress to restore the Fund to the target minimum amount.

Policy Review

This policy will be reviewed every other year, at minimum, by the Finance Sub Committee, or sooner if warranted by internal or external events or changes. Changes to the Policy will be recommended by the Finance Sub Committee to the board of trustees.

Funding Sources

Promo-Cymru has a diverse portfolio of funding. Promo-Cymru is funded from the receipt of grant income from numerous sources including the Welsh Government, Cardiff County Council, UK Community Renewal Fund, Welsh Government's Community Division, Welsh Government Social Services Division and Paul Hamlyn.

PROMO-CYMRU LTD

TRUSTEES' REPORT

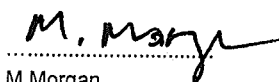
Plans for Future Periods

Promo-Cymru seeks to further develop its charitable activities.

Promo-Cymru will continue to use its experience to develop its expertise across a number of areas. These are:

- 1 Helpline expertise, online and office information to include the promotion of citizen voices. We have developed an integrated communications model to better describe our offer.
- 2 The development of further support to communities, families and people of all ages to support both physical and social developments.
- 3 The development of support and mentoring services to other third sector organisations such as leadership and management development, finance management and other corporate issues.
- 4 The support of organisations to better utilise Service Design Methodologies, IT and communications technology, such as social media practice and policy. Further developments have begun to utilise and support the use of AI in the third sector.
- 5 The development of our central administrative building to allow disparate areas of Promo-Cymru to be housed together and the wider involvement of clients and other organisations in the work of the organisation is working well. We will continue to review better and more efficient use of the building and consider renting further spaces to like minded organisations.
- 6 Promo-Cymru continues to explore working with young people on the development of Social and Environmental Economy projects and organisations.
- 7 In a post pandemic world, Promo-Cymru has taken a conscious decision to utilise its wide ranging digital expertise to support the third sector during these difficult times. We have mobilised our staff and extensive knowledge. We have been working to sustain this work and are now part of the Newid partnership made up of WCVA, Cwmpas and Promo-Cymru to develop this support. We have also been in discussion with The National Lottery for a number of years and were awarded in September 2022 a £500,000 grant to further enhance this work over three years - project 3rd Sector Digital.
- 8 In 2022 Promo-Cymru was successful with The National Lottery Mind Our Future bid to help design better mental health services for young people in Blaenau Gwent. We deliver this project with MIND in Gwent.

The annual report was approved by the trustees of the charity on 29 October 2024 and signed on its behalf by:



M Morgan
Trustee

PROMO-CYMRU LTD

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Promo-Cymru Ltd for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

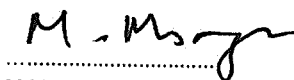
Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

Approved by the trustees of the charity on 29 October 2024 and signed on its behalf by:



M Morgan
Trustee

PROMO-CYMRU LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROMO-CYMRU LTD

Opinion

We have audited the financial statements of Promo-Cymru Ltd, the 'charitable parent company' and its subsidiary (the 'group') for the year ended 31 March 2024, which comprise the Consolidated Statement of Financial Activities, Company Statement of Financial Activities, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Cash Flows, Company Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 March 2024 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended:
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

PROMO-CYMRU LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROMO-CYMRU LTD

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 12), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements, including how fraud may occur by enquiring of management of its own consideration of fraud. In particular, we looked at where management made subjective judgements, for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. We also considered potential financial or other pressures, opportunity and motivations for fraud. As part of this discussion we identified the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations and how management monitor these processes. Appropriate procedures included the review and testing of manual journals and key estimates and judgements made by management.

PROMO-CYMRU LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROMO CYMRU LTD

We gained an understanding of the legal and regulatory framework applicable to the charity and the industry in which it operates, drawing on our broad sector experience, and considered the risk of acts by the charity that were contrary to these laws and regulations, including fraud.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to the Charities Act, Companies Acts, UK tax legislation and equivalent local laws and regulations.

We made enquiries of management with regards to compliance with the above laws and regulations and corroborated any necessary evidence to relevant information, for example, minutes of the Trustees' meetings and any other relevant correspondence.

We completed samples of transaction testing with a focus on the income and expenditure throughout the year to ensure that activities were supported and in line with the charity's rules and practices. Any unusual findings were raised with management for further investigation.

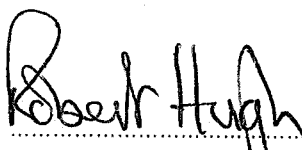
Our tests included agreeing the financial statements disclosures to underlying supporting documentation and enquiries with management.

We did not identify any key audit matters relating to irregularities, including fraud. As in all of our audits, we also addressed the risk of management override of internal controls including testing journals and evaluation whether there was evidence of bias by management that represented a risk of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

Use of our report

This report is made solely to the charitable parent company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group's charity trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.


.....
Robert Hugh (Senior Statutory Auditor)

For and on behalf of Robert Hugh Limited, Statutory Auditor

15 Dan y Bryn Avenue
Radyr
Cardiff
CF15 8DD

Signed on 31 October 2024

PROMO-CYMRU LTD
STATEMENT OF CONSOLIDATED FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2024
(INCLUDING INCOME AND EXPENDITURE ACCOUNT AND
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES)

Consolidated	Notes	Unrestricted funds £	Restricted funds £	Continuing operations total 2024 £	Discontinued operations total 2024 £	Total 2024 £
INCOME AND ENDOWMENTS FROM:						
Activities for generating funds	3	768,031	-	768,031	-	768,031
Voluntary income	4	10,304	5,110	15,414	-	15,414
Investment income	5	120,896	-	120,896	-	120,896
Charitable activities	6	7,500	710,219	717,719	-	717,719
Total income		906,731	715,329	1,622,060	-	1,622,060
EXPENDITURE ON:						
Charitable activities	7	821,211	791,742	1,612,953	-	1,612,953
Total expenditure		821,211	791,742	1,612,953	-	1,612,953
NET INCOME/(EXPENDITURE)		85,520	-76,413	9,107	-	9,107
Gross transfers between funds		-	-	-	-	-
NET MOVEMENT IN FUNDS		85,520	-76,413	9,107	-	9,107
Reconciliation of funds:						
Total funds brought forward		503,231	1,076,531	1,579,762	-	1,579,762
TOTAL FUNDS CARRIED FORWARD	19	588,751	1,000,118	1,588,869	-	1,588,869

Consolidated	Notes	Unrestricted funds £	Restricted funds £	Continuing operations total 2023 £	Discontinued operations total 2023 £	Total 2023 £
INCOME AND ENDOWMENTS FROM:						
Activities for generating funds	3	808,888	-	808,888	-	808,888
Voluntary income	4	1,719	5,000	6,719	-	6,719
Investment income	5	92,897	-	92,897	-	92,897
Charitable activities	6	7,200	554,975	562,175	-	562,175
Total income		910,704	559,975	1,470,679	-	1,470,679
EXPENDITURE ON:						
Charitable activities	7	884,186	501,801	1,385,987	-	1,385,987
Total expenditure		884,186	501,801	1,385,987	-	1,385,987
NET INCOME/(EXPENDITURE)		26,518	58,174	84,692	-	84,692
Gross transfers between funds		-	-	-	-	-
NET MOVEMENT IN FUNDS		26,518	58,174	84,692	-	84,692
Reconciliation of funds:						
Total funds brought forward		476,713	1,018,357	1,495,070	-	1,495,070
TOTAL FUNDS CARRIED FORWARD	19	503,231	1,076,531	1,579,762	-	1,579,762

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2024 and 2023 is shown in note 19.

PROMO-CYMRU LTD**STATEMENT OF COMPANY FINANCIAL ACTIVITIES****FOR THE YEAR ENDED 31 MARCH 2024****(INCLUDING INCOME AND EXPENDITURE ACCOUNT AND
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES)**

Company	Notes	Unrestricted funds £	Restricted funds £	Continuing operations total 2024 £	Discontinued operations total 2024 £	Total 2024 £
INCOME AND ENDOWMENTS FROM:						
Voluntary income		95,304	5,110	100,414	-	100,414
Charitable activities		57,144	710,219	767,363	-	767,363
Investment income		9,406	-	9,406	-	9,406
Total income		161,854	715,329	877,183	-	877,183
EXPENDITURE ON:						
Charitable activities		81,862	791,742	873,604	-	873,604
Total expenditure		81,862	791,742	873,604	-	873,604
NET INCOME/(EXPENDITURE)		79,992	-76,413	3,579	-	3,579
Gross transfers between funds		-	-	-	-	-
NET MOVEMENT IN FUNDS		79,992	-76,413	3,579	-	3,579
Reconciliation of funds:						
Total funds brought forward		434,023	1,076,531	1,510,554	-	1,510,554
TOTAL FUNDS CARRIED FORWARD	20	514,015	1,000,118	1,514,133	-	1,514,133

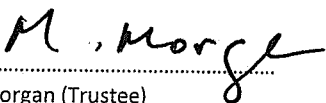
Company	Notes	Unrestricted funds £	Restricted funds £	Continuing operations total 2023 £	Discontinued operations total 2023 £	Total 2023 £
INCOME AND ENDOWMENTS FROM:						
Voluntary income		71,719	5,000	76,719	-	76,719
Charitable activities		60,652	554,975	615,627	-	615,627
Investment income		2,241	-	2,241	-	2,241
Total income		134,612	559,975	694,587	-	694,587
EXPENDITURE ON:						
Charitable activities		114,293	501,801	616,094	-	616,094
Total expenditure		114,293	501,801	616,094	-	616,094
NET INCOME/(EXPENDITURE)		20,319	58,174	78,493	-	78,493
Gross transfers between funds		-	-	-	-	-
NET MOVEMENT IN FUNDS		20,319	58,174	78,493	-	78,493
Reconciliation of funds:						
Total funds brought forward		413,704	1,018,357	1,432,061	-	1,432,061
TOTAL FUNDS CARRIED FORWARD	20	434,023	1,076,531	1,510,554	-	1,510,554

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2024 and 2023 is shown in note 19.

PROMO-CYMRU LTD
BALANCE SHEETS
AT 31 MARCH 2024

		Consolidated		Company	
	Notes	2024 Total funds £	2023 Total funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	14	1,288,512	1,319,635	1,278,709	1,309,667
Investments	15	-	-	100	100
		1,288,512	1,319,635	1,278,809	1,309,767
CURRENT ASSETS					
Stocks		2,849	1,575	-	-
Debtors	16	170,930	64,359	60,208	9,055
Cash at bank and in hand		514,751	606,247	421,695	463,095
		688,530	672,181	481,903	472,150
CREDITORS					
Amounts falling due within one year	17	-203,265	-214,706	-63,321	-75,665
NET CURRENT ASSETS					
		485,265	457,475	418,582	396,485
TOTAL ASSETS LESS CURRENT LIABILITIES					
		1,773,777	1,777,110	1,697,391	1,706,252
CREDITORS AND PROVISIONS					
Amounts falling due after one year	18	-183,258	-195,698	-183,258	-195,698
Provisions for liabilities	18	-1,650	-1,650	-	-
		1,588,869	1,579,762	1,514,133	1,510,554
FUNDS					
Unrestricted funds	19	588,751	503,231	514,015	434,023
Restricted funds	19	1,000,118	1,076,531	1,000,118	1,076,531
NET ASSETS					
		1,588,869	1,579,762	1,514,133	1,510,554

The financial statements on pages 15 to 34 were approved by the trustees, and authorised for issue on 29 October 2024 and signed on their behalf by


M Morgan (Trustee)

PROMO-CYMRU LTD

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024**

	Notes	Consolidated		Company	
		2024	2023	2024	2023
		Total funds £	Total funds £	Total funds £	Total funds £
Cash flows from operating activities					
Net cash income		9,107	84,692	3,579	78,493
Adjustments to cash flows from non-cash items					
Depreciation		50,331	53,611	47,372	50,150
Investment income	5	-9,406	-2,241	-9,406	-2,241
		50,032	136,062	41,545	126,402
Working capital adjustments					
(Increase)/decrease in stocks		-1,274	255	-	-
(Increase)/decrease in debtors	16	-106,571	172,896	-51,153	154,884
(Decrease)/increase in creditors	17	-5,717	16,843	-13,783	51,178
(Decrease)/increase in deferred income	17	-7,163	29,774	-	-8,233
(Decrease)/increase in provisions	18	-	400	-	-
Net cash flows from operating activities		-70,693	356,230	-23,391	324,231
Cash flows from investing activities					
Interest receivable and similar income		9,406	2,241	9,406	2,241
Purchase of tangible fixed assets	14	-19,208	-16,132	-16,414	-10,750
Net cash flows from investing activities		-9,802	-13,891	-7,008	-8,509
Cash flows from financing activities					
Repayments of loans and borrowings		-11,001	-21,035	-11,001	-21,035
Net cash flows from financing activities		-11,001	-21,035	-11,001	-21,035
Net (decrease)/increase in cash and cash equivalents					
		-91,496	321,304	-41,400	294,687
Cash and cash equivalents at 1 April		606,247	284,943	463,095	168,408
Cash and cash equivalents at 31 March		514,751	606,247	421,695	463,095

PROMO-CYMRU LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 MARCH 2024**

1 CHARITY STATUS

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office and principal place of business is:
17 West Bute Street, Cardiff Bay CF10 5EP

These financial statements were authorised for issue by the trustees on 29 October 2024.

2 ACCOUNTING POLICIES

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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)) (issued October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Promo-Cymru Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The financial statements have been prepared on the going concern basis.

The trustees assess whether the use of going concern is appropriate, ie, whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Group accounts and investment in subsidiary

The accounts have been consolidated to include the results of the charity's subsidiary. No income and expenditure account of the charity has been presented as permitted by the Companies Act 2006 and paragraph 423 of the SORP. The investment in the subsidiary is stated at cost less provision for any impairment.

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Intercompany transactions, balances and unrealised gains on transactions between the charity and its subsidiary, which are related parties, are eliminated in full.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity 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 these conditions will be fulfilled in the reporting period.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the 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 of the 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.

Tangible fixed assets

Individual fixed assets costing £150.00 or more are initially recorded at cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Freehold property	•	2% on cost
Fixtures, fittings and equipment	•	10% to 25% on reducing balance
Computer equipment	•	33 1/3% on reducing balance

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

Fixed asset investments

Investments in associates are accounted for using the equity method. Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the charities share of the profit or loss and other comprehensive income of the associate. Goodwill arising on the acquisition of associates is accounted for in accordance with the policy set out above. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method, where applicable.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Debt instruments

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method.

- a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

PROMO-CYMRU LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment. With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit and loss. Commitments to make and receive loans meeting the conditions mentioned above are measured at cost (which may be nil) less impairment.

3 ACTIVITIES FOR GENERATING FUNDS

		Consolidated	
		2024	2023
		£	£
Projects, consultancy, workshops, events and helpline fees		768,031	808,888

4 VOLUNTARY INCOME

		Consolidated	
		2024	2023
		£	£
Donations		15,414	6,719

5 INVESTMENT INCOME

		Consolidated	
		2024	2023
		£	£
Rents received		110,437	90,571
Interest received		10,459	2,326
		120,896	92,897

6 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted		Consolidated	
	funds	Restricted		
	General	funds	2024	2023
	£	£	£	£
NEWID grant	-	5,613	5,613	100,000
UK Community Renewal Fund	-	-	-	216,675
Blaenau Gwent CBC Food Distribution grant	-	6,000	6,000	7,950
Wales Council for Voluntary Action	-	-	-	18,704
National Academy for Educational Leadership - Associate grant	-	10,000	10,000	10,000
Innovation grant	-	5,000	5,000	-
Taith Learning grant	-	11,936	11,936	7,605
National Lottery - Mind our Future Gwent grant	-	192,385	192,385	95,728
National Lottery - Third Sector Digital Fund	-	162,365	162,365	72,182
Youth Access grant	-	15,542	15,542	18,932
Social Business Growth Fund 2	-	-	-	6,674
Strategic Voluntary Youth Work Organisations	-	35,000	35,000	-
Share Prosperity Fund - People and Skills	-	209,527	209,527	-
Share Prosperity Fund - Community and Place	-	41,391	41,391	-
Tai Calon grant	-	5,000	5,000	-
GAVO grant	-	1,000	1,000	-
National Grid - Community Fund Matters	-	9,460	9,460	-
Other project grants	-	-	-	525
Fees and rental income	7,500	-	7,500	7,200
	7,500	710,219	717,719	562,175

PROMO-CYMRU LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

7 EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted funds £	Consolidated 2024 £	2023 £
Subsidiary company	734,109	–	734,109	765,143
Staff costs	–	533,271	533,271	360,501
Project costs	16,593	141,742	158,335	98,691
Office costs	9,168	2,938	12,106	14,438
Repairs and renewals	1,849	27,870	29,719	33,958
Insurance	934	16,583	17,517	15,556
Premises costs	21,664	35,649	57,313	24,200
Loan interest	13,171	–	13,171	13,700
Depreciation	13,683	33,689	47,372	50,150
	<u>811,171</u>	<u>791,742</u>	<u>1,602,913</u>	<u>1,376,337</u>

	Activity undertaken directly £	Activity support costs £	Consolidated 2024 £	2023 £
Subsidiary company	734,109	–	734,109	765,988
Staff costs	478,669	54,602	533,271	359,656
Project costs	158,335	–	158,335	98,691
Office costs	–	12,106	12,106	14,438
Repairs and renewals	29,719	–	29,719	33,958
Insurance	–	17,517	17,517	15,556
Premises costs	–	57,313	57,313	24,200
Loan interest	–	13,171	13,171	13,700
Depreciation	47,372	–	47,372	50,150
	<u>1,448,204</u>	<u>154,709</u>	<u>1,602,913</u>	<u>1,376,337</u>

In addition to the expenditure analysed above, there are also governance costs of £10,040 (2023 - £9,650) which relate directly to charitable activities. See note 8 for further details.

8 ANALYSIS OF GOVERNANCE AND SUPPORT COSTS

SUPPORT COSTS

Finance £	Admin £	Premises £	Insurance £	Staff costs £	Subsidiary £	Totals 2024 £	Totals 2023 £
13,171	12,106	57,313	17,517	54,602	–	154,709	
13,700	14,438	24,200	15,556	–	845		68,739

The support costs cover the promotion of youth, adult and family development work.

GOVERNANCE COSTS

	Consolidated 2024 £	2023 £
Auditor's remuneration	<u>10,040</u>	<u>9,650</u>

PROMO-CYMRU LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

9 GOVERNMENT AND OTHER FUNDED GRANTS

The following government and other funded grants were received during the year.

YOUTH ACCESS £15,542

Promo-Cymru is working with Youth Access as part of a national project funded by the National Lottery UK. We are working with young people and partners to help ensure that youth voice is heard in the design process of mental health and wellbeing services.

Cynefin £5,000

Promo-Cymru received £5,000 as a grant towards development of educational resources within the Welsh New Curriculum.

Tai Calon £5,000

Promo-Cymru received £5,000 on behalf of the Ebbw Vale Institution to support the Blaenau Gwent Food Partnership to deliver healthy eating workshops.

National Grid £9,460

Promo-Cymru received £9,460 to employ an advice and guidance worker to support individuals and families experiencing difficulties in paying their utility bills and providing them with links to a range of support services.

GAVO £1,000

Promo-Cymru received £1,000 on behalf of the Ebbw Vale Institute project towards energy costs.

Strategic Voluntary Youth Work Organisations (SVYWO) £35,000

Promo-Cymru received £35,000 as a core contribution to provide a strategic input towards the development of youth information services across Wales.

BGCBC £6,000

Promo-Cymru received £6,000 to resource the food pantry at Ebbw Vale Institute.

Shared Prosperity Fund £250,918

Promo-Cymru received £250,918 from UK Government via BGC under the Shared Prosperity Fund to support core costs and deliver 2 community based programmes.

Newid £5,613

Promo-Cymru received £5,613 from WCVA to support marketing and activities at the Gofod3 event.

Taith £11,501

Promo-Cymru received £11,501 towards organising a multicultural arts youth exchange with Nantes.

Taith £435

Promo-Cymru received £435 to produce a report on youth information across Europe.

National Academy for Educational Leadership Grant (NAEL) £10,000

Promo-Cymru received a grant to enable time involvement by Marco Gil Cervantes in NAEL learning activities based upon the new curriculum.

Mind our Future Gwent (MoFG) £192,385

Promo-Cymru was awarded £999,888 from The National Lottery Community Funded project to design new ways to prevent mental health challenges from developing or worsening across Gwent and ensure that young people get the right support at the right time, wherever they turn for help. We will be delivering this project over 5 years in partnership with Newport Mind. Our other project partners also include local Minds and youth services in Gwent.

PROMO-CYMRU LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

Third Sector Digital Fund £162,365

Promo-Cymru has been awarded £500,000 from The National Lottery Community Fund to support the Welsh third sector with digital. We will be supporting third sector organisations to tackle challenges relating to a digital way of working, develop knowledge and confidence in their digital skills and share good practice. This 3 year project will be delivered in partnership with WCVA.

The amount of grants recognised in the financial statement was £710,219 (2023: £554,975).

10 NET INCOMING (OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	Consolidated	
	2024	2023
	£	£
Audit fees	10,040	9,650
Depreciation - owned assets	50,331	53,611

11 TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 nor for the year ended 31 March 2023.

Trustees' Expenses

No expenses were paid to trustees for the year ended 31 March 2024 (2023: £NIL).

12 TAXATION

No taxation is payable by the charity for the year as it is able to make use of the tax exemptions on income and capital gains available to charities.

The taxable profit in the subsidiary was £nil (2023: £5,590).

13 GROUP STAFF COSTS

	2024	2023
	£	£
Wages, salaries and pensions	1,128,595	985,013

The average number of persons employed by the group and included in the above figures during the year was 40 (2023: 29).

PROMO-CYMRU LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

14	TANGIBLE FIXED ASSETS			
	a) Consolidated fixed assets	Freehold property £	Furn. & equip. £	Totals £
	COST			
	At 1 April 2023	1,516,945	524,807	2,041,752
	Additions	-	19,208	19,208
	Disposals	-	-	-
	At 31 March 2024	1,516,945	544,015	2,060,960
	DEPRECIATION			
	At 1 April 2023	250,162	471,955	722,117
	Charge for year	30,340	19,991	50,331
	Eliminated on disposals	-	-	-
	At 31 March 2024	280,502	491,946	772,448
	NET BOOK VALUE			
	At 31 March 2024	1,236,443	52,069	1,288,512
	At 1 April 2023	1,266,783	52,852	1,319,635

The cost brought forward at 1 April 2016 of freehold property includes a valuation of £175,000 in respect of the freehold interest in The Ebbw Vale Institute transferred to the charity for nil consideration. The remainder of the balance brought forward of freehold property represents building improvements that have been undertaken by the charity during subsequent years together with the addition of, and improvements to, the freehold property at 17 West Bute Street, Cardiff.

b) Company fixed assets	Freehold land and buildings £	Fixtures, fittings & equip. £	Total £
COST			
At 1 April 2023	1,516,945	425,390	1,942,335
Additions	-	16,414	16,414
Disposals	-	-	-
At 31 March 2024	1,516,945	441,804	1,958,749
DEPRECIATION			
At 1 April 2023	250,162	382,506	632,668
Charge for year	30,340	17,032	47,372
Eliminated on disposals	-	-	-
At 31 March 2024	280,502	399,538	680,040
NET BOOK VALUE			
At 31 March 2024	1,236,443	42,266	1,278,709
At 1 April 2023	1,266,783	42,884	1,309,667

PROMO-CYMRU LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

15 FIXED ASSET INVESTMENTS

Shares in
group
company
£

NET BOOK VALUE

At 31 March 2024	100
At 31 March 2023	100

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Promo-Cymru Trading Limited

Nature of business: Providing information, advice and advocacy for young people in Wales.

Class of share: holding
£1 ordinary 100%

	2024 £	2023 £
Aggregate reserves	74,736	69,208
Profit/(loss) for the year	5,528	6,199

The results for the charity's subsidiary at 31 March 2024 and 31 March 2023 were as follows.

	2024 £	2023 £
Turnover	1,376,957	1,246,299
Direct costs	-1,087,305	-998,123
Gross profit	289,652	248,176
Other income	36,834	17,439
	326,486	265,615
Other costs	-320,958	-259,416
Profit/(loss) for the year	5,528	6,199

PROMO-CYMRU LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

16 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated	
	2024	2023
	£	£
Trade debtors	109,197	31,359
Prepayments and accrued income	61,733	11,987
Other debtors	-	21,013
	<u>170,930</u>	<u>64,359</u>

	Company	
	2024	2023
	£	£
Trade debtors	360	-
Amounts owed by group undertakings	-	-
Prepayments and accrued income	59,848	9,055
	<u>60,208</u>	<u>9,055</u>

17 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated	
	2024	2023
	£	£
Trade creditors	31,016	21,004
Other loans	12,440	11,001
Taxation and social security	67,477	75,524
VAT payable	1,929	2,906
Accruals and deferred income	89,206	97,301
Other creditors	1,197	6,970
	<u>203,265</u>	<u>214,706</u>

	Company	
	2024	2023
	£	£
Trade creditors	17,146	15,427
Loans	12,440	11,001
Amounts owed to group undertakings	23,907	40,193
VAT payable	1,929	2,906
Accruals and deferred income	6,900	5,137
Other creditors	999	1,001
	<u>63,321</u>	<u>75,665</u>

Creditors due within one year includes the following liabilities, on which security has been given by the charity:

	2024	2023
	£	£
Wales Council for Voluntary Action	<u>9,436</u>	<u>8,748</u>

Freehold property at 17 West Bute Street, Cardiff CF10 5EP

Borrowings

a) Loan from Wales Council for Voluntary Action

The loan has a carrying amount of £182,932 (2023 - £191,680) and is denominated in Sterling with a nominal interest rate of 7%. The final instalment is due in October 2036. It is repayable at £1,678.08 per month for 20 years from 3 January 2017, increased to £1,826.64 arising from a further drawdown of £55,000. Security is held on the freehold property at 17 West Bute Street, Cardiff CF10 5EP.

PROMO-CYMRU LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

The charity undertakes with Wales Council for Voluntary Action, without prior notification or approval, the following.

1. Not to make any change in the project proposal.
2. Not to incorporate any company as its subsidiary.
3. Not to amend or replace its Memorandum and Articles of Association in any way which could materially and adversely affect the interests of the lender under the financing agreement.

b) Loan from the Social Business Growth Fund

The loan has a carrying amount of £12,766 (2023 - £15,019) and is denominated in Sterling with an interest rate of 0%. The final instalment is due in June 2028. It is repayable at £250.31 per month for 5 years from June 2023.

The charity undertakes with WCVA the following.

1. To use the financial support solely to manage and implement the project in accordance with the details described in the application.
2. To achieve the targets and job target set out.
3. To obtain written consent before implementing any change to the project.

Deferred income

Accruals and deferred income includes deferred income relating to grants received in advance of the period to which they relate:

	Consolidated	
	2024	2023
	£	£
At 31 March 2023	84,469	54,694
Amount released to incoming resources	-79,177	-40,510
Amount deferred in the year	72,014	70,285
At 31 March 2024	77,306	84,469

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CREDITORS AND PROVISIONS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR/PROVISIONS FOR LIABILITIES

	Consolidated	
	2024	2023
	£	£
Loans	183,258	195,698
Deferred tax	1,650	1,650

Creditors' amounts falling due after more than one year includes the following liabilities, on which security has been given by the charity on the freehold property at 17 West Bute Street, Cardiff CF10 5EP.

	2024	2023
	£	£
Loan from Wales Council for Voluntary Action	173,496	182,932

Included in the creditors are the following amounts due after more than five years:

	2024	2023
	£	£
After more than five years by instalments	128,545	141,005

Borrowings due after five years

£128,545 (2023 - £141,005) repayable at £1,826.64 per month including interest at 7%, fixed, will be repaid in October 2036.

PROMO-CYMRU LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

19	MOVEMENT IN FUNDS	At 1.4.23	Incoming resources	Resources expended	Transfers	At 31.3.24
		£	£	£	£	£
	Unrestricted funds					
	General fund	503,231	906,731	-821,211	-	588,751
		503,231	906,731	-821,211	-	588,751
	Restricted funds					
	Heads of the Valleys Programme	146,055	-	-4,040	-	142,015
	Blaenau Gwent Youth Service					
	Capital and Revenue grant	19,328	-	-507	-	18,821
	Big Lottery Community Asset Trfr	335,302	-	-8,774	-	326,528
	Blaenau Gwent Community -					
	Economic Development grant	13,898	-	-352	-	13,546
	Asset Transfer	137,375	-	-3,500	-	133,875
	Blaenau Gwent CBC					
	Food Distribution grant	1,780	6,000	-7,780	-	-
	Arts for All grant	4,306	-	-99	-	4,207
	Tai Calon grant	-	5,000	-5,000	-	-
	Valleys Environment grant	4,350	-	-100	-	4,250
	Gavo Cash4u grant	-	1,000	-1,000	-	-
	WAG Landfill Disposal Scheme	16,954	-	-369	-	16,585
	Youth Access grant	-	15,542	-15,542	-	-
	EVI CFAP grant	215,697	-	-7,852	-	207,845
	Covid Support grant	4,023	-	-1,341	-	2,682
	Social Business Growth Fund 2	6,506	-	-2,169	-	4,337
	NEWiD grant	100,000	5,613	-100,835	-	4,778
	UK Community Renewal Fund	8,958	-	-2,986	-	5,972
	Wales Council for Voluntary Action	18,704	-	-18,704	-	-
	National Academy for					
	Educational Leadership grant -					
	Associate grant	3,636	10,000	-10,000	-	3,636
	Innovation grant	-	5,000	-5,000	-	-
	Taith Learning grant	6,492	11,936	-5,450	-	12,978
	Asda grant	525	-	-	-	525
	National Lottery -					
	Mind our Future Gwent grant	18,817	192,385	-169,550	-	41,652
	Third Sector Digital Fund	12,750	162,365	-130,091	-	45,024
	Carol Powell Donation Fund	1,075	5,110	-4,293	-	1,892
	Strategic Vol. Youth Work Org.	-	35,000	-35,000	-	-
	Share Prosperity Fund -					
	People and Skills	-	209,527	-203,566	-	5,961
	Community and Place	-	41,391	-38,382	-	3,009
	National Grid -					
	Community Matters Fund	-	9,460	-9,460	-	-
		1,076,531	715,329	-791,742	-	1,000,118
	TOTAL FUNDS	1,579,762	1,622,060	-1,612,953	-	1,588,869

The general fund balance at 31 March 2024 includes £74,836 of funds retained within the non-charitable subsidiary (2023: £69,308).

The incoming resources include £879,521 (2023: £899,544) of income received by the non charitable subsidiary.

The resources expended include £1,273,618 (2023: £1,134,087) of costs expended by the non-charitable subsidiary. These figures exclude inter-company transactions.

The non-charitable subsidiary paid £85,000 (2023: £70,000) to Promo-Cymru Ltd by way of gift aid. The net surplus for the year achieved by the non-charitable subsidiary was £5,528 (2023: £6,199).

PROMO-CYMRU LTD**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

MOVEMENT IN FUNDS	At 1.4.22	Incoming resources	Resources expended	Transfers	At 31.3.23
	£	£	£	£	£
Unrestricted funds					
General fund	476,713	910,704	-884,186	-	503,231
	476,713	910,704	-884,186	-	503,231
Restricted funds					
Heads of the Valleys Programme	150,380	-	-4,325	-	146,055
Blaenau Gwent Youth Service					
Capital and Revenue grant	19,835	-	-507	-	19,328
Big Lottery Community Asset					
Transfer	344,311	-	-9,009	-	335,302
Blaenau Gwent Community					
Economic Development grant	14,597	-	-699	-	13,898
Blaenau Gwent Community Asset					
Transfer	140,875	-	-3,500	-	137,375
Blaenau Gwent CBC					
Food Distribution grant	-	7,950	-6,170	-	1,780
Arts for All grant	4,405	-	-99	-	4,306
Tai Calon grant	145	-	-145	-	-
Valleys Environment grant	4,450	-	-100	-	4,350
Police and Crime					
Commissioners Partnership	164	-	-164	-	-
Gavo Cash4u grant	115	-	-115	-	-
Social Business Growth Fund 1	81	-	-81	-	-
WAG Landfill Disposal Scheme	17,323	-	-369	-	16,954
Youth Access grant	-	18,932	-18,932	-	-
EVI CFAP grant	225,339	-	-9,642	-	215,697
Covid Support grant	6,034	-	-2,011	-	4,023
Social Business Growth Fund 2	9,678	6,674	-9,846	-	6,506
NEWiD grant	80,625	100,000	-80,625	-	100,000
UK Community Renewal Fund	-	216,675	-207,717	-	8,958
Wales Council for Voluntary Action	-	18,704	-	-	18,704
National Academy for					
Educational Leadership grant	-	10,000	-6,364	-	3,636
Taith Learning grant	-	7,605	-1,113	-	6,492
Asda grant	-	525	-	-	525
National Lottery -					
Mind our Future Gwent grant	-	95,728	-76,911	-	18,817
National Lottery -					
Third Sector Digital Fund	-	72,182	-59,432	-	12,750
Carol Powell Donation Fund	-	5,000	-3,925	-	1,075
	1,018,357	559,975	-501,801	-	1,076,531
TOTAL FUNDS	1,495,070	1,470,679	-1,385,987	-	1,579,762

The general fund balance at 31 March 2023 includes £69,308 of funds retained within the non-charitable subsidiary (2022: £63,109).

The incoming resources include £899,544 (2022: £913,248) of income received by the non charitable subsidiary.

The resources expended include £1,134,087 (2022: £936,474) of costs expended by the non-charitable subsidiary. These figures exclude inter-company transactions.

The non-charitable subsidiary paid £70,000 (2022: £200,000) to Promo-Cymru Ltd by way of gift aid. The net surplus for the year achieved by the non-charitable subsidiary was £6,199 (2022: £13,356).

PROMO-CYMRU LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Consolidated		Consolidated	
	Unrestricted	Restricted	total funds	
	funds	funds	2024	2023
	£	£	£	£
Tangible fixed assets	399,851	888,661	1,288,512	1,319,635
Current assets	567,052	121,478	688,530	672,181
Current liabilities	-193,244	-10,021	-203,265	-214,706
Deferred liabilities	-184,908	-	-184,908	-197,348
TOTAL FUNDS	588,751	1,000,118	1,588,869	1,579,762

	Company		Company	
	Unrestricted	Restricted	total funds	
	funds	funds	2024	2023
	£	£	£	£
Tangible fixed assets	390,048	888,661	1,278,709	1,309,667
Fixed asset investments	100	-	100	100
Current assets	360,425	121,478	481,903	472,150
Current liabilities	-53,300	-10,021	-63,321	-75,665
Deferred liabilities	-183,258	-	-183,258	-195,698
TOTAL FUNDS	514,015	1,000,118	1,514,133	1,510,554

21 ANALYSIS OF NET FUNDS

	At 1 April		At 31 March
	2023	Cashflow	2024
	£	£	£
Cash at bank and in hand	606,247	-91,496	514,751
Debt due within one year	-11,001	-1,439	-12,440
Debt due after more than one year	-195,698	12,440	-183,258
Net debt	399,548	-80,495	319,053

	At 1 April		At 31 March
	2022	Cashflow	2023
	£	£	£
Cash at bank and in hand	284,943	321,304	606,247
Debt due within one year	-11,985	984	-11,001
Debt due after more than one year	-215,749	20,051	-195,698
Net debt	57,209	342,339	399,548

PROMO-CYMRU LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

22 RELATED PARTIES

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

Related party transactions

Promo-Cymru Ltd contracts with Promo-Cymru Trading Ltd for the provision of support resources to facilitate the completion of grant funded projects.

During the year the charity purchased goods or received services or incurred other liabilities from Promo-Cymru Trading Limited, a wholly owned subsidiary company, in the sum of £583,913 (2023: £384,036) and, sold goods or rendered services or provided other assets to Promo-Cymru Trading Limited in the sum of £3,783 (2023: £53,452). The charity also received £85,000 (2023: £70,000) by way of gift aid from Prom-Cymru Trading Limited. The balance due by the charity at the year end was £23,907 (2023: £40,193).

PROMO - CYMRU

England & Wales - Charity number 1094652

Accounts

Company registration number: 1816889 (England and Wales)
Charity registration number: 1094652

**REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
FOR
PROMO-CYMRU LTD**



**Robert Hugh Limited
Registered Auditors
and Chartered Accountants
15 Dan y Bryn Avenue
Radyr
Cardiff
CF15 8DD**

PROMO-CYMRU LTD

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FOR THE YEAR ENDED 31 MARCH 2023

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PROMO-CYMRU LTD

REFERENCE AND ADMINISTRATIVE DETAILS

Charlty name Promo-Cymru Ltd

Charlty registration number 1094652

Company registration number 1816889

Principal office 17 West Bute Street
Cardiff
CF10 5EP

Registered office 17 West Bute Street
Cardiff
CF10 5EP

The charity is incorporated in England and Wales.

Trustees M Morgan, Chair
M Bowden
D M Martin
S Corria
A Rogan
MD Williams
AS Ozalp
D Finnegan
JH Lee
E Hails

Secretary M Gil-Cervantes

Auditors Robert Hugh Limited
Registered Auditors and Chartered Accountants
15 Dan y Bryn Avenue
Radyr
Cardiff
CF15 8DD

PROMO-CYMRU LTD

TRUSTEES' REPORT

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 March 2023.

Structure, Governance and Management

Governing Document

The charity is controlled by its governing document, its Memorandum and Articles of Association, and is limited by guarantee and not having a share capital, as defined by the Companies Act 2006.

Every member of the company undertakes to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up while he/she is a member or within one year after he/she ceased to be a member, for repayment of the company's debts and liabilities contracted before he/she ceased to be a member, and of the costs and expenses of winding up, and for the adjustment of the rights of the contributors amongst themselves.

Recruitment and Appointment of New Trustees

The company is directed by a board of trustees, the members of which are all committed to the sector's principles and ideals.

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Council of Management. Under the requirements of the Memorandum and Articles of Association, the members of the Council of Management are elected to serve for a year after which they must be re-elected at the next Annual General Meeting.

The members of the board receive no material benefits or remuneration from the company for their time and services.

Induction and Training of New Trustees

Most trustees are already familiar with the practical work of the charity. Information is made available covering the following.

- The obligations of Management Committee members.
- The main documents which set out the operational framework for the charity including the Memorandum and Articles of Association.
- Resourcing and the current financial position as set out in the latest published accounts.
- Future plans and objectives.

Organisational Structure

The board of trustees, who meet bi-monthly, administer the charity. A chief executive is appointed by the trustees to manage the day-to-day operation of the charity. The trustees at the year end were as shown on page 1.

The following trustees resigned during the year -

L Kingdon (resigned 15 June 2022)
R Crewe-Rees (resigned 15 June 2022)

The following trustees were appointed during the year -

D Finnegan (appointed 22 February 2023)
J H Lee (appointed 22 February 2023)

The following trustee was appointed after the year end -

E Hails (appointed 4 October 2023)

PROMO-CYMRU LTD

TRUSTEES' REPORT

Wider Network

Promo-Cymru has continued to work with a number of partners, funders and clients. These include:-

Partners:

- Council for Wales Voluntary Youth Service - CWWYS
- Wales Council for Voluntary Action - WCVA
- Cwmpas
- Voluntary Councils across Wales
- European Youth Information and Counselling Agency - ERYICA
- Catalyst
- Ethnic Youth Support Team - EYST
- Race Alliance Wales - RAW
- National Academy for Educational Leadership Wales
- Local Authorities

Funders:

- Community Investment Fund
- Paul Hamlyn Foundation
- Big Lottery Foundation
- UK Levelling Up Fund
- Welsh Government

Clients:

- Cardiff Third Sector Council
- Development Trust Association
- Children in Wales
- Cyfannol Women's Aid
- Barod Gwent N-Gage

Subsidiary Undertakings

Promo-Cymru Ltd is the holding company of a trading subsidiary company called Promo-Cymru Trading Limited. The principal activities of the company in the year under review were:

1. Activities centred around providing information, advice and advocacy for young people in Wales. This was carried out under the project name MEIC (The National Information and Advice and Advocacy Service - direct contact, telephone, instant messaging and text based).
2. The trading development of the Ebbw Vale Institute as a youth, community and cultural centre for the communities of Blaenau Gwent and beyond.
3. In the area of digital, multimedia and communications, Promo-Cymru Trading continued to deliver goods and services such as consultation, service design, video production, social media training and website development and administration.

Risk Management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Major risks are reported to the board via the Chief Executive and Deputy Chief Executive via the project and finance reports produced for and presented at the Promo-Cymru Management Board. The examination will cover the major strategies, business and operational risks which the charity faces. The reporting system so established is to enable regular reports to be produced so that any necessary steps can be taken to mitigate exposure to these risks. These procedures are to be periodically reviewed to ensure that they still meet the needs of the charity.

PROMO-CYMRU LTD

TRUSTEES' REPORT

The risk management strategy will comprise:-

- an annual review of the risks the charity may face
 - the establishment of systems and procedures to mitigate those risks identified in the plan
 - the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise
- Trustees:
- risk management statement - reviewed each year
 - conflict of interest register - updated each year
 - trustee welcome pack inclusive of signed statements of ability to serve as a trustee
- Staff:
- proof of ID required
 - DBS checks (where applicable)
 - references
 - probation period
 - regular appraisals
 - comprehensive personnel files
 - trained to ensure capability to undertake role
- HR:
- ongoing updates and training to keep up with changes in legislation
 - robust policy and procedures - updates where required
 - back up legal assistance in place
- Health & safety:
- office risk assessments
 - updates and training when necessary
- Information technology:
- all laptops are password protected
 - all laptops are set for scheduled security updates and are protected by AVG antivirus
 - users are forced to change their Office365 password every 90 days for security purposes
 - All websites are secured with SSL Certificates. They are also protected by industry leading security plugin Wordfence.
 - Independent web security testing takes place annually
 - All websites are updated monthly for relevant themes, plugins and OS

The risk register of the organisation is maintained and regularly reviewed at trustee meetings. The trustees' comments and response to the risk register are recorded in the minutes including follow up actions. The trustees are satisfied that Promo-Cymru is undertaking all actions required to mitigate risk across the organisation.

Objectives and Activities

Objectives and Aims

The objective of Promo-Cymru is to support the development of young people, families and the communities they live in.

Promo-Cymru's Vision:

Promo-Cymru works to ensure young people and communities are informed, engaged, connected and heard.

Promo-Cymru's Mission:

We work collaboratively to make links between people and services using creativity and user led thinking and have developed a particular expertise in Digital. We support the third and public sectors to imagine, test and create better services.

PROMO-CYMRU LTD

TRUSTEES' REPORT

Promo-Cymru works with communities through communications, advocacy, social and cultural engagement, digital and media production. Our work is informed by over 20 years of delivering youth and community projects. We share this knowledge through training and consultancy, forming long term partnerships to benefit people and organisations.

Promo-Cymru is a registered charity and social enterprise; our profits are invested back into our community projects.

Promo-Cymru will work collectively, cooperatively and in partnership with people and organisations that share these objectives.

Public Benefit Statement

In setting our objectives and planning our activities, the trustees of Promo-Cymru have given careful consideration to The Charity Commission's general guidance on public benefit.

Promo-Cymru is committed to the development of young people and families in Wales through their participation in activities that enable young people to voice their opinions and contribute to an inclusive Wales in line with the United Nations Charter on the Rights of the Child and to work with partners to develop and deliver anti-poverty strategies.

Promo-Cymru is also committed to delivering a community and creative hub, facilitated at EVI as part of the regeneration of Ebbw Vale town and the surrounding area. This project will provide the local community with a much needed focus for cultural, social and economic development in Ebbw Vale and the Heads of the Valleys areas.

Significant Activities

Young people's mental health difficulties have been highlighted in various Welsh Government documents. We are also very aware from the contacts we receive to the Meic Helpline from young people. This has led us to forward two key projects supporting the development of services supporting young people with mental health difficulties. The Mind our Future Gwent project, <https://www.promo.cymru/project/mind-our-future-gwent/> is a significant project supporting this area of our work. This project supports the co-design and co-production of services. It directly involves and hires young people to work as Peer researchers, to learn skills and engage directly with other young people.

EVI - Ebbw Vale Institute Project - working to develop the Ebbw Vale Institute as a cultural centre in Ebbw Vale. EVI was awarded a £260,870 Community Regeneration Fund to support a full reopening of EVI. This fund has ensured employment of key staff in EVI. Developments have surpassed expectation and been led by the involvement of the communities surrounding EVI.

Key evaluation reports from this project, together with the great work, community involvement and interest from UK, Wales and Blaenau Gwent local and national Governments has led to further successful bids to the UK Shared Prosperity Funds in Blaenau Gwent.

The financial input is consolidating the Ebbw Vale Institute as a Flagship Community Anchor developing key projects such as the Community Food Pantry, Repair Shop, Community Arts Projects, a wealth of volunteering opportunities. We have also been able to develop and maintain the material fabric of the building including work on minimising its environmental impact.

The Community Regeneration Fund is part of UK Government's Levelling Up agenda which is seen as the replacement to European Funds.

Meic Helpline - the Wales wide advocacy based helpline for young people in Wales. Promo-Cymru has been instrumental in this development from its inception. Meic operates every day of the year, seven days a week from 8am to 12 midnight. Meic also has an extensive online and social media presence which is increasingly used by Welsh Government as an information outlet for young people and professionals in Wales. Meic has developed a strong presence in the social and educational support landscape to support young people in Wales. In August 2022, Promo-Cymru was awarded a new 3 year contract to deliver the Meic Service going forward.

PROMO-CYMRU LTD

TRUSTEES' REPORT

Desygn - a project to develop workshop material and an online course on Service Design for the youth sector in Europe. This is led by ERYICA (European Youth and Information and Counselling Agency) and funded by Erasmus. Other key partners are Koordinatti, Finland's Youth Information Service with support from a number of youth information services across Europe. This project has been successfully piloted with Youth information workers in Europe. Whilst the UK leaving the European Union does not stop us directly being involved with ERYICA, we are no longer able to be directly part of collaborative European bids.

ERYICA - European Youth Information and Counselling Agency. Promo-Cymru continues a productive relationship with ERYICA. Promo produces ERYICA's podcast, is part of its training programme and has supported the development of the ERYICA Information Quality Mark for National and locally based information providers.

Taith - we are keeping abreast of this Welsh government grant initiative to support Youth and Education establishments to have meaningful interchanges and collaborations with others in Europe and beyond and have been successful with two applications which will allow Promo-Cymru to be involved with ERYICA training programmes Cardiff and Nantes.

Service Design Consultancy - Promo-Cymru has developed expertise in the area of Service Design/Agile working. This way of working has developed over a number of years and forms part of the internal working of our organisation, which will continue to develop and disseminate internally.

Support and Partnership with Black and Ethnic Minority Support Groups - Promo-Cymru's Chief Executive has supported the development of Race Alliance Wales as a member of the Steering Group to forward an Anti-Racist Wales.

Volunteers

Management Board

Promo-Cymru's Management Board are all volunteers who give of their time and invaluable experience. Without their advice and support Promo-Cymru would not have the organisational substance to deliver unique services.

European Volunteers

This year we have been able to provide a placement for a new European Volunteer. Evelyn Ravasio from Italy is supporting with a number of tasks within the digital team and supporting consultation with families from ethnic minority families in South Cardiff. This is the last volunteer programme Wales will be able to access via European Schemes due to not being part of the European Union.

PROMO-CYMRU LTD

TRUSTEES' REPORT

Achievement and Performance

Charitable Activities

The Sprout.co.uk

Promo-Cymru continues to support this project to provide information to young people in Cardiff and beyond.

EVI Ebbw Vale Institute Project

Promo-Cymru has, since the completion of the Community Asset Transfer several years ago, brought Ebbw Vale Institute back into use as a vibrant community space offering cultural and social activities for the Blaenau Gwent area and beyond.

As a community social, arts and music based activities venue, EVI facilities include:-

- A live venue for music and poetry
- A gallery exhibition space
- A fully equipped conference venue
- A social space for weddings and gatherings
- Rehearsal spaces including music showcase and dance studio
- Community café
- Multimedia facilities
- Video editing and production suite
- Business development space and facilities for young cultural businesses
- Rental spaces for cultural industry businesses
- Community Food Pantry
- Repair Café
- Volunteers

The high specification music studio is also fully operational.

EVI is currently used by a wide range of public, third sector organisations and community groups and individuals. EVI has developed into a Cultural and Community Hub for the communities of Ebbw Vale and Blaenau Gwent.

Internal and External Factors

The most significant internal and external factors arising during the year were as follows:

Internal

Promo-Cymru continues to develop its internal policies and procedures in line with legislative and HR developments. We have been able to direct increased staffing resources to develop this work in order to have more developed core function in order to create stable foundations for growth.

Promo-Cymru has developed within the spirit of a distributed leadership approach, a Senior Management Team to guide and control the operational management of the organisation and, with the Directors of Promo-Cymru, be part of the organisation's strategic direction. This work will also actively seek input from all staff, volunteers and clients of Promo-Cymru.

The development of Promo-Cymru's new headquarters building in Cardiff Bay has ensured that the building is energy efficient by installing new high grade insulation. Promo-Cymru has also taken some space within the Cardiff University Sbarc/Spark Building which is a hub for university research, incubator spaces, public sector and voluntary sector partners.

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TRUSTEES' REPORT

Promo-Cymru has continued to embrace effective communication tools with young people in Wales and have endeavoured to be the leading provider. We have embraced social media communication and are providing advice and support to the third and public sectors.

Promo-Cymru has embraced Service Design methodologies as a natural progression to our work and are gaining recognition for this innovative work across Wales, UK and the European Youth Sector.

Promo-Cymru periodically has staff observers attending board meetings, where appropriate, to allow for their direct input into discussions.

Clients are fully involved in Promo-Cymru projects via our core co-production and engagement methodology. Their involvement and feedback is channelled into project delivery and into the Management Board.

As a value driven organisation, we have made steps to make our values clearer and publish them on our website and make them part of our recruitment process to ensure we let the public, clients and our staff know what is important to us. This work is on-going and has a group made up of board and staff members to review.

External

The work environment has changed in the post pandemic world. We have embraced hybrid working. This has included the development of well-being and social events. We are working to embrace the agile developments brought forward by the necessities of facing the pandemic and ensure we do not slip back to unnecessary pre-pandemic practices.

Promo-Cymru also realised that it had a skills base able to help many organisations adapt to the new challenges brought by Covid. We set up a free set of workshops accessed by the voluntary sector across Wales which sped up the 'digitalisation' of many organisations.

Promo-Cymru also developed its youth focused communications knowledge, especially on social media, to target young people no longer in schools, youth services and the social services they were previously able to access face-to-face. The Meic Instagram account grew exponentially. This targeted young people to make sure they had someone to contact in need for the 16 hours a day the helpline was open.

We have also started successful communications pilots using the Tik Tok platform with one piece going viral with 3.5 million views.

The external environment continues to be a challenge. We continue to monitor policy developments in Wales and the UK and make changes accordingly.

Promo-Cymru has led the field in digital transformation for a number of years. Clearer branding, identity, communications and self-belief have increased our profile and confidence leading to new markets and clients.

PROMO-CYMRU LTD

TRUSTEES' REPORT

Financial Review

The trustees receive management financial reports and review the financial position of Promo-Cymru on a regular basis as a key standing agenda item. The trustees have considered budgets and forecasts for the period to March 2023 and support the management team in the on-going financial development of the organisation as a going concern.

The management team work closely with the Chair of the trustees on a regular basis outside of board meetings.

Austerity has certainly impacted not only on Promo-Cymru, but also across the third sector. Promo-Cymru continues to innovate and forward think. Key corporate strategies of heightening the profile of Promo-Cymru, which have led to the winning of a number of key awards and the development of inroads in new markets, are beginning to work.

Unrestricted reserves after transfers increased by £20,319 (group £26,518) during the year, compared with an increase in the previous year of £98,634 (group £111,990). Depreciation charges on assets owned by Promo-Cymru Ltd, including the land and buildings of Ebbw Vale Institute and 17 West Bute Street, also impact on the financial activities reported.

Promo-Cymru continues to invest in its staff and profile.

At the year end Promo-Cymru Ltd remains in a strong financial position, with unrestricted reserves of £434,023 (group £503,231) and total net assets of £1,510,554 (group £1,579,762).

The organisation also continues to maintain adequate working capital to facilitate its activities.

Reserves Policy

Purpose

The purpose of the Reserves Policy of Promo-Cymru is to ensure the stability of the projects, employment and ongoing operations of the organisation. The Operating Reserve (ie, unrestricted reserves) is intended to provide an internal source of funds for situations such as a sudden increase in expenses, one time unbudgeted expenses, unanticipated loss in funding, or uninsured losses. The Reserves may also be used for one-time, non-recurring expenses that will build long-term capacity, such as staff development, research and development, or investment in infrastructure.

Operating Reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap. It is the intention of Promo-Cymru for Operating Reserves to be used and replenished within a reasonably short period of time. The Operating Reserves Policy will be implemented in concert with the other governance and financial policies of Promo-Cymru and is intended to support the goals and strategies contained in these related policies and in strategic and operational plans.

Definitions and Goals

The Operating Reserve Fund is defined as a designated fund set aside by action of the trustees. The minimum amount to be designated as Operating Reserve will be established in an amount sufficient to maintain ongoing operations and programmes for a set period of time. The Operating Reserve serves a dynamic role and will be reviewed and adjusted in response to internal and external changes.

The target minimum Operating Reserve Fund is equal to 6 months of average operating costs. The calculation of average monthly operating costs includes all recurring, predictable expenses such as salaries and benefits, loans, office, travel, project, and ongoing professional services. Depreciation, in-kind, and other non-cash expenses are not included in the calculation.

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TRUSTEES' REPORT

The calculation of average monthly expenses also excludes some expenses, eg, one-time or unusual and capital purchases. The amount of the Operating Reserve Fund target minimum will be calculated each year after approval of the annual budget, reported to the trustees and Finance Sub Committee, and included in the regular financial reports.

Accounting for Reserves

The Operating Reserve Fund will be recorded in the financial records as unrestricted reserves. The Fund will be funded and available in cash or cash equivalent funds.

Funding of Reserves

The Operating Reserve Fund will be funded with surplus unrestricted operating funds. The trustees may from time to time direct that a specific source of revenue be set aside for Operating Reserves.

Use of Reserves

Use of the Operating Reserves requires three steps:

1. Identification of appropriate use of reserve funds

The trustees and staff will identify the need for access to reserve funds and confirm that the use is consistent with the purpose of the reserves as described in this Policy. This step requires analysis of the reason for the shortfall, the availability of any other sources of funds before using reserves, and evaluation of the time period that the funds will be required and replenished.

2. Authority to use operating reserves

Authority for use of Operating Reserves is delegated to the CEO in consultation with the Chair of the trustees. The use of Operating Reserves will be reported to the trustees at their next scheduled meeting, accompanied by a description of the analysis and determination of the use of funds and plans for replenishment to restore the Operating Reserve Fund to the target minimum amount. The CEO must receive prior approval from the trustees if the Operating Reserves will take longer than 12 months to replenish.

3. Reporting and monitoring

The CEO is responsible for ensuring that the Operating Reserve Fund is maintained and used only as described in this Policy. Upon approval for the use of Operating Reserve funds, the CEO will maintain records of the use of funds and plan for replenishment. The CEO will provide regular reports to the Finance Sub Committee and board of trustees of progress to restore the Fund to the target minimum amount.

Policy Review

This policy will be reviewed every other year, at minimum, by the Finance Sub Committee, or sooner if warranted by internal or external events or changes. Changes to the Policy will be recommended by the Finance Sub Committee to the board of trustees.

Funding Sources

Promo-Cymru has a diverse portfolio of funding. Promo-Cymru is funded from the receipt of grant income from the Welsh Government, Cardiff County Council, UK Community Renewal Fund, Welsh Government's Community Division, Welsh Government Social Services Division and Paul Hamlyn.

PROMO-CYMRU LTD

TRUSTEES' REPORT

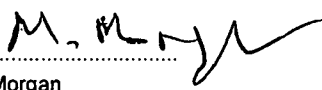
Plans for Future Periods

Promo-Cymru seeks to further develop its charitable activities.

Promo-Cymru will continue to use its experience to develop its expertise across a number of areas. These are:

- 1 Helpline expertise, online and office information to include the promotion of citizen voices. We have developed an integrated communications model to better describe our offer.
- 2 The development of further support to communities, families and people of all ages to support both physical and social developments.
- 3 The development of support and mentoring services to other third sector organisations such as leadership and management development, finance management and other corporate issues.
- 4 The support of organisations to better utilise Service Design Methodologies, IT and communications technology, such as social media practice and policy.
- 5 The development of our central administrative building to allow disparate areas of Promo-Cymru to be housed together and the wider involvement of clients and other organisations in the work of the organisation is working well. We will continue to review better and more efficient use of the building and consider renting further spaces to like minded organisations.
- 6 Promo-Cymru continues to explore working with young people on the development of Social and Environmental Economy projects and organisations.
- 7 During the pandemic Promo-Cymru took a conscious decision to utilise its wide ranging digital expertise to support the third sector during these difficult times. We were able to mobilise our staff and reserves to do this. We have been working to sustain this work and are now part of the Newid partnership made up of WCVA, Cwmpas and Promo-Cymru to develop this support. We have also been in discussion with the Big Lottery for a number of years and have been awarded in September 2022 a £500,000 grant to further enhance this work over three years.
- 8 Promo-Cymru has been successful with a Big Lottery Mind Our Future bid to help design better mental health services for young people in Blaenau Gwent. We will work with MIND in Gwent to develop these services.

The annual report was approved by the trustees of the charity on 25 October 2023 and signed on its behalf by:


.....
M Morgan
Trustee

PROMO-CYMRU LTD

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Promo-Cymru Ltd for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

Approved by the trustees of the charity on 25 October 2023 and signed on its behalf by:


.....
M Morgan
Trustee

PROMO-CYMRU LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROMO-CYMRU LTD

Opinion

We have audited the financial statements of Promo-Cymru Ltd, the 'charitable parent company' and its subsidiary (the 'group') for the year ended 31 March 2023, which comprise the Consolidated Statement of Financial Activities, Company Statement of Financial Activities, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Cash Flows, Company Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended:
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

PROMO-CYMRU LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROMO-CYMRU LTD

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 12), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements, including how fraud may occur by enquiring of management of its own consideration of fraud. In particular, we looked at where management made subjective judgements, for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. We also considered potential financial or other pressures, opportunity and motivations for fraud. As part of this discussion we identified the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations and how management monitor these processes. Appropriate procedures included the review and testing of manual journals and key estimates and judgements made by management.

PROMO-CYMRU LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROMO CYMRU LTD

We gained an understanding of the legal and regulatory framework applicable to the charity and the industry in which it operates, drawing on our broad sector experience, and considered the risk of acts by the charity that were contrary to these laws and regulations, including fraud.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to the Charities Act, Companies Acts, UK tax legislation and equivalent local laws and regulations.

We made enquiries of management with regards to compliance with the above laws and regulations and corroborated any necessary evidence to relevant information, for example, minutes of the Trustees' meetings and any other relevant correspondence.

We completed samples of transaction testing with a focus on the income and expenditure throughout the year to ensure that activities were supported and in line with the charity's rules and practices. Any unusual findings were raised with management for further investigation.

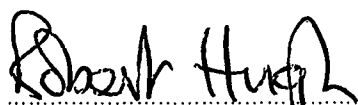
Our tests included agreeing the financial statements disclosures to underlying supporting documentation and enquiries with management.

We did not identify any key audit matters relating to irregularities, including fraud. As in all of our audits, we also addressed the risk of management override of internal controls including testing journals and evaluation whether there was evidence of bias by management that represented a risk of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

Use of our report

This report is made solely to the charitable parent company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group's charity trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Robert Hugh (Senior Statutory Auditor)

For and on behalf of Robert Hugh Limited, Statutory Auditor

15 Dan y Bryn Avenue
Radyr
Cardiff
CF15 8DD

Signed on 27 October 2023

PROMO-CYMRU LTD
STATEMENT OF CONSOLIDATED FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023
(INCLUDING INCOME AND EXPENDITURE ACCOUNT AND
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES)

				Continuing operations	Discontinued operations	
	Notes	Unrestricted funds	Restricted funds	total 2023	total 2023	Total 2023
		£	£	£	£	£
INCOME AND ENDOWMENTS FROM:						
Activities for generating funds	3	808,888	-	808,888	-	808,888
Voluntary income	4	1719	5000	6,719	-	6,719
Investment income	5	92,897	-	92,897	-	92,897
Charitable activities	6	7,200	554,975	562,175	-	562,175
Total income		910,704	559,975	1,470,679	-	1,470,679
EXPENDITURE ON:						
Charitable activities	7	884,186	501,801	1,385,987	-	1,385,987
Total expenditure		884,186	501,801	1,385,987	-	1,385,987
NET INCOME/(EXPENDITURE)		26,518	58,174	84,692	-	84,692
Gross transfers between funds		-	-	-	-	-
NET MOVEMENT IN FUNDS		26,518	58,174	84,692	-	84,692
Reconciliation of funds:						
Total funds brought forward		476,713	1,018,357	1,495,070	-	1,495,070
TOTAL FUNDS CARRIED FORWARD	19	503,231	1,076,531	1,579,762	-	1,579,762

				Continuing operations	Discontinued operations	
	Notes	Unrestricted funds	Restricted funds	total 2022	total 2022	Total 2022
		£	£	£	£	£
INCOME AND ENDOWMENTS FROM:						
Activities for generating funds	3	835,868	-	835,868	-	835,868
Voluntary income	4	75	-	75	-	75
Investment income	5	77,380	-	77,380	-	77,380
Charitable activities	6	8,970	321,355	330,325	-	330,325
Total income		922,293	321,355	1,243,648	-	1,243,648
EXPENDITURE ON:						
Charitable activities	7	810,178	256,507	1,066,685	-	1,066,685
Total expenditure		810,178	256,507	1,066,685	-	1,066,685
NET INCOME/(EXPENDITURE)		112,115	64,848	176,963	-	176,963
Gross transfers between funds		-125	125	-	-	-
NET MOVEMENT IN FUNDS		111,990	64,973	176,963	-	176,963
Reconciliation of funds:						
Total funds brought forward		364,723	953,384	1,318,107	-	1,318,107
TOTAL FUNDS CARRIED FORWARD	19	476,713	1,018,357	1,495,070	-	1,495,070

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2023 and 2022 is shown in note 19.

PROMO-CYMRU LTD
STATEMENT OF COMPANY FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023
(INCLUDING INCOME AND EXPENDITURE ACCOUNT AND
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES)

			Continuing operations	Discontinued operations	
Notes	Unrestricted funds	Restricted funds	total 2023	total 2023	Total 2023
	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:					
Voluntary income	71,719	5,000	76,719	-	76,719
Charitable activities	60,652	554,975	615,627	-	615,627
Investment income	2,241	-	2,241	-	2,241
Total income	134,612	559,975	694,587	-	694,587
EXPENDITURE ON:					
Charitable activities	114,293	501,801	616,094	-	616,094
Total expenditure	114,293	501,801	616,094	-	616,094
NET INCOME/(EXPENDITURE)	20,319	58,174	78,493	-	78,493
Gross transfers between funds	-	-	-	-	-
NET MOVEMENT IN FUNDS	20,319	58,174	78,493	-	78,493
Reconciliation of funds:					
Total funds brought forward	413,704	1,018,357	1,432,061	-	1,432,061
TOTAL FUNDS CARRIED FORWARD	20 434,023	1,076,531	1,510,554	-	1,510,554

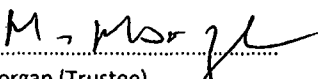
			Continuing operations	Discontinued operations	
Notes	Unrestricted funds	Restricted funds	total 2022	total 2022	Total 2022
	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:					
Voluntary income	200,075	-	200,075	-	200,075
Charitable activities	60,006	321,355	381,361	-	381,361
Total income	260,081	321,355	581,436	-	581,436
EXPENDITURE ON:					
Charitable activities	161,322	256,507	417,829	-	417,829
Total expenditure	161,322	256,507	417,829	-	417,829
NET INCOME/(EXPENDITURE)	98,759	64,848	163,607	-	163,607
Gross transfers between funds	-125	125	-	-	-
NET MOVEMENT IN FUNDS	98,634	64,973	163,607	-	163,607
Reconciliation of funds:					
Total funds brought forward	315,070	953,384	1,268,454	-	1,268,454
TOTAL FUNDS CARRIED FORWARD	20 413,704	1,018,357	1,432,061	-	1,432,061

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2023 and 2022 is shown in note 19.

PROMO-CYMRU LTD
BALANCE SHEETS
AT 31 MARCH 2023

	Notes	Consolidated		Company	
		2023 Total funds £	2022 Total funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	14	1,319,635	1,357,114	1,309,667	1,349,067
Investments	15	-	-	100	100
		<u>1,319,635</u>	<u>1,357,114</u>	<u>1,309,767</u>	<u>1,349,167</u>
CURRENT ASSETS					
Stocks		1,575	1,830	-	-
Debtors	16	64,359	237,255	9,055	163,939
Cash at bank and in hand		606,247	284,943	463,095	168,408
		<u>672,181</u>	<u>524,028</u>	<u>472,150</u>	<u>332,347</u>
CREDITORS					
Amounts falling due within one year	17	-214,706	-169,073	-75,665	-33,704
NET CURRENT ASSETS		<u>457,475</u>	<u>354,955</u>	<u>396,485</u>	<u>298,643</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,777,110</u>	<u>1,712,069</u>	<u>1,706,252</u>	<u>1,647,810</u>
CREDITORS AND PROVISIONS					
Amounts falling due after one year	18	-195,698	-215,749	-195,698	-215,749
Provisions for liabilities	18	-1,650	-1,250	-	-
		<u>1,579,762</u>	<u>1,495,070</u>	<u>1,510,554</u>	<u>1,432,061</u>
FUNDS					
Unrestricted funds	19	503,231	476,713	434,023	413,704
Restricted funds	19	1,076,531	1,018,357	1,076,531	1,018,357
NET ASSETS		<u>1,579,762</u>	<u>1,495,070</u>	<u>1,510,554</u>	<u>1,432,061</u>

The financial statements on pages 16 to 35 were approved by the trustees, and authorised for issue on 25 October 2023 and signed on their behalf by


M Morgan (Trustee)

PROMO-CYMRU LTD**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

		Consolidated		Company	
		2023	2022	2023	2022
	Notes	Total funds	Total funds	Total funds	Total funds
		£	£	£	£
Cash flows from operating activities					
Net cash income		84,692	176,963	78,493	163,607
Adjustments to cash flows from non-cash items					
Depreciation		53,611	50,523	50,150	47,311
Investment income	5	-2,241	-	-2,241	-
		136,062	227,486	126,402	210,918
Working capital adjustments					
(Increase)/decrease in stocks		255	83	-	-
(Increase)/decrease in debtors	16	172,896	-112,799	154,884	-61,904
(Decrease)/increase in creditors	17	16,843	-144,858	51,178	-140,368
(Decrease)/increase in deferred income	17	29,774	-8,232	-8,233	-24,067
(Decrease)/increase in provisions	18	400	-100	-	-
Net cash flows from operating activities		356,230	-38,420	324,231	-15,421
Cash flows from investing activities					
Interest receivable and similar income		2,241	-	2,241	-
Purchase of tangible fixed assets	14	-16,132	-43,903	-10,750	-41,596
Net cash flows from investing activities		-13,891	-43,903	-8,509	-41,596
Cash flows from financing activities					
Repayments of loans and borrowings		-21,035	20,220	-21,035	20,220
Net cash flows from financing activities		-21,035	20,220	-21,035	20,220
Net (decrease)/increase in cash and cash equivalents					
		321,304	-62,103	294,687	-36,797
Cash and cash equivalents at 1 April		284,943	347,046	168,408	205,205
Cash and cash equivalents at 31 March		606,247	284,943	463,095	168,408

PROMO-CYMRU LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1 CHARITY STATUS

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office and principal place of business is:
17 West Bute Street, Cardiff Bay CF10 5EP

These financial statements were authorised for issue by the trustees on 25 October 2023.

2 ACCOUNTING POLICIES

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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)) (issued October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Basis of preparation

Promo-Cymru Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The financial statements have been prepared on the going concern basis.

The trustees assess whether the use of going concern is appropriate, ie, whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Group accounts and investment in subsidiary

The accounts have been consolidated to include the results of the charity's subsidiary. No income and expenditure account of the charity has been presented as permitted by the Companies Act 2006 and paragraph 423 of the SORP. The investment in the subsidiary is stated at cost less provision for any impairment.

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Intercompany transactions, balances and unrealised gains on transactions between the charity and its subsidiary, which are related parties, are eliminated in full.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

PROMO-CYMRU LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 MARCH 2023**

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity 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 these conditions will be fulfilled in the reporting period.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the 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 of the 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.

Tangible fixed assets

Individual fixed assets costing £150.00 or more are initially recorded at cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Freehold property	• 2% on cost
Fixtures, fittings and equipment	• 10% to 25% on reducing balance
Computer equipment	• 33 1/3% on reducing balance

PROMO-CYMRU LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

Fixed asset Investments

Investments in associates are accounted for using the equity method. Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the charities share of the profit or loss and other comprehensive income of the associate. Goodwill arising on the acquisition of associates is accounted for in accordance with the policy set out above. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method, where applicable.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

PROMO-CYMRU LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

Financial Instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Debt Instruments

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method.

- a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

PROMO-CYMRU LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment. With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit and loss. Commitments to make and receive loans meeting the conditions mentioned above are measured at cost (which may be nil) less impairment.

3 ACTIVITIES FOR GENERATING FUNDS

	Consolidated	
	2023	2022
	£	£
Projects, consultancy, workshops, events and helpline fees	808,888	835,868

4 VOLUNTARY INCOME

	Consolidated	
	2023	2022
	£	£
Donations	6,719	75

5 INVESTMENT INCOME

	Consolidated	
	2023	2022
	£	£
Rents received	90,571	77,380
Interest received	2326	-
	92,897	77,380

6 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds	Restricted funds	Consolidated	
	General	funds	2023	2022
	£	£	£	£
NEWid grant	-	100,000	100,000	166,900
UK Community Renewal Fund	-	216,675	216,675	64,629
Blaenau Gwent CBC Food Distribution grant	-	7,950	7,950	-
Wales Council for Voluntary Action	-	18,704	18,704	-
National Academy for Educational Leadership	-	10,000	10,000	-
Taith Learning grant	-	7,605	7,605	-
National Lottery - Mind our Future Gwent grant	-	95,728	95,728	-
National Lottery - Third Sector Digital Fund	-	72,182	72,182	-
Youth Access grant	-	18,932	18,932	20,272
Social Business Growth Fund 2	-	6,674	6,674	17,339
Emotional Health Wellbeing grant	-	-	-	13,850
National Lottery Awards for All grant	-	-	-	10,000
National Lottery Community Fund account	-	-	-	10,000
C3CS grant	-	-	-	5,000
Covid grant	-	-	-	7,240
EYST grant	-	-	-	5,125
Other project grants	-	525	525	1,000
Fees and rental income	7,200	-	7,200	8,970
	7,200	554,975	562,175	330,325

PROMO-CYMRU LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

7 EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds	Restricted funds	Consolidated	
	£	£	2023 £	2022 £
Subsidiary company	765,143	–	765,143	644,431
Staff costs	19,878	340,623	360,501	257,964
Project costs	16,558	82,133	98,691	56,018
Office costs	8,577	5,861	14,438	6,736
Repairs and renewals	24,064	9,894	33,958	12,212
Insurance	7,056	8,500	15,556	13,738
Premises costs	5,140	19,060	24,200	4,794
Loan interest	13,700	–	13,700	14,306
Depreciation	14,420	35,730	50,150	47,311
	874,536	501,801	1,376,337	1,057,510

	Activity undertaken directly	Activity support costs	Consolidated	
	£	£	2023 £	2022 £
Subsidiary company	765,143	845	765,988	644,431
Staff costs	359,656	–	359,656	257,964
Project costs	98,691	–	98,691	56,018
Office costs	–	14,438	14,438	6,736
Repairs and renewals	33,958	–	33,958	12,212
Insurance	–	15,556	15,556	13,738
Premises costs	–	24,200	24,200	4,794
Loan interest	–	13,700	13,700	14,306
Depreciation	50,150	–	50,150	47,311
	1,307,598	68,739	1,376,337	1,057,510

In addition to the expenditure analysed above, there are also governance costs of £9,650 (2022 - £9,175) which relate directly to charitable activities. See note 8 for further details.

8 ANALYSIS OF GOVERNANCE AND SUPPORT COSTS

SUPPORT COSTS

Finance	Admin	Premises	Other	Totals 2023	Totals 2022
£	£	£	£	£	£
13,700	14,438	24,200	16,401	68,739	39,574

The support costs cover the promotion of youth, adult and family development work.

GOVERNANCE COSTS

	Consolidated	
	2023	2022
	£	£
Auditor's remuneration	9,650	9,175

PROMO-CYMRU LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

9 GOVERNMENT AND OTHER FUNDED GRANTS

The following government and other funded grants were received during the year.

BGCBC FOOD DISTRIBUTION GRANT £7,950

We were awarded £7,950 by Blaenau Gwent County Council Food Distribution, a grant to stock the Community Pantry and to ensure the provision of fresh fruit and vegetables to pantry members.

YOUTH ACCESS £18,932

Promo-Cymru is working with Youth Access as part of a national project funded by the National Lottery UK. We are working with young people and partners to help ensure that youth voice is heard in the design process of mental health and wellbeing services.

SOCIAL BUSINESS GROWTH FUND (SBGF) £6,674

Promo-Cymru received funding from SBGF to create and sustain new job opportunities.

NEWID £100,000

Promo-Cymru received a Welsh Government grant in partnership with WCVA and Cwmpas to research and define the digital needs of the third sector organisations. Promo-Cymru then worked to deliver the required digital skills.

UK COMMUNITY RENEWAL FUND (UKCRF) £216,675

Promo-Cymru received a grant from UKCRF to support the further development of the Ebbw Vale Institute, creating opportunities to trial new approaches and innovative ideas at the local level.

WALES COUNCIL FOR VOLUNTARY ACTION (WCVA) £18,704

Promo-Cymru was commissioned by the WCVA to build the Newid Cymru website and provide service design training to WCVA and Cwmpas staff.

NATIONAL ACADEMY FOR EDUCATIONAL LEADERSHIP GRANT (NAEL) £10,000

£10,000 was received from NAEL to enable time involvement by Marco Gil-Cervantes in NAEL learning activities based upon the new curriculum.

TAITH £7,605

Promo-Cymru received a grant from Taith to develop the skills and capacity of youth sector staff in Wales in the field of youth information - this involved sending staff on ERYICA training overseas and a study visit to Catalonia.

ASDA GRANT £525

Asda Community Fund awarded us £525 for breakfast provision within EVI through the Community Pantry.

MIND OUR FUTURE GWENT (MOFG) £95,728

Promo-Cymru was awarded £999,888 from The National Lottery Community Funded project to design new ways to prevent mental health challenges from developing or worsening across Gwent and ensure that young people get the right support at the right time, wherever they turn for help. We will be delivering this project over 5 years in partnership with Newport Mind. Our other project partners also include local Minds and youth services in Gwent.

THIRD SECTOR DIGITAL FUND £72,182

Promo-Cymru has been awarded £500,000 from The National Lottery Community Fund to support the Welsh third sector with digital. We will be supporting third sector organisations to tackle challenges relating to a digital way of working, develop knowledge and confidence in their digital skills and share good practice. This 3 year project will be delivered in partnership with WCVA.

The amount of grants recognised in the financial statement was £554,975 (2022: £321,355).

PROMO-CYMRU LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

10 NET INCOMING (OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	Consolidated	
	2023	2022
	£	£
Audit fees	9,650	9,175
Depreciation - owned assets	53,611	50,523

11 TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' Expenses

No expenses were paid to trustees for the year ended 31 March 2023 (2022: £NIL).

12 TAXATION

No taxation is payable by the charity for the year as it is able to make use of the tax exemptions on income and capital gains available to charities.

The taxable profit in the subsidiary was £5,252 (2022: £17,443).

13 GROUP STAFF COSTS

	2023	2022
	£	£
Wages, salaries and pensions	985,013	801,765

The average number of persons employed by the group and included in the above figures during the year was 29 (2022: 32).

PROMO-CYMRU LTD**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

14	TANGIBLE FIXED ASSETS	Freehold	Furn. &	
	a) Consolidated fixed assets	property	equip.	Totals
		£	£	£
	COST			
	At 1 April 2022	1,516,945	508,675	2,025,620
	Additions	-	16,132	16,132
	Disposals	-	-	-
	At 31 March 2023	1,516,945	524,807	2,041,752
	DEPRECIATION			
	At 1 April 2022	219,822	448,684	668,506
	Charge for year	30,340	23,271	53,611
	Eliminated on disposals	-	-	-
	At 31 March 2023	250,162	471,955	722,117
	NET BOOK VALUE			
	At 31 March 2023	1,266,783	52,852	1,319,635
	At 1 April 2022	1,297,123	59,991	1,357,114

The cost brought forward at 1 April 2016 of freehold property includes a valuation of £175,000 in respect of the freehold interest in The Ebbw Vale Institute transferred to the charity for nil consideration. The remainder of the balance brought forward of freehold property represents building improvements that have been undertaken by the charity during subsequent years together with the addition of, and improvements to, the freehold property at 17 West Bute Street, Cardiff.

	b) Company fixed assets	Freehold	Fixtures,	
		land and	fittings &	
		buildings	equip.	Total
		£	£	£
	COST			
	At 1 April 2022	1,516,945	414,640	1,931,585
	Additions	-	10,750	10,750
	Disposals	-	-	-
	At 31 March 2023	1,516,945	425,390	1,942,335
	DEPRECIATION			
	At 1 April 2022	219,822	362,696	582,518
	Charge for year	30,340	19,810	50,150
	Eliminated on disposals	-	-	-
	At 31 March 2023	250,162	382,506	632,668
	NET BOOK VALUE			
	At 31 March 2023	1,266,783	42,884	1,309,667
	At 1 April 2022	1,297,123	51,944	1,349,067

PROMO-CYMRU LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

15 FIXED ASSET INVESTMENTS

	Shares in group company £
NET BOOK VALUE	
At 31 March 2023	<u>100</u>
At 31 March 2022	<u>100</u>

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Promo-Cymru Trading Limited

Nature of business: Providing information, advice and advocacy for young people in Wales.

Class of share: holding
£1 ordinary 100%

	2023 £	2022 £
Aggregate reserves	69,208	63,009
Profit/(loss) for the year	<u>6,199</u>	<u>13,356</u>

The results for the charity's subsidiary at 31 March 2023 and 31 March 2022 were as follows.

	2023 £	2022 £
Turnover	1,246,299	1,184,199
Direct costs	<u>-998,123</u>	<u>-814,648</u>
Gross profit	248,176	369,551
Other income	<u>17,439</u>	<u>16,667</u>
	265,615	386,218
Other costs	<u>-259,416</u>	<u>-372,862</u>
Profit/(loss) for the year	<u>6,199</u>	<u>13,356</u>

PROMO-CYMRU LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

16 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated	
	2023	2022
	£	£
Trade debtors	31,359	116,190
Prepayments and accrued income	11,987	121,065
Other debtors	21,013	-
	<u>64,359</u>	<u>237,255</u>

	Company	
	2023	2022
	£	£
Trade debtors	-	12,083
Amounts owed by group undertakings	-	35,916
Prepayments and accrued income	9,055	115,940
	<u>9,055</u>	<u>163,939</u>

17 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated	
	2023	2022
	£	£
Trade creditors	21,004	10,518
Other loans	11,001	11,985
Taxation and social security	75,524	66,884
VAT payable	2,906	4,822
Accruals and deferred income	97,301	69,846
Other creditors	6,970	5,018
	<u>214,706</u>	<u>169,073</u>

	Company	
	2023	2022
	£	£
Trade creditors	15,427	2,170
Loans	11,001	11,985
Amounts owed to group undertakings	40,193	-
VAT payable	2,906	4,822
Accruals and deferred income	5,137	13,727
Other creditors	1,001	1,000
	<u>75,665</u>	<u>33,704</u>

Creditors due within one year includes the following liabilities, on which security has been given by the charity:

	2023	2022
	£	£
Wales Council for Voluntary Action	<u>8,748</u>	<u>9,818</u>

Borrowings

a) Loan from Wales Council for Voluntary Action

The loan has a carrying amount of £191,680 (2022 - £201,726) and is denominated in Sterling with a nominal interest rate of 7%. The final instalment is due in October 2036. It is repayable at £1,678.08 per month for 20 years from 3 January 2017, increased to £1,826.64 arising from a further drawdown of £55,000.

Security is held on the freehold property at 17 West Bute Street, Cardiff CF10 5EP.

PROMO-CYMRU LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

The charity undertakes with Wales Council for Voluntary Action, without prior notification or approval, the following.

1. Not to make any change in the project proposal.
2. Not to incorporate any company as its subsidiary.
3. Not to amend or replace its Memorandum and Articles of Association in any way which could materially and adversely affect the interests of the lender under the financing agreement.

b) Loan from the Social Business Growth Fund

The loan has a carrying amount of £15,019 (2022 - £26,008) and is denominated in Sterling. The final instalment is due in June 2028. It is repayable at £250.31 per month for 5 years from June 2023.

Deferred income

Accruals and deferred income includes deferred income relating to grants received in advance of the period to which they relate:

	Consolidated	
	2023	2022
	£	£
At 31 March 2021	54,694	57,687
Amount released to incoming resources	-40,510	-57,687
Amount deferred in the year	70,285	54,694
At 31 March 2022	84,469	54,694

18 CREDITORS AND PROVISIONS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR/PROVISIONS FOR LIABILITIES

	Consolidated	
	2023	2022
	£	£
Loans	195,698	215,749
Deferred tax	1,650	1,250

Creditors' amounts falling due after more than one year includes the following liabilities, on which security has been given by the charity on the freehold property at 17 West Bute Street, Cardiff CF10 5EP.

	2023	2022
	£	£
Loan from Wales Council for Voluntary Action	182,932	191,909

Included in the creditors are the following amounts due after more than five years:

	2023	2022
	£	£
After more than five years by instalments	141,005	154,098

Borrowings due after five years

£141,005.00 repayable at £1,826.64 per month including interest at 7%, fixed, will be repaid in October 2036.

PROMO-CYMRU LTD**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

19	MOVEMENT IN FUNDS	At 1.4.22 £	Incoming resources £	Resources expended £	Transfers £	At 31.3.23 £
	Unrestricted funds					
	General fund	476,713	910,704	-884,186	-	503,231
		476,713	910,704	-884,186	-	503,231
	Restricted funds					
	Heads of the Valleys Programme	150,380	-	-4,325	-	146,055
	Blaenau Gwent Youth Service					
	Capital and Revenue grant	19,835	-	-507	-	19,328
	Big Lottery Community Asset					
	Transfer	344,311	-	-9,009	-	335,302
	Blaenau Gwent Community					
	Economic Development grant	14,597	-	-699	-	13,898
	Blaenau Gwent Community Asset					
	Transfer	140,875	-	-3,500	-	137,375
	Blaenau Gwent CBC					
	Food Distribution grant	-	7,950	-6,170	-	1,780
	Arts for All grant	4,405	-	-99	-	4,306
	Tai Calon grant	145	-	-145	-	-
	Valleys Environment grant	4,450	-	-100	-	4,350
	Police and Crime					
	Commissioners Partnership	164	-	-164	-	-
	Gavo Cash4u grant	115	-	-115	-	-
	Social Business Growth Fund 1	81	-	-81	-	-
	WAG Landfill Disposal Scheme	17,323	-	-369	-	16,954
	Youth Access grant	-	18,932	-18,932	-	-
	EVI CFAP grant	225,339	-	-9,642	-	215,697
	Covid Support grant	6,034	-	-2,011	-	4,023
	Social Business Growth Fund 2	9,678	6,674	-9,846	-	6,506
	NEWiD grant	80,625	100,000	-80,625	-	100,000
	UK Community Renewal Fund	-	216,675	-207,717	-	8,958
	Wales Council for Voluntary Action	-	18,704	-	-	18,704
	National Academy for					
	Educational Leadership grant	-	10,000	-6,364	-	3,636
	Taith Learning grant	-	7,605	-1,113	-	6,492
	Asda grant	-	525	-	-	525
	National Lottery -					
	Mind our Future Gwent grant	-	95,728	-76,911	-	18,817
	National Lottery -					
	Third Sector Digital Fund	-	72,182	-59,432	-	12,750
	Carol Powell Donation Fund	-	5,000	-3,925	-	1,075
		1,018,357	559,975	-501,801	-	1,076,531
	TOTAL FUNDS	1,495,070	1,470,679	-1,385,987	-	1,579,762

The general fund balance at 31 March 2023 includes £69,308 of funds retained within the non-charitable subsidiary (2022: £63,109).

The incoming resources include £899,544 (2022: £913,248) of income received by the non charitable subsidiary. The resources expended include £1,134,087 (2022: £936,474) of costs expended by the non-charitable subsidiary. These figures exclude inter-company transactions.

The non-charitable subsidiary paid £70,000 (2022: £200,000) to Promo-Cymru Ltd by way of gift aid. The net surplus for the year achieved by the non-charitable subsidiary was £6,199 (2022: £13,356).

PROMO-CYMRU LTD**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023****MOVEMENT IN FUNDS**

	At 1.4.21 £	Incoming resources £	Resources expended £	Transfers £	At 31.3.22 £
Unrestricted funds					
General fund	364,723	922,293	-810,178	-125	476,713
	<u>364,723</u>	<u>922,293</u>	<u>-810,178</u>	<u>-125</u>	<u>476,713</u>
Restricted funds					
Cardiff Web Project	138	-	-138	-	-
Heads of the Valleys Programme	154,563	-	-4,183	-	150,380
Blaenau Gwent Youth Service					
Capital and Revenue grant	20,342	-	-507	-	19,835
Big Lottery Community Asset					
Transfer	353,673	-	-9,362	-	344,311
Blaenau Gwent Community					
Economic Development grant	15,123	-	-526	-	14,597
Blaenau Gwent Community Asset					
Transfer	144,375	-	-3,500	-	140,875
Arts for All grant	4,504	-	-99	-	4,405
Tai Calon grant	217	-	-72	-	145
Valleys Environment grant	4,550	-	-100	-	4,450
Police and Crime					
Commissioners Partnership	246	-	-82	-	164
Gavo Cash4u grant	172	-	-57	-	115
Social Business Growth Fund	122	-	-41	-	81
WAG Landfill Disposal Scheme	17,692	-	-369	-	17,323
Youth Access grant	-	20,272	-20,272	-	-
EVI CFAP grant	237,667	-	-12,328	-	225,339
EYST grant	-	5,125	-5,125	-	-
Covid Support grant	-	7,241	-1,207	-	6,034
Voluntary Services Recovery Fund	-	1,000	-1,000	-	-
Social Business Growth Fund 2	-	17,338	-7,660	-	9,678
C3CS grant	-	5,000	-5,125	125	-
NEWiD grant	-	166,900	-86,275	-	80,625
UK Community Renewal Fund	-	64,629	-64,629	-	-
Emotional Health and Wellbeing	-	13,850	-13,850	-	-
Lottery Awards for All	-	10,000	-10,000	-	-
Lottery Community Fund	-	10,000	-10,000	-	-
	<u>953,384</u>	<u>321,355</u>	<u>-256,507</u>	<u>125</u>	<u>1,018,357</u>
TOTAL FUNDS	<u>1,318,107</u>	<u>1,243,648</u>	<u>-1,066,685</u>	<u>-</u>	<u>1,495,070</u>

The general fund balance at 31 March 2022 includes £63,109 of funds retained within the non-charitable subsidiary (2021: £49,753).

The incoming resources include £913,248 (2021: £830,539) of income received by the non-charitable subsidiary. The resources expended include £936,474 (2021: £838,674) of costs expended by the non-charitable subsidiary. These figures exclude inter-company transactions.

The non-charitable subsidiary paid £200,000 (2021: £30,000) to Promo-Cymru Ltd by way of gift aid. The net surplus for the year achieved by the non-charitable subsidiary was £13,356 (2021: £4,074).

PROMO-CYMRU LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Consolidated		Consolidated	
	Unrestricted	Restricted	total funds	
	funds	funds	2023	2022
	£	£	£	£
Tangible fixed assets	406,883	912,752	1,319,635	1,357,114
Current assets	472,497	199,684	672,181	524,028
Current liabilities	-178,801	-35,905	-214,706	-169,073
Deferred liabilities	-197,348	-	-197,348	-216,999
TOTAL FUNDS	503,231	1,076,531	1,579,762	1,495,070

	Company		Company	
	Unrestricted	Restricted	total funds	
	funds	funds	2023	2022
	£	£	£	£
Tangible fixed assets	396,915	912,752	1,309,667	1,349,067
Fixed asset investments	100	-	100	100
Current assets	272,466	199,684	472,150	432,667
Current liabilities	-39,760	-35,905	-75,665	-134,024
Deferred liabilities	-191,909	-	-191,909	-215,749
TOTAL FUNDS	437,812	1,076,531	1,514,343	1,432,061

21 ANALYSIS OF NET FUNDS

	At 1 April 2022	Cashflow	At 31 March 2023
	£	£	£
Cash at bank and in hand	284,943	321,304	606,247
Debt due within one year	-9,818	1,070	-8,748
Debt due after more than one year	-215,749	20,051	-195,698
Net debt	59,376	342,425	401,801

	At 1 April 2021	Cashflow	At 31 March 2022
	£	£	£
Cash at bank and in hand	347,046	-62,103	284,943
Debt due within one year	-7,634	-2,184	-9,818
Debt due after more than one year	-199,880	-15,869	-215,749
Net debt	139,532	-80,156	59,376

PROMO-CYMRU LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

22 RELATED PARTIES

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

Related party transactions

Promo-Cymru Ltd contracts with Promo-Cymru Trading Ltd for the provision of support resources to facilitate the completion of grant funded projects.

During the year the charity purchased goods or received services or incurred other liabilities from Promo-Cymru Trading Limited, a wholly owned subsidiary company, in the sum of £384,036 (2022: £287,619) and, sold goods or rendered services or provided other assets to Promo-Cymru Trading Limited in the sum of £53,452 (2022: £51,036). The charity also received £70,000 (2022: £200,000) by way of gift aid from Prom-Cymru Trading Limited. The balance due by the charity at the year end was £40,192 (2022: £35,915 due to).

PROMO - CYMRU

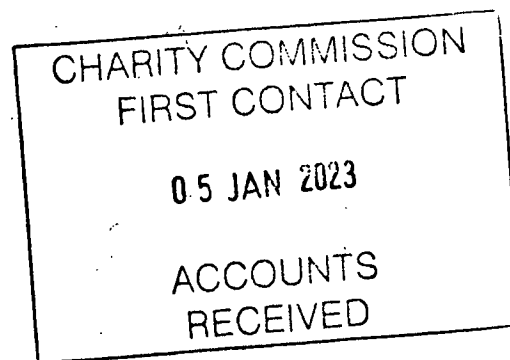
England & Wales - Charity number 1094652

Accounts

Company registration number: 1816889 (England and Wales)

Charity registration number: 1094652

**REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022
FOR
PROMO-CYMRU LTD**



**Robert Hugh Limited
Registered Auditors
and Chartered Accountants
15 Dan y Bryn Avenue
Radyr
Cardiff
CF15 8DD**

PROMO-CYMRU LTD

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FOR THE YEAR ENDED 31 MARCH 2022

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PROMO-CYMRU LTD

REFERENCE AND ADMINISTRATIVE DETAILS

Charity name Promo-Cymru Ltd

Charity registration number 1094652

Company registration number 1816889

Principal office 17 West Bute Street
Cardiff
CF10 5EP

Registered office 17 West Bute Street
Cardiff
CF10 5EP

The charity is incorporated in England and Wales.

Trustees M Morgan, Chair
M Bowden
D M Martin
S Corria
A Rogan
MD Williams
AS Ozalp

Secretary M Gil-Cervantes

Auditors Robert Hugh Limited
Registered Auditors and Chartered Accountants
15 Dan y Bryn Avenue
Radyr
Cardiff
CF15 8DD

PROMO-CYMRU LTD

TRUSTEES' REPORT

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 March 2022.

Structure, Governance and Management

Governing Document

The charity is controlled by its governing document, its Memorandum and Articles of Association, and is limited by guarantee and not having a share capital, as defined by the Companies Act 2006.

Every member of the company undertakes to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up while he/she is a member or within one year after he/she ceased to be a member, for repayment of the company's debts and liabilities contracted before he/she ceased to be a member, and of the costs and expenses of winding up, and for the adjustment of the rights of the contributors amongst themselves.

Recruitment and Appointment of New Trustees

The company is directed by a board of trustees, the members of which are all committed to the sector's principles and ideals.

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Council of Management. Under the requirements of the Memorandum and Articles of Association, the members of the Council of Management are elected to serve for a year after which they must be re-elected at the next Annual General Meeting.

The members of the board receive no material benefits or remuneration from the company for their time and services.

Induction and Training of New Trustees

Most trustees are already familiar with the practical work of the charity. Information is made available covering the following.

- The obligations of Management Committee members.
- The main documents which set out the operational framework for the charity including the Memorandum and Articles of Association.
- Resourcing and the current financial position as set out in the latest published accounts.
- Future plans and objectives.

Organisational Structure

The board of trustees, who meet bi-monthly, administer the charity. A chief executive is appointed by the trustees to manage the day-to-day operation of the charity.

PROMO-CYMRU LTD

TRUSTEES' REPORT

Wider Network

Promo-Cymru has continued to work with a number of partners, funders and clients. These include:-

Partners:

- Council for Wales Voluntary Youth Service - CWWYS
- Wales Council for Voluntary Action - WCVA
- Cwmpas
- Voluntary Councils across Wales
- European Youth Information and Counselling Agency - ERYICA
- National Museums of Wales Voluntary Councils across Wales
- Catalyst
- Ethnic Youth Support Team - EYST
- Race Alliance Wales - RAW
- National Academy for Educational Leadership Wales
- Local Authorities

Funders:

- Community Investment Fund
- Lloyds Bank Foundation
- Paul Hamlyn Foundation
- Big Lottery Foundation

Clients:

- Cardiff Third Sector Council
- Development Trust Association
- Children in Wales
- Cyfannol Women's Aid
- Barod Gwent N-Gage

Subsidiary Undertakings

Promo-Cymru Ltd is the holding company of a trading subsidiary company called Promo-Cymru Trading Limited. The principal activities of the company in the year under review were:

1. Activities centred around providing information, advice and advocacy for young people in Wales. This was carried out under the project name MEIC (The National Information and Advice and Advocacy Service - direct contact, telephone, instant messaging and text based).
2. The trading development of the Ebbw Vale Institute as a youth, community and cultural centre for the communities of Blaenau Gwent and beyond.
3. In the area of digital, multimedia and communications, Promo-Cymru Trading continued to deliver goods and services such as consultation, service design, video production, social media training and website development and administration.

Risk Management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Major risks are reported to the board via the Chief Executive and Deputy Chief Executive via the project and finance reports produced for and presented at the Promo-Cymru Management Board. The examination will cover the major strategies, business and operational risks which the charity faces. The reporting system so established is to enable regular reports to be produced so that any necessary steps can be taken to mitigate exposure to these risks. These procedures are to be periodically reviewed to ensure that they still meet the needs of the charity.

PROMO-CYMRU LTD

TRUSTEES' REPORT

The risk management strategy will comprise:-

- an annual review of the risks the charity may face
- the establishment of systems and procedures to mitigate those risks identified in the plan
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise

Trustees:

- risk management statement - reviewed each year
- conflict of interest register - updated each year
- trustee welcome pack inclusive of signed statements of ability to serve as a trustee

Staff:

- proof of ID required
- DBS checks (where applicable)
- references
- probation period
- regular appraisals
- comprehensive personnel files
- trained to ensure capability to undertake role

HR:

- ongoing updates and training to keep up with changes in legislation
- robust policy and procedures - updates where required
- back up legal assistance in place

Health & safety:

- office risk assessments
- updates and training when necessary

Information technology:

- all laptops are password protected
- all laptops are set for scheduled security updates and are protected by AVG antivirus
- users are forced to change their Office365 password every 90 days for security purposes
- All websites are secured with SSL Certificates. They are also protected by industry leading security plugin Wordfence.
- Independent web security testing takes place annually
- All websites are updated monthly for relevant themes, plugins and OS

The risk register of the organisation is maintained and regularly reviewed at trustee meetings. The trustees' comments and response to the risk register are recorded in the minutes including follow up actions. The trustees are satisfied that Promo-Cymru is undertaking all actions required to mitigate risk across the organisation.

Objectives and Activities

Objectives and Aims

The objective of Promo-Cymru is to support the development of young people, families and the communities they live in.

Promo-Cymru's Vision:

Promo-Cymru works to ensure young people and communities are informed, engaged, connected and heard.

Promo-Cymru's Mission:

We work collaboratively to make links between people and services using creativity and user led thinking and have developed a particular expertise in Digital. We support the third and public sectors to imagine, test and create better services.

PROMO-CYMRU LTD

TRUSTEES' REPORT

Promo-Cymru works with communities through communications, advocacy, social and cultural engagement, digital and media production. Our work is informed by over 20 years of delivering youth and community projects. We share this knowledge through training and consultancy, forming long term partnerships to benefit people and organisations.

Promo-Cymru is a registered charity and social enterprise; our profits are invested back into our community projects.

Promo-Cymru will work collectively, cooperatively and in partnership with people and organisations that share these objectives.

Public Benefit Statement

In setting our objectives and planning our activities, the trustees of Promo-Cymru have given careful consideration to The Charity Commission's general guidance on public benefit.

Promo-Cymru is committed to the development of young people and families in Wales through their participation in activities that enable young people to voice their opinions and contribute to an inclusive Wales in line with the United Nations Charter on the Rights of the Child and to work with partners to develop and deliver anti-poverty strategies.

Promo-Cymru is also committed to delivering a creative hub, facilitated at EVI as part of the regeneration of Ebbw Vale town and the surrounding area. This project will provide the local community with a much needed focus for cultural, social and economic development in Ebbw Vale and the Heads of the Valleys areas.

Significant Activities

The UK has left the European Union. Promo-Cymru has worked to keep abreast of changes and adaptations.

The significant activities undertaken during the year encompassed the following projects:

EVI - Ebbw Vale Institute Project - working to develop the Ebbw Vale Institute as a cultural centre in Ebbw Vale. EVI was awarded a £260,870 Community Regeneration Fund to support a full reopening of EVI. This fund has ensured employment of key staff in EVI. Developments have surpassed expectation and been led by the involvement of the communities surrounding EVI.

The Community Regeneration Fund is part of UK Government's Levelling up agenda which is seen as the replacement to European Funds.

www.thesprout.co.uk - Promo-Cymru supplies Cardiff's young people's information, financed and commissioned by Cardiff Council and Families First. The focus of this work has been to develop online activities that connect with and inform young people in Cardiff of their rights.

Meic Helpline - the Wales wide advocacy based helpline for young people in Wales. Promo-Cymru has been instrumental in this development from its inception. Meic operates every day of the year, seven days a week from 8am to 12 midnight. Meic also has an extensive online and social media presence which is increasingly used by Welsh Government as an information outlet for young people and professionals in Wales. Meic has developed a strong presence in the social and educational support landscape to support young people in Wales. In August 2022, Promo-Cymru was awarded a new 3 year contract to deliver the Meic Service going forward.

Desygn - a project to develop workshop material and an online course on Service Design for the youth sector in Europe. This is led by ERYICA (European Youth and Information and Counselling Agency) and funded by Erasmus. Other key partners are Koordinatti, Finland's Youth Information Service with support from a number of youth information services across Europe. This project has been successfully piloted with Youth information workers in Europe. Whilst the UK leaving the European Union does not stop us directly being involved with ERYICA, we are no longer able to be directly part of collaborative European bids.

PROMO-CYMRU LTD

TRUSTEES' REPORT

Taith - we are keeping abreast of this Welsh government grant initiative to support Youth and Education establishments to have meaningful interchanges and collaborations with others in Europe and beyond and have been successful with one application which will allow Promo-Cymru to be involved with ERYICA training programmes.

Service Design Consultancy - Promo-Cymru has developed expertise in the area of Service Design/Agile working. This way of working has developed over a number of years and forms part of the internal working of our organisation, which will continue to develop and disseminate internally.

Support and Partnership with Black and Ethnic Minority Support Groups - Promo-Cymru has a long history of supporting many groups. Promo-Cymru is diverse as a staffing group. The impact of recent campaigns such as Black Lives Matter has highlighted the discrimination faced by Black and Ethnic Minority Groups. Promo-Cymru made conscious efforts to enhance our connections and work in this area. The main partnership work had been with EYST - Ethnic Youth Support Team and Race Alliance Wales. Promo-Cymru has worked with EYST to supply them with the knowledge, training and technology to set up the Multilingual Helpline. This has secured further funding to continue and expand its hours. The We are Wales' project gave voice to the many Black and Ethnic minority community members that supported many during the pandemic. The collaboration allowed Promo-Cymru to bring its multimedia and web knowledge and skills to the project and ensuring the success of the project.

Volunteers

Management Board

Promo-Cymru's Management Board are all volunteers who give of their time and invaluable experience. Without their advice and support Promo-Cymru would not have the organisational substance to deliver unique services.

European Volunteers

This year we have been able to provide a placement for a new European Volunteer. Evelyn Ravasio from Italy is supporting with a number of tasks within the digital team and supporting consultation with families from ethnic minority families in South Cardiff. This is the last volunteer programme Wales will be able to access via European Schemes due to not being part of the European Union.

PROMO-CYMRU LTD

TRUSTEES' REPORT

Achievement and Performance

Charitable Activities

The Sprout.co.uk

This year this project continued to be funded by Cardiff's Families First Partnership to create a relevant, accessible information and communications vehicle for young people in Cardiff and, importantly, to support the work of the Families First Initiative in Wales.

EVI Ebbw Vale Institute Project

Promo-Cymru has, since the completion of the Community Asset Transfer several years ago, brought Ebbw Vale Institute back into use as a vibrant community space offering cultural and social activities for the Blaenau Gwent area and beyond.

As a community social, arts and music based activities venue, EVI facilities include:-

- A live venue for music and poetry
- A gallery exhibition space
- A fully equipped conference venue
- A social space for weddings and gatherings
- Rehearsal spaces including music showcase and dance studio
- Community café
- Multimedia facilities
- Video editing and production suite
- Business development space and facilities for young cultural businesses
- Rental spaces for cultural industry businesses
- The high specification music studio is also fully operational.

EVI is currently used by a wide range of public, third sector organisations and community groups and individuals. EVI has developed into a Cultural and Community Hub for the communities of Ebbw Vale and Blaenau Gwent.

Promo-Cymru is continuing to streamline and evaluate EVI's operations.

Internal and External Factors

The most significant internal and external factors arising during the year were as follows:

Internal

Promo-Cymru continues to develop its internal policies and procedures in line with legislative and HR developments. We endeavour also to keep up-to-date with communications and technological developments.

Promo-Cymru has developed a Senior Management Team to guide and control the operational management of the organisation and, with the Directors of Promo-Cymru, be part of the organisation's strategic direction. This work will also actively seek input from all staff, volunteers and clients of Promo-Cymru.

The development of Promo-Cymru's new headquarters building in Cardiff Bay has ensured that the building is energy efficient by installing new high grade insulation.

Promo-Cymru has continued to embrace effective communication tools with young people in Wales and have endeavoured to be the leading provider. We have embraced social media communication and are providing advice and support to the third and public sectors.

PROMO-CYMRU LTD

TRUSTEES' REPORT

Promo-Cymru has embraced Service Design methodologies as a natural progression to our work and are gaining recognition for this innovative work across Wales, UK and the European Youth Sector.

Promo-Cymru periodically has staff observers attending board meetings, where appropriate, to allow for their direct input into discussions.

Clients are fully involved in Promo-Cymru projects via our core co-production and engagement methodology. Their involvement and feedback is channelled into project delivery and into the Management Board.

As a value driven organisation, we have made steps to make our values clearer and publish them on our website and make them part of our recruitment process to ensure we let the public, clients and our staff know what is important to us. This work is on-going and has a group made up of board and staff members to review.

External

The Covid pandemic has been a challenge. Promo-Cymru's high level use and understanding of the possibilities of digital communications has allowed Promo-Cymru to respond quickly, as the tools and our agile mind set and practices are part of Promo-Cymru's DNA. This has allowed Promo-Cymru to ramp up contact points with young people over Wales utilising focused social media campaigns and provide support for the voluntary and statutory youth sectors over Wales.

Promo-Cymru was technologically well placed to respond at speed. The decision for all to work at home was taken early and appreciated by staff. As all ICT was remote/homeworking ready the change took place with immediate effect and little to no interruption.

Promo-Cymru also realised that it had a skills base able to help many organisations adapt to the new challenges brought by Covid. We set up a free set of workshops accessed by the voluntary sector across Wales which sped up the 'digitalisation' of many organisations.

Promo-Cymru also developed its youth focused communications knowledge, especially on social media, to target young people no longer in schools, youth services and the social services they were previously able to access face-to-face. The Meic Instagram account grew exponentially. This targeted young people to make sure they had someone to contact in need for the 16 hours a day the helpline was open.

We have also started successful communications pilots using the Tik Tok platform with one piece going viral with 3.5 million views.

The external environment continues to be a challenge. We continue to monitor policy developments in Wales and the UK and make changes accordingly.

Promo-Cymru has led the field in digital transformation for a number of years. Clearer branding, identity, communications and self-belief have increased our profile and confidence leading to new markets and clients.

Promo-Cymru is currently assessing how we operate in a post pandemic world. We will work to incorporate and integrate the best of the pre and post pandemic world.

PROMO-CYMRU LTD

TRUSTEES' REPORT

Financial Review

The trustees receive management financial reports and review the financial position of Promo-Cymru on a regular basis as a key standing agenda item. The trustees have considered budgets and forecasts for the period to March 2023 and support the management team in the on-going financial development of the organisation as a going concern.

The management team work closely with the Chair of the trustees on a regular basis outside of board meetings.

Austerity has certainly impacted not only on Promo-Cymru, but also across the third sector. Promo-Cymru continues to innovate and forward think. Key corporate strategies of heightening the profile of Promo-Cymru, which have led to the winning of a number of key awards and the development of inroads in new markets, are beginning to work.

Unrestricted reserves before transfers increased by £98,634 (group £111,990) during the year, compared with an increase in the previous year of £41,713 (group £45,787). Depreciation charges on assets owned by Promo-Cymru Ltd, including the land and buildings of Ebbw Vale Institute and 17 West Bute Street, also impact on the financial activities reported.

Promo-Cymru continues to invest in its staff and profile.

At the year end Promo-Cymru Ltd remains in a strong financial position, with unrestricted reserves of £413,704 (group £476,713) and total net assets of £1,432,061 (group £1,495,070).

The organisation also continues to maintain adequate working capital to facilitate its activities.

The staffing restructure which took place in 2018, and the longer term focused decision to keep key capacity in place, which meant a careful use of reserves, has now had an effect which has seen our incomes, impact and profile expand.

Reserves Policy

Purpose

The purpose of the Reserves Policy of Promo-Cymru is to ensure the stability of the projects, employment and ongoing operations of the organisation. The Operating Reserve (ie, unrestricted reserves) is intended to provide an internal source of funds for situations such as a sudden increase in expenses, one time unbudgeted expenses, unanticipated loss in funding, or uninsured losses. The Reserves may also be used for one-time, non-recurring expenses that will build long-term capacity, such as staff development, research and development, or investment in infrastructure.

Operating Reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap. It is the intention of Promo-Cymru for Operating Reserves to be used and replenished within a reasonably short period of time. The Operating Reserves Policy will be implemented in concert with the other governance and financial policies of Promo-Cymru and is intended to support the goals and strategies contained in these related policies and in strategic and operational plans.

Definitions and Goals

The Operating Reserve Fund is defined as a designated fund set aside by action of the trustees. The minimum amount to be designated as Operating Reserve will be established in an amount sufficient to maintain ongoing operations and programmes for a set period of time. The Operating Reserve serves a dynamic role and will be reviewed and adjusted in response to internal and external changes.

PROMO-CYMRU LTD

TRUSTEES' REPORT

The target minimum Operating Reserve Fund is equal to 6 months of average operating costs. The calculation of average monthly operating costs includes all recurring, predictable expenses such as salaries and benefits, loans, office, travel, project, and ongoing professional services. Depreciation, in-kind, and other non-cash expenses are not included in the calculation.

The calculation of average monthly expenses also excludes some expenses, eg, one-time or unusual and capital purchases. The amount of the Operating Reserve Fund target minimum will be calculated each year after approval of the annual budget, reported to the trustees and Finance Sub Committee, and included in the regular financial reports.

Accounting for Reserves

The Operating Reserve Fund will be recorded in the financial records as unrestricted reserves. The Fund will be funded and available in cash or cash equivalent funds.

Funding of Reserves

The Operating Reserve Fund will be funded with surplus unrestricted operating funds. The trustees may from time to time direct that a specific source of revenue be set aside for Operating Reserves.

Use of Reserves

Use of the Operating Reserves requires three steps:

1. Identification of appropriate use of reserve funds

The trustees and staff will identify the need for access to reserve funds and confirm that the use is consistent with the purpose of the reserves as described in this Policy. This step requires analysis of the reason for the shortfall, the availability of any other sources of funds before using reserves, and evaluation of the time period that the funds will be required and replenished.

2. Authority to use operating reserves

Authority for use of Operating Reserves is delegated to the CEO in consultation with the Chair of the trustees. The use of Operating Reserves will be reported to the trustees at their next scheduled meeting, accompanied by a description of the analysis and determination of the use of funds and plans for replenishment to restore the Operating Reserve Fund to the target minimum amount. The CEO must receive prior approval from the trustees if the Operating Reserves will take longer than 12 months to replenish.

3. Reporting and monitoring

The CEO is responsible for ensuring that the Operating Reserve Fund is maintained and used only as described in this Policy. Upon approval for the use of Operating Reserve funds, the CEO will maintain records of the use of funds and plan for replenishment. The CEO will provide regular reports to the Finance Sub Committee and board of trustees of progress to restore the Fund to the target minimum amount.

Policy Review

This policy will be reviewed every other year, at minimum, by the Finance Sub Committee, or sooner if warranted by internal or external events or changes. Changes to the Policy will be recommended by the Finance Sub Committee to the board of trustees.

Funding Sources

Promo-Cymru has a diverse portfolio of funding. Promo-Cymru is funded from the receipt of grant income from the Welsh Government, Cardiff County Council, UK Community Renewal Fund, Welsh Government's Community Division, Welsh Government Social Services Division and Paul Hamlyn.

PROMO-CYMRU LTD

TRUSTEES' REPORT

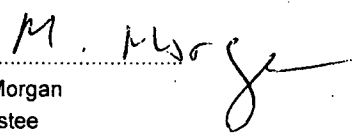
Plans for Future Periods

Promo-Cymru seeks to further develop its charitable activities.

Promo-Cymru will continue to use its experience to develop its expertise across a number of areas. These are:

- 1 Helpline expertise, online and office information to include the promotion of citizen voices. We have developed an integrated communications model to better describe our offer.
- 2 The development of further support to communities, families and people of all ages to support both physical and social developments.
- 3 The development of support and mentoring services to other third sector organisations such as leadership and management development, finance management and other corporate issues.
- 4 The support of organisations to better utilise Service Design Methodologies, IT and communications technology, such as social media practice and policy.
- 5 The development of our central administrative building to allow disparate areas of Promo-Cymru to be housed together and the wider involvement of clients and other organisations in the work of the organisation is working well. We will continue to review better and more efficient use of the building and consider renting further spaces to like minded organisations.
- 6 Promo-Cymru continues to explore working with young people on the development of Social and Environmental Economy projects and organisations.
- 7 During the pandemic Promo-Cymru took a conscious decision to utilise its wide ranging digital expertise to support the third sector during these difficult times. We were able to mobilise our staff and reserves to do this. We have been working to sustain this work and are now part of the Newid partnership made up of WCVA, Cwmpas and Promo-Cymru to develop this support. We have also been in discussion with the Big Lottery for a number of years and have been awarded in September 2022 a £500,000 grant to further enhance this work over three years.
- 8 Promo-Cymru has been successful with a Big Lottery Mind Our Future bid to help design better mental health services for young people in Blaenau Gwent. We will work with MIND in Gwent to develop these services.

The annual report was approved by the trustees of the charity on 22 December 2022 and signed on its behalf by:


M Morgan
Trustee

PROMO-CYMRU LTD

STATEMENT OF TRUSTEES' RESPONSIBILITIES

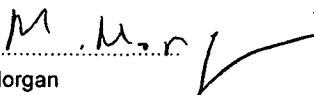
The trustees (who are also the directors of Promo-Cymru Ltd for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Approved by the trustees of the charity on 22 December 2022 and signed on its behalf by:


M Morgan
Trustee

PROMO-CYMRU LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROMO-CYMRU LTD

Opinion

We have audited the financial statements of Promo-Cymru Ltd, the 'charitable parent company' and its subsidiary (the 'group') for the year ended 31 March 2022, which comprise the Consolidated Statement of Financial Activities, Company Statement of Financial Activities, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Cash Flows, Company Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended:
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

PROMO-CYMRU LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROMO-CYMRU LTD

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 12), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements, including how fraud may occur by enquiring of management of its own consideration of fraud. In particular, we looked at where management made subjective judgements, for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. We also considered potential financial or other pressures, opportunity and motivations for fraud. As part of this discussion we identified the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations and how management monitor these processes. Appropriate procedures included the review and testing of manual journals and key estimates and judgements made by management.

PROMO-CYMRU LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROMO CYMRU LTD

We gained an understanding of the legal and regulatory framework applicable to the charity and the industry in which it operates, drawing on our broad sector experience, and considered the risk of acts by the charity that were contrary to these laws and regulations, including fraud.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to the Charities Act, Companies Acts, UK tax legislation and equivalent local laws and regulations.

We made enquiries of management with regards to compliance with the above laws and regulations and corroborated any necessary evidence to relevant information, for example, minutes of the Trustees' meetings and any other relevant correspondence.

We completed samples of transaction testing with a focus on the income and expenditure throughout the year to ensure that activities were supported and in line with the charity's rules and practices. Any unusual findings were raised with management for further investigation.

Our tests included agreeing the financial statements disclosures to underlying supporting documentation and enquiries with management.

We did not identify any key audit matters relating to irregularities, including fraud. As in all of our audits, we also addressed the risk of management override of internal controls including testing journals and evaluation whether there was evidence of bias by management that represented a risk of material misstatement due to fraud.

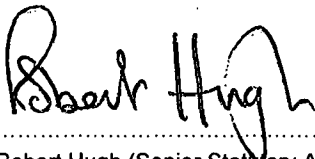
Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable parent company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group's charity trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Robert Hugh (Senior Statutory Auditor)
For and on behalf of Robert Hugh Limited, Statutory Auditor

15 Dan y Bryn Avenue
Radyr
Cardiff
CF15 8DD

Signed on 22 December 2022

PROMO-CYMRU LTD
STATEMENT OF CONSOLIDATED FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022
(INCLUDING INCOME AND EXPENDITURE ACCOUNT AND
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES)

				Continuing operations	Discontinued operations	
	Notes	Unrestricted funds	Restricted funds	total 2022	total 2022	Total 2022
		£	£	£	£	£
INCOME AND ENDOWMENTS FROM:						
Activities for generating funds	3	835,868	-	835,868	-	835,868
Voluntary income	4	75	-	75	-	75
Investment income	5	77,380	-	77,380	-	77,380
Charitable activities	6	8,970	321,355	330,325	-	330,325
Total income		922,293	321,355	1,243,648	-	1,243,648
EXPENDITURE ON:						
Charitable activities	7	810,178	256,507	1,066,685	-	1,066,685
Total expenditure		810,178	256,507	1,066,685	-	1,066,685
NET INCOME/(EXPENDITURE)		112,115	64,848	176,963	-	176,963
Gross transfers between funds		-125	125	-	-	-
NET MOVEMENT IN FUNDS		111,990	64,973	176,963	-	176,963
Reconciliation of funds:						
Total funds brought forward		364,723	953,384	1,318,107	-	1,318,107
TOTAL FUNDS CARRIED FORWARD	19	476,713	1,018,357	1,495,070	-	1,495,070

				Continuing operations	Discontinued operations	
	Notes	Unrestricted funds	Restricted funds	total 2021	total 2021	Total 2021
		£	£	£	£	£
INCOME AND ENDOWMENTS FROM:						
Activities for generating funds	3	765,365	-	765,365	-	765,365
Voluntary income	4	1000	-	1,000	-	1,000
Investment income	5	65,174	-	65,174	-	65,174
Charitable activities	6	34,560	350,324	384,884	-	384,884
Total income		866,099	350,324	1,216,423	-	1,216,423
EXPENDITURE ON:						
Charitable activities	7	820,312	132,368	952,680	-	952,680
Total expenditure		820,312	132,368	952,680	-	952,680
NET INCOME/(EXPENDITURE)		45,787	217,956	263,743	-	263,743
Gross transfers between funds		-	-	-	-	-
NET MOVEMENT IN FUNDS		45,787	217,956	263,743	-	263,743
Reconciliation of funds:						
Total funds brought forward		318,936	735,428	1,054,364	-	1,054,364
TOTAL FUNDS CARRIED FORWARD	19	364,723	953,384	1,318,107	-	1,318,107

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2022 and 2021 is shown in note 19.

PROMO-CYMRU LTD
STATEMENT OF COMPANY FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022
(INCLUDING INCOME AND EXPENDITURE ACCOUNT AND
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES)

			Continuing operations	Discontinued operations		
	Notes	Unrestricted funds £	Restricted funds £	total 2022 £	total 2022 £	Total 2022 £
INCOME AND ENDOWMENTS FROM:						
Voluntary income		200075	–	200,075	–	200,075
Charitable activities		60,006	321,355	381,361	–	381,361
Total income		260,081	321,355	581,436	–	581,436
EXPENDITURE ON:						
Charitable activities		161,322	256,507	417,829	–	417,829
Total expenditure		161,322	256,507	417,829	–	417,829
NET INCOME/(EXPENDITURE)		98,759	64,848	163,607	–	163,607
Gross transfers between funds		-125	125	–	–	–
NET MOVEMENT IN FUNDS		98,634	64,973	163,607	–	163,607
Reconciliation of funds:						
Total funds brought forward		315,070	953,384	1,268,454	–	1,268,454
TOTAL FUNDS CARRIED FORWARD	20	413,704	1,018,357	1,432,061	–	1,432,061

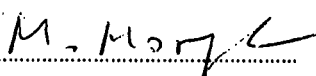
			Continuing operations	Discontinued operations		
	Notes	Unrestricted funds	Restricted funds	total 2021	total 2021	Total 2021
		£	£	£	£	£
INCOME AND ENDOWMENTS FROM:						
Voluntary income		31000	–	31,000	–	31,000
Charitable activities		92,740	350,324	443,064	–	443,064
Total income		123,740	350,324	474,064	–	474,064
EXPENDITURE ON:						
Charitable activities		82,027	132,368	214,395	–	214,395
Total expenditure		82,027	132,368	214,395	–	214,395
NET INCOME/(EXPENDITURE)		41,713	217,956	259,669	–	259,669
Gross transfers between funds		–	–	–	–	–
NET MOVEMENT IN FUNDS		41,713	217,956	259,669	–	259,669
Reconciliation of funds:						
Total funds brought forward		273,357	735,428	1,008,785	–	1,008,785
TOTAL FUNDS CARRIED FORWARD	20	315,070	953,384	1,268,454	–	1,268,454

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2022 and 2021 is shown in note 19.

PROMO-CYMRU LTD
BALANCE SHEETS
AT 31 MARCH 2022

		Consolidated		Company	
		2022	2021	2022	2021
	Notes	Total	Total	Total	Total
		funds	funds	funds	funds
		£	£	£	£
FIXED ASSETS					
Tangible assets	14	1,357,114	1,363,734	1,349,067	1,354,782
Investments	15	-	-	100	100
		<u>1,357,114</u>	<u>1,363,734</u>	<u>1,349,167</u>	<u>1,354,882</u>
CURRENT ASSETS					
Stocks		1,830	1,913	-	-
Debtors	16	237,255	124,456	163,939	102,035
Cash at bank and in hand		284,943	347,046	168,408	205,205
		<u>524,028</u>	<u>473,415</u>	<u>332,347</u>	<u>307,240</u>
CREDITORS					
Amounts falling due within one year	17	-169,073	-317,812	-33,704	-193,788
NET CURRENT ASSETS		<u>354,955</u>	<u>155,603</u>	<u>298,643</u>	<u>113,452</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		1,712,069	1,519,337	1,647,810	1,468,334
CREDITORS AND PROVISIONS					
Amounts falling due after one year	18	-215,749	-199,880	-215,749	-199,880
Provisions for liabilities	18	-1,250	-1,350	-	-
		<u>1,495,070</u>	<u>1,318,107</u>	<u>1,432,061</u>	<u>1,268,454</u>
FUNDS					
Unrestricted funds	19	476,713	364,723	413,704	315,070
Restricted funds	19	1,018,357	953,384	1,018,357	953,384
NET ASSETS		<u>1,495,070</u>	<u>1,318,107</u>	<u>1,432,061</u>	<u>1,268,454</u>

The financial statements on pages 16 to 35 were approved by the trustees, and authorised for issue on 22 December 2022 and signed on their behalf by


M Morgan (Trustee)

PROMO-CYMRU LTD**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	Consolidated		Company	
		2022 Total funds £	2021 Total funds £	2022 Total funds £	2021 Total funds £
Cash flows from operating activities					
Net cash income		176,963	263,743	163,607	259,669
Adjustments to cash flows from non-cash items					
Depreciation		50,523	33,945	47,311	30,209
		227,486	297,688	210,918	289,878
Working capital adjustments					
(Increase)/decrease in stocks		83	-356	-	-
(Increase)/decrease in debtors	15	-112,799	-43,243	-61,904	-22,752
(Decrease)/increase in creditors	16	-144,858	161,737	-140,368	129,717
(Decrease)/increase in deferred income	17	-8,232	28,217	-24,067	14,410
(Decrease)/increase in provisions	17	-100	-250	-	-
Net cash flows from operating activities		-38,420	443,793	-15,421	411,253
Cash flows from investing activities					
Purchase of tangible fixed assets	14	-43,903	-256,107	-41,596	-254,409
Net cash flows from investing activities		-43,903	-256,107	-41,596	-254,409
Cash flows from financing activities					
Repayments of loans and borrowings		20,220	-4,842	20,220	-4,842
Net cash flows from financing activities		20,220	-4,842	20,220	-4,842
Net (decrease)/increase in cash and cash equivalents		-62,103	182,844	-36,797	152,002
Cash and cash equivalents at 1 April		347,046	164,202	205,205	53,203
Cash and cash equivalents at 31 March		284,943	347,046	168,408	205,205

PROMO-CYMRU LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 MARCH 2022**

1 CHARITY STATUS

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office and principal place of business is:
17 West Bute Street, Cardiff Bay CF10 5EP

These financial statements were authorised for issue by the trustees on 22 December 2022.

2 ACCOUNTING POLICIES

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Basis of preparation

Promo-Cymru Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The financial statements have been prepared on the going concern basis.

The trustees assess whether the use of going concern is appropriate, ie, whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Group accounts and investment in subsidiary

The accounts have been consolidated to include the results of the charity's subsidiary. No income and expenditure account of the charity has been presented as permitted by the Companies Act 2006 and paragraph 423 of the SORP. The investment in the subsidiary is stated at cost less provision for any impairment.

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Intercompany transactions, balances and unrealised gains on transactions between the charity and its subsidiary, which are related parties, are eliminated in full.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity 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 these conditions will be fulfilled in the reporting period.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the 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 of the 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.

Tangible fixed assets

Individual fixed assets costing £150.00 or more are initially recorded at cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Freehold property	• 2% on cost
Fixtures, fittings and equipment	• 10% to 25% on reducing balance
Computer equipment	• 33 1/3% on reducing balance

PROMO-CYMRU LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 MARCH 2022**

Fixed asset investments

Investments in associates are accounted for using the equity method. Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the charities share of the profit or loss and other comprehensive income of the associate. Goodwill arising on the acquisition of associates is accounted for in accordance with the policy set out above. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method, where applicable.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Debt instruments

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method.

- a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

PROMO-CYMRU LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit and loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

3 ACTIVITIES FOR GENERATING FUNDS

		Consolidated	
		2022	2021
		£	£
Projects, consultancy, workshops, events and helpline fees		835,868	765,365

4 VOLUNTARY INCOME

		Consolidated	
		2022	2021
		£	£
Donations		75	1,000

5 INVESTMENT INCOME

		Consolidated	
		2022	2021
		£	£
Rents received		77,380	65,154
Interest received		-	20
		<u>77,380</u>	<u>65,174</u>

6 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted		Consolidated	
	funds	Restricted	2022	2021
	General	funds	£	£
	£	£		
NEWED grant	-	166,900	166,900	-
UKCRF funding grant	-	64,629	64,629	-
Emotional Health Wellbeing grant	-	13,850	13,850	-
C3CS grant	-	5,000	5,000	-
Money and Pensions Services grant	-	-	-	30,000
Paul Hamlyn grant	-	-	-	30,000
Youth Access grant	-	20,272	20,272	14,682
EVI CFAP grant	-	-	-	249,867
EYST grant	-	5,125	5,125	15,375
National Lottery Awards for All grant	-	10,000	10,000	-
National Lottery Community Fund account	-	10,000	10,000	-
Social Business Growth Fund	-	17,339	17,339	-
Other project grants	-	1,000	1,000	10,400
Covid grant	-	7,240	7,240	25,000
Fees and rental income	8,970	-	8,970	9,560
	<u>8,970</u>	<u>321,355</u>	<u>330,325</u>	<u>384,884</u>

PROMO-CYMRU LTD**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022****7 EXPENDITURE ON CHARITABLE ACTIVITIES**

	Unrestricted funds	Restricted funds	Consolidated	
	£	£	2022 £	2021 £
Subsidiary company	644,431	-	644,431	734,075
Staff costs	61,365	196,599	257,964	14,982
Exchange workers	-	-	-	-
Project costs	36,982	19,036	56,018	114,508
Freelance consultants	-	-	-	-
Office costs	3,933	2,803	6,736	5,779
Advertising and marketing	-	-	-	-
Repairs and renewals	12,012	200	12,212	15,222
Insurance	11,238	2500	13,738	12,318
Premises costs	3,794	1,000	4,794	5,282
Loan interest	14,306	-	14,306	11,920
Depreciation	12,942	34,369	47,311	30,209
	801,003	256,507	1,057,510	944,295

	Activity undertaken directly	Activity support costs	Consolidated	
	£	£	2022 £	2021 £
Subsidiary company	644,431	-	644,431	734,075
Staff costs	257,964	-	257,964	14,982
Exchange workers	-	-	-	-
Project costs	56,018	-	56,018	114,508
Freelance consultants	-	-	-	-
Office costs	-	6,736	6,736	5,779
Advertising and marketing	-	-	-	-
Repairs and renewals	12,212	-	12,212	15,222
Insurance	-	13,738	13,738	12,318
Premises costs	-	4,794	4,794	5,282
Loan interest	-	14,306	14,306	11,920
Depreciation	47,311	-	47,311	30,209
	1,017,936	39,574	1,057,510	944,295

In addition to the expenditure analysed above, there are also governance costs of £9,175 (2021 - £8,385) which relate directly to charitable activities. See note 8 for further details.

8 ANALYSIS OF GOVERNANCE AND SUPPORT COSTS**SUPPORT COSTS**

Finance	Admin	Premises	Other	Totals 2022	Totals 2021
£	£	£	£	£	£
14,306	6,736	4,794	13,738	39,574	36,049

The support costs cover the promotion of youth, adult and family development work.

GOVERNANCE COSTS

	Consolidated	
	2022 £	2021 £
Auditor's remuneration	9,175	8,385

PROMO-CYMRU LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 MARCH 2022**

9 GOVERNMENT GRANTS

The following government and other funded grants were received during the year.

SBGF

Promo-Cymru received funding from Social Business Growth Fund (SBGF) to create and sustain three new job opportunities.

CRF

Promo-Cymru received a grant from The UK Community Renewal Fund (CRF) to support the further development of the Ebbw Vale Institute, creating opportunities to trial new approaches and innovative ideas at the local level.

THE NATIONAL LOTTERY 'Awards for All'

Promo-Cymru received a grant from National Lottery under their 'Awards for All' programme providing environmental activities to inform and entertain young people and families and the wider community.

THE NATIONAL LOTTERY 'Community Fund'

Promo-Cymru received a grant from the National Lottery Community Fund to create animated videos to share young people's worries about the pandemic and make them aware of the support that was available.

GAVO

Promo-Cymru received a grant to support the reopening of Ebbw Vale Institute to the public, to enable us to continue to provide support to the most vulnerable and isolated in the community.

YOUTH ACCESS

Promo-Cymru is working with youth access as part of a national project funded by the National Lottery UK. We are working with young people and partners to help ensure that youth voice is heard in the design process of mental health and wellbeing services.

EYST

Promo-Cymru received a grant to support the 'We Are Wales' project with video editorial, training support and web creative, which worked with citizen journalists to gather video stories of the great volunteering and work carried out by ethnic minorities in Wales during the pandemic.

BGCBC COVID RECOVERY GRANT

Promo-Cymru received a grant aimed at supporting the purchase of equipment or modifications to premises to enable social distancing in areas of a business which customers and members of the public congregate are served food and drink or rest.

C3SC

Promo-Cymru received a grant to work with partners to support the establishment of a Framework for region-wide collaboration with public service and the third sector formulating a co-ordinated approach to engagement.

CARDIFF COUNCIL WELLBEING (GAMING)

Promo-Cymru received a grant to support young people to share their mental health experiences through gaming and art.

NEWED

Promo-Cymru received a Welsh Government grant in partnership with WCVA and Cwmpass to research and define the digital needs of the third sector organisations. Promo-Cymru then worked to deliver the required digital skills.

The amount of grants recognised in the financial statement was £321,355 (2021: £375,324).

PROMO-CYMRU LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

10 NET INCOMING (OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	Consolidated	
	2022	2021
	£	£
Audit fees	9,175	8,385
Depreciation - owned assets	50,523	33,945

11 TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' Expenses

No expenses were paid to trustees for the year ended 31 March 2022 (2021: £NIL).

12 TAXATION

No taxation is payable by the charity for the year as it is able to make use of the tax exemptions on income and capital gains available to charities.

The taxable profit in the subsidiary was £17,443 (2021: £6,906).

13 GROUP STAFF COSTS

	2022	2021
	£	£
Wages, salaries and pensions	785,098	671,113

The average number of persons employed by the group and included in the above figures during the year was 33 (2021: 30).

PROMO-CYMRU LTD**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

14	TANGIBLE FIXED ASSETS	Freehold property	Furn. & equip.	Totals
	a) Consolidated fixed assets	£	£	£
	COST			
	At 1 April 2021	1,509,845	471,872	1,981,717
	Additions	7,100	36,803	43,903
	Disposals	-	-	-
	At 31 March 2022	1,516,945	508,675	2,025,620
	DEPRECIATION			
	At 1 April 2021	189,859	428,124	617,983
	Charge for year	29,963	20,560	50,523
	Eliminated on disposals	-	-	-
	At 31 March 2022	219,822	448,684	668,506
	NET BOOK VALUE			
	At 31 March 2022	1,297,123	59,991	1,357,114
	At 1 April 2021	1,319,986	43,748	1,363,734

The cost brought forward at 1 April 2016 of freehold property includes a valuation of £175,000 in respect of the freehold interest in The Ebbw Vale Institute transferred to the charity for nil consideration. The remainder of the balance brought forward of freehold property represents building improvements that have been undertaken by the charity during subsequent years together with the addition of, and improvements to, the freehold property at 17 West Bute Street, Cardiff.

	b) Company fixed assets	Freehold land and buildings	Fixtures, fittings & equip.	Total
		£	£	£
	COST			
	At 1 April 2021	1,509,845	380,144	1,889,989
	Additions	7,100	34,496	41,596
	Disposals	-	-	-
	At 31 March 2022	1,516,945	414,640	1,931,585
	DEPRECIATION			
	At 1 April 2021	189,859	345,348	535,207
	Charge for year	29,963	17,348	47,311
	Elimination on disposal	-	-	-
	At 31 March 2022	219,822	362,696	582,518
	NET BOOK VALUE			
	At 31 March 2022	1,297,123	51,944	1,349,067
	At 1 April 2021	1,319,986	34,796	1,354,782

PROMO-CYMRU LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

15 FIXED ASSET INVESTMENTS

	Shares in group company £
NET BOOK VALUE	
At 31 March 2022	<u>100</u>
At 31 March 2021	<u>100</u>

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Promo-Cymru Trading Limited

Nature of business: Providing information, advice and advocacy for young people in Wales.

Class of share:	holding
£1 ordinary	100%

	2022 £	2021 £
Aggregate reserves	63,009	49,653
Profit/(loss) for the year	<u>13,356</u>	<u>4,074</u>

The results for the charity's subsidiary at 31 March 2022 and 31 March 2021 were as follows.

	2022 £	2021 £
Turnover	1,184,199	915,996
Direct costs	<u>-814,648</u>	<u>-749,907</u>
Gross profit	369,551	166,089
Other income	<u>16,667</u>	<u>14,932</u>
	386,218	181,021
Other costs	<u>-372,862</u>	<u>-176,947</u>
Profit/(loss) for the year	<u>13,356</u>	<u>4,074</u>

PROMO-CYMRU LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

16 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated	
	2022	2021
	£	£
Trade debtors	116,190	79,608
Prepayments and accrued income	121,065	17,999
VAT recoverable	-	26,849
	<u>237,255</u>	<u>124,456</u>

	Company	
	2022	2021
	£	£
Trade debtors	12,083	5,360
Amounts owed by group undertakings	35,916	64,299
Prepayments and accrued income	115,940	5,527
VAT recoverable	-	26,849
	<u>163,939</u>	<u>102,035</u>

17 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated	
	2022	2021
	£	£
Trade creditors	10,518	160,184
Other loans	11,985	7,634
Taxation and social security	66,884	59,548
VAT payable	4,822	-
Accruals and deferred income	69,846	85,091
Other creditors	5,018	5,355
	<u>169,073</u>	<u>317,812</u>

	Company	
	2022	2021
	£	£
Trade creditors	2,170	147,629
Loans	11,985	7,634
VAT payable	4,822	-
Accruals and deferred income	13,727	36,526
Other creditors	1,000	1,999
	<u>33,704</u>	<u>193,788</u>

Creditors due within one year includes the following liabilities, on which security has been given by the charity:

	2022	2021
	£	£
Wales Council for Voluntary Action	<u>9,818</u>	<u>7,634</u>

Secured on freehold property at 17 West Bute Street, Cardiff CF10 5EP.

PROMO-CYMRU LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

Borrowings

Loan from Wales Council for Voluntary Action

The loan has a carrying amount of £201,726 (2021 - £207,514) and is denominated in Sterling with a nominal interest rate of 7%. The final instalment is due in February 2037.

It is repayable at £1,678.08 per month for 20 years from 3 January 2017, increased to £1,804.27 from July 2017 arising from a further drawdown of £55,000.00.

Security is held on the freehold property at 17 West Bute Street, Cardiff CF10 5EP.

The charity undertakes with Wales Council for Voluntary Action, without prior notification or approval, the following.

1. Not to make any change in the project proposal.
2. Not to incorporate any company as its subsidiary.
3. Not to amend or replace its Memorandum and Articles of Association in any way which could materially and adversely affect the interests of the lender under the financing agreement.

Deferred income

Accruals and deferred income includes deferred income relating to grants received in advance of the period to which they relate:

	Consolidated	
	2022	2021
	£	£
At 31 March 2021	57,687	29,470
Amount released to incoming resources	-57,687	-19,470
Amount deferred in the year	54,694	47,687
At 31 March 2022	<u>54,694</u>	<u>57,687</u>

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CREDITORS AND PROVISIONS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR/PROVISIONS FOR LIABILITIES

	Consolidated	
	2022	2021
	£	£
Loans	215,749	199,880
Deferred tax	<u>1,250</u>	<u>1,350</u>

Creditors' amounts falling due after more than one year includes the following liabilities, on which security has been given by the charity on the freehold property at 17 West Bute Street, Cardiff CF10 5EP.

	2022	2021
	£	£
Loan from Wales Council for Voluntary Action	<u>191,909</u>	<u>199,880</u>

Included in the creditors are the following amounts due after more than five years:

	2022	2021
	£	£
After more than five years by instalments	<u>154,098</u>	<u>163,413</u>

Borrowings due after five years

£154,098.00 repayable at £1,804.27 per month including interest at 7%, fixed, will be repaid in February 2037.

PROMO-CYMRU LTD**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

19	MOVEMENT IN FUNDS	At 1.4.21 £	Incoming resources £	Resources expended £	Transfers £	At 31.3.22 £
	Unrestricted funds					
	General fund	364,723	922,293	-810,178	-125	476,713
		364,723	922,293	-810,178	-125	476,713
	Restricted funds					
	Cardiff Web Project	138	-	-138	-	-
	Heads of the Valleys Programme	154,563	-	-4,183	-	150,380
	Blaenau Gwent Youth Service					
	Capital and Revenue grant	20,342	-	-507	-	19,835
	Big Lottery Community Asset					
	Transfer	353,673	-	-9,362	-	344,311
	Blaenau Gwent Community					
	Economic Development grant	15,123	-	-526	-	14,597
	Blaenau Gwent Community Asset					
	Transfer	144,375	-	-3,500	-	140,875
	Arts for All grant	4,504	-	-99	-	4,405
	Tai Calon grant	217	-	-72	-	145
	Valleys Environment grant	4,550	-	-100	-	4,450
	Police and Crime					
	Commissioners Partnership	246	-	-82	-	164
	Gavo Cash4u grant	172	-	-57	-	115
	Social Business Growth Fund	122	-	-41	-	81
	WAG Landfill Disposal Scheme	17,692	-	-369	-	17,323
	Youth Access grant	-	20,272	-20,272	-	-
	EVI CFAP grant	237,667	-	-12,328	-	225,339
	EYST grant	-	5,125	-5,125	-	-
	Covid Support grant	-	7,241	-1,207	-	6,034
	Voluntary Services Recovery Fund	-	1,000	-1,000	-	-
	Social Business Growth Fund 2	-	17,338	-7,660	-	9,678
	C3CS grant	-	5,000	-5,125	125	-
	NEWED grant	-	166,900	-86,275	-	80,625
	UKCR Funding	-	64,629	-64,629	-	-
	Emotional Health and Wellbeing	-	13,850	-13,850	-	-
	Lottery Awards for All	-	10,000	-10,000	-	-
	Lottery Community Fund	-	10,000	-10,000	-	-
		953,384	321,355	-256,507	125	1,018,357
	TOTAL FUNDS	1,318,107	1,243,648	-1,066,685	-	1,495,070

The general fund balance at 31 March 2022 includes £63,109 of funds retained within the non-charitable subsidiary (2021: £49,753).

The incoming resources include £913,248 (2021: £830,539) of income received by the non-charitable subsidiary. The resources expended include £936,474 (2021: £838,674) of costs expended by the non-charitable subsidiary. The non-charitable subsidiary paid £200,000 (2021: £30,000) to Promo-Cymru Ltd by way of gift aid. The net surplus for the year achieved by the non-charitable subsidiary was £13,156 (2021: £4,074).

PROMO-CYMRU LTD**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022****MOVEMENT IN FUNDS**

	At 1.4.20 £	Incoming resources £	Resources expended £	Transfers £	At 31.3.21 £
Unrestricted funds					
General fund	318,936	866,099	-820,312	-	364,723
	<u>318,936</u>	<u>866,099</u>	<u>-820,312</u>	<u>-</u>	<u>364,723</u>
Restricted funds					
Cardiff Web Project	138	-	-	-	138
Heads of the Valleys Programme	158,817	-	-4,254	-	154,563
Blaenau Gwent Youth Service					
Capital and Revenue grant	20,849	-	-507	-	20,342
Big Lottery Community Asset					
Transfer	363,564	-	-9,891	-	353,673
Blaenau Gwent Community					
Economic Development grant	15,735	-	-612	-	15,123
Blaenau Gwent Community Asset					
Transfer	147,875	-	-3,500	-	144,375
Arts for All grant	4,603	-	-99	-	4,504
Tai Calon grant	326	-	-109	-	217
Valleys Environment grant	4,650	-	-100	-	4,550
Police and Crime					
Commissioners Partnership	369	-	-123	-	246
Gavo Cash4u grant	258	-	-86	-	172
Social Business Growth Fund	183	-	-61	-	122
Paul Hamlyn Trust	-	30,000	-30,000	-	-
WAG Landfill Disposal Scheme	18,061	-	-369	-	17,692
Money and Pensions					
Service grant	-	30,000	-30,000	-	-
Youth Access grant	-	14,682	-14,682	-	-
Cast grant	-	3,400	-3,400	-	-
EVI CFAP grant	-	249,867	-12,200	-	237,667
Youth Work Support grant	-	7,000	-7,000	-	-
EYST grant	-	15,375	-15,375	-	-
	<u>735,428</u>	<u>350,324</u>	<u>-132,368</u>	<u>-</u>	<u>953,384</u>
TOTAL FUNDS	<u>1,054,364</u>	<u>1,216,423</u>	<u>-952,680</u>	<u>-</u>	<u>1,318,107</u>

The general fund balance at 31 March 2021 includes £49,753 of funds retained within the non-charitable subsidiary (2020: £45,679).

The incoming resources include £830,539 (2020: £815,661) of income received by the non charitable subsidiary.
The resources expended include £838,674 (2020: £818,427) of costs expended by the non-charitable subsidiary.
The non-charitable subsidiary paid £30,000 (2020: £66,422) to Promo-Cymru Ltd by way of gift aid. The net surplus for the year achieved by the non-charitable subsidiary was £4,074 (2020: £7,410).

PROMO-CYMRU LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Consolidated		Consolidated	
	Unrestricted funds	Restricted funds	total funds 2022	total funds 2021
	£	£	£	£
Tangible fixed assets	419,382	937,732	1,357,114	1,363,734
Current assets	322,301	201,727	524,028	473,415
Current liabilities	-71,811	-97,262	-169,073	-317,812
Deferred liabilities	-193,159	-23,840	-216,999	-201,230
TOTAL FUNDS	476,713	1,018,357	1,495,070	1,318,107

	Company		Company	
	Unrestricted funds	Restricted funds	total funds 2021	total funds 2020
	£	£	£	£
Tangible fixed assets	411,335	937,732	1,349,067	1,354,782
Fixed asset investments	100	-	100	100
Current assets	230,940	201,727	432,667	307,240
Current liabilities	-36,762	-97,262	-134,024	-193,788
Deferred liabilities	-191,909	-23840	-215,749	-199,880
TOTAL FUNDS	413,704	1,018,357	1,432,061	1,268,454

21 ANALYSIS OF NET FUNDS

	At 1 April 2021	Cashflow	At 31 March 2022
	£	£	£
Cash at bank and in hand	347,046	-62,103	284,943
Debt due within one year	-7,634	-2,184	-9,818
Debt due after more than one year	-199,880	-15,869	-215,749
Net debt	139,532	-80,156	59,376

	At 1 April 2020	Cashflow	At 31 March 2021
	£	£	£
Cash at bank and in hand	164,202	182,844	347,046
Debt due within one year	-4,089	-3,545	-7,634
Debt due after more than one year	-208,267	8,387	-199,880
Net debt	-48,154	187,686	139,532

PROMO-CYMRU LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

22 RELATED PARTIES

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

Related party transactions

Promo-Cymru Ltd contracts with Promo-Cymru Trading Ltd for the provision of support resources to facilitate the completion of grant funded projects.

During the year the charity purchased goods or received services or incurred other liabilities from Promo-Cymru Trading Limited, a wholly owned subsidiary company, in the sum of £287,619 (2021: £85,457) and, sold goods or rendered services or provided other assets to Promo-Cymru Trading Limited in the sum of £36,875 (2021: £58,180). The charity also received £200,000 (2021: £30,000) by way of gift aid from Prom-Cymru Trading Limited. The balance due to the charity at the year end was £35,915 (2021: £64,299).

Accounts

Company registration number: 1816889 (England and Wales)
Charity registration number: 1094652

**REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
FOR
PROMO-CYMRU LTD**

**Robert Hugh Limited
Registered Auditors
and Chartered Accountants
15 Dan y Bryn Avenue
Radyr
Cardiff
CF15 8DD**

**CHARITY COMMISSION
FIRST CONTACT**

- 4 JAN 2022

**ACCOUNTS
RECEIVED**

PROMO-CYMRU LTD

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FOR THE YEAR ENDED 31 MARCH 2021

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PROMO-CYMRU LTD

REFERENCE AND ADMINISTRATIVE DETAILS

Charity name Promo-Cymru Ltd

Charity registration number 1094652

Company registration number 1816889

Principal office 17 West Bute Street
Cardiff
CF10 5EP

Registered office 17 West Bute Street
Cardiff
CF10 5EP

The charity is incorporated in England and Wales.

Trustees M Morgan, Chair
M Bowden
D M Martin
S Corria
L Kingdon
A Rogan
R Crewe-Rees
MD Williams
AS Ozalp

Secretary M Gil-Cervantes

Auditors Robert Hugh Limited
Registered Auditors and Chartered Accountants
15 Dan y Bryn Avenue
Radyr
Cardiff
CF15 8DD

PROMO-CYMRU LTD

TRUSTEES' REPORT

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 March 2021.

Structure, Governance and Management

Governing Document

The charity is controlled by its governing document, its Memorandum and Articles of Association, and is limited by guarantee and not having a share capital, as defined by the Companies Act 2006.

Every member of the company undertakes to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up while he/she is a member or within one year after he/she ceased to be a member, for repayment of the company's debts and liabilities contracted before he/she ceased to be a member, and of the costs and expenses of winding up, and for the adjustment of the rights of the contributors amongst themselves.

Recruitment and Appointment of New Trustees

The company is directed by a board of trustees, the members of which are all committed to the sector's principles and ideals.

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Council of Management. Under the requirements of the Memorandum and Articles of Association, the members of the Council of Management are elected to serve for a year after which they must be re-elected at the next Annual General Meeting.

The members of the board receive no material benefits or remuneration from the company for their time and services.

Induction and Training of New Trustees

Most trustees are already familiar with the practical work of the charity. Information is made available covering the following.

- The obligations of Management Committee members.
- The main documents which set out the operational framework for the charity including the Memorandum and Articles of Association.
- Resourcing and the current financial position as set out in the latest published accounts.
- Future plans and objectives.

Organisational Structure

The board of trustees, who meet bi-monthly, administer the charity. A chief executive is appointed by the trustees to manage the day-to-day operation of the charity.

PROMO-CYMRU LTD

TRUSTEES' REPORT

Wider Network

Promo-Cymru has continued to work with a number of partners.

These include:-

- Council for Wales Voluntary Youth Service
- Wales Council for Voluntary Action
- Wales Co-op Centre
- The Urdd
- Community Investment Fund
- Welsh Government
- Development Trust Association
- Children in Wales
- Voluntary Councils across Wales
- Ethnic Youth Support Team
- Public Health Wales
- Youth Cymru
- Local Authorities
- The Interim Youth Work Board
- European Youth Information and Counselling Agency
- National Museums of Wales
- Catalyst
- Lloyds Bank Foundation

Subsidiary Undertakings

Promo-Cymru Ltd is the holding company of a trading subsidiary company called Promo-Cymru Trading Limited.

The principal activities of the company in the year under review were:

1. Activities centred around providing information, advice and advocacy for young people in Wales. This was carried out under the project name MEIC (The National Information and Advice and Advocacy Service - direct contact, telephone, instant messaging and text based).
2. The trading development of the Ebbw Vale Institute as a youth, community and cultural centre for the communities of Blaenau Gwent and beyond.
3. In the area of digital, multimedia and communications, Promo-Cymru Trading continued to deliver goods and services such as consultation, service design, video production, social media training and website development and administration.

Risk Management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Major risks are reported to the board via the Chief Executive and Deputy Chief Executive via the project and finance reports produced for and presented at the Promo-Cymru Management Board. The examination will cover the major strategies, business and operational risks which the charity faces. The reporting system so established is to enable regular reports to be produced so that any necessary steps can be taken to mitigate exposure to these risks. These procedures are to be periodically reviewed to ensure that they still meet the needs of the charity.

PROMO-CYMRU LTD

TRUSTEES' REPORT

The risk management strategy will comprise:-

- an annual review of the risks the charity may face
 - the establishment of systems and procedures to mitigate those risks identified in the plan
 - the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise
- Trustees:
- risk management statement - reviewed each year
 - conflict of interest register - updated each year
 - trustee welcome pack inclusive of signed statements of ability to serve as a trustee
- Staff:
- proof of ID required
 - DBS checks (where applicable)
 - references
 - probation period
 - regular appraisals
 - comprehensive personnel files
 - trained to ensure capability to undertake role
- HR:
- ongoing updates and training to keep up with changes in legislation
 - robust policy and procedures - updates where required
 - back up legal assistance in place
- Health & safety:
- office risk assessments
 - updates and training when necessary
- Information technology:
- all laptops are password protected and equipped with the latest AVG antivirus software
 - users are required to change their Office365 password every 90 days for security purposes
 - all websites are secured with SSL Certificates. Independent web security testing takes place annually.

The risk register of the organisation is maintained and regularly reviewed at trustee meetings. The trustees' comments and response to the risk register are recorded in the minutes including follow up actions. The trustees are satisfied that Promo-Cymru is undertaking all actions required to mitigate risk across the organisation.

Objectives and Activities

Objectives and Aims

The objective of Promo-Cymru is to support the development of young people, families and the communities they live in.

Promo-Cymru's Vision:

Promo-Cymru works to ensure young people and communities are informed, engaged, connected and heard.

Promo-Cymru's Mission:

We work collaboratively to make links between people and services using creativity and digital technology. Supporting the third and public sectors to imagine, test and create better services.

Promo works with communities through communications, advocacy, cultural engagement, digital and media production. Our work is informed by over 20 years of delivering digital youth information projects. We share this knowledge through training and consultancy, forming long term partnerships to benefit people and organisations.

PROMO-CYMRU LTD

TRUSTEES' REPORT

Promo-Cymru is a registered charity and social enterprise; our profits are invested back into our community projects.

Promo-Cymru will work collectively, cooperatively and in partnership with people and organisations that share these objectives.

Public Benefit Statement

In setting our objectives and planning our activities, the trustees of Promo-Cymru have given careful consideration to The Charity Commission's general guidance on public benefit.

Promo-Cymru is committed to the development of young people and families in Wales through their participation in activities that enable young people to voice their opinions and contribute to an inclusive Wales in line with the United Nations Charter on the Rights of the Child and to work with partners to develop and deliver anti-poverty strategies.

Promo-Cymru is also committed to delivering a creative hub, facilitated at EVI as part of the regeneration of Ebbw Vale town and the surrounding area. This project will provide the local community with a much needed focus for cultural, social and economic development in Ebbw Vale and the Heads of the Valleys areas.

Significant Activities

The significant activities undertaken during the year encompassed the following projects:

EVI - Ebbw Vale Institute Project - working to develop the Ebbw Vale Institute as a cultural centre in Ebbw Vale.

This year included a £200,000 building refurbishment programme funded by the Welsh Government's Communities Facilities Grant.

www.thesprout.co.uk - Promo-Cymru supplies Cardiff's young people's information, financed and commissioned by Cardiff Council and Families First. The focus of this work is the web development website of www.thesprout.co.uk and support to young people who are part of its Editorial Board.

Melc Helpline - the Wales wide advocacy based helpline for young people in Wales.

DesyIgn - a project to develop workshop material and an online course on Service Design for the youth sector in Europe. This is led by ERYICA and funded by Erasmus. Other key partners are Koordinatti, Finland's Youth Information Service with support from a number of youth information services across Europe. This project has now reached the stage where pilot courses have been completed and the lessons learnt incorporated into future iterations. Its first official course started in October 2021.

Service Design Consultancy - our embedded culture of agile working, lean thinking and flexible management.

Volunteers

Management Board

Promo-Cymru's Management Board are all volunteers who give of their time and invaluable experience. Without their advice and support Promo-Cymru would not have the organisational substance to deliver unique services.

European Volunteers

Due to the interruptions of the Covid pandemic, Promo-Cymru decided to put this programme on hold, although we are now looking to have an EVS volunteer in 2022.

PROMO-CYMRU LTD

TRUSTEES' REPORT

Achievement and Performance

Charitable Activities

The Sprout.co.uk

This year this project continued to be funded by Cardiff's Families First Partnership to create a relevant, accessible information and communications vehicle for young people in Cardiff and, importantly, to support the work of the Families First Initiative in Wales. A focus of the project has been to create effective working relationships with the various organisations within the Families First partnership. The site places participation foremost and allows young people and organisations to input news items, photos, events listings and has a searchable organisational database of all organisations working in Cardiff with young people. This year we have begun to develop activities to re-brand the service with the full involvement of young people and utilising innovative methodologies.

EVI Ebbw Vale Institute Project

Promo-Cymru has, since the completion of the Community Asset Transfer several years ago, brought Ebbw Vale Institute back into use as a vibrant community space offering cultural and social activities for the Blaenau Gwent area and beyond.

As a community social, arts and music based activities venue, EVI facilities include:-

- A live venue for music and poetry
- A gallery exhibition space
- A fully equipped conference venue
- A social space for weddings and gatherings
- Rehearsal spaces including music showcase and dance studio
- Community café
- Multimedia facilities
- Video editing and production suite
- Business development space and facilities for young cultural businesses
- Rental spaces for cultural industry businesses
- The high specification music studio is also fully operational.

EVI is currently used by a wide range of public, third sector organisations and community groups and individuals. EVI has developed into a Cultural and Community Hub for the communities of Ebbw Vale and Blaenau Gwent.

Promo-Cymru is continuing to streamline and evaluate EVI's operations.

Promo-Cymru has been awarded a grant from Welsh Government's Communities and Facilities Programme to upgrade the internal and external fabric of the building in accordance with consultation carried out with people who use EVI.

Internal and External Factors

The most significant internal and external factors arising during the year were as follows:

Internal

Promo-Cymru continues to develop its internal policies and procedures in line with legislative and HR developments. We endeavour also to keep up-to-date with communications and technological developments.

Promo-Cymru has developed a Senior Management Team to guide and control the operational management of the organisation and, with the Directors of Promo-Cymru, be part of the organisation's strategic direction. This work will also actively seek input from all staff, volunteers and clients of Promo-Cymru.

PROMO-CYMRU LTD

TRUSTEES' REPORT

The development of Promo-Cymru's new headquarters building in Cardiff Bay has ensured that the building is energy efficient by installing new high grade insulation.

Promo-Cymru has continued to embrace effective communication tools with young people in Wales and have endeavoured to be the leading provider. We have embraced social media communication and are providing advice and support to the third and public sectors.

Promo-Cymru has embraced Service Design methodologies as a natural progression to our work and are gaining recognition for this innovative work across Wales, UK and the European Youth Sector.

Promo-Cymru periodically has staff observers attending board meetings, where appropriate, to allow for their direct input into discussions.

Clients are fully involved in Promo-Cymru projects via our core co-production and engagement methodology. Their involvement and feedback is channelled into project delivery and into the Management Board.

As a value driven organisation, we have made steps to make our values clearer and publish them on our website and make them part of our recruitment process to ensure we let the public, clients and our staff know what is important to us. This work is on-going and has a group made up of board and staff members to review.

External

The Covid pandemic has been a challenge. Promo-Cymru's high level use and understanding of the possibilities of digital communications has allowed Promo-Cymru to respond quickly, as the tools and our agile mind set and practices are part of Promo-Cymru's DNA. This has allowed Promo-Cymru to ramp up contact points with young people over Wales utilising focused social media campaigns and provide support for the voluntary and statutory youth sectors over Wales.

Promo-Cymru was technologically well placed to respond at speed. The decision for all to work at home was taken early and appreciated by staff. As all ICT was remote/homeworking ready the change took place with immediate effect and little to no interruption.

Promo-Cymru also realised that it had a skills base able to help many organisations adapt to the new challenges brought by Covid. We set up a free set of workshops accessed by the voluntary sector across Wales which sped up the 'digitalisation' of many organisations.

Promo-Cymru also developed its youth focussed communications knowledge, especially on social media, to target young people no longer in schools, youth services and the social services they were previously able to access face-to-face. The Meic Instagram account grew exponentially. This targeted young people to make sure they had someone to contact in need for the 16 hours a day the helpline was open.

The external environment continues to be a challenge. We continue to monitor policy developments in Wales and the UK and make changes accordingly.

Promo-Cymru has led the field in digital transformation for a number of years. Clearer branding, identity, communications and self-belief have increased our profile and confidence leading to new markets and clients.

PROMO-CYMRU LTD

TRUSTEES' REPORT

Financial Review

The trustees receive management financial reports and review the financial position of Promo-Cymru on a regular basis as a key standing agenda item. The trustees have considered budgets and forecasts for the period to March 2023 and support the management team in the on-going financial development of the organisation as a going concern.

The management team work closely with the Chair of the trustees on a regular basis outside of board meetings.

Austerity has certainly impacted not only on Promo-Cymru, but also across the third sector. Promo-Cymru continues to innovate and forward think. Key corporate strategies of heightening the profile of Promo-Cymru, which have led to the winning of a number of key awards and the development of inroads in new markets, are beginning to work.

Unrestricted reserves before transfers increased by £41,713 (group £45,787) during the year, compared with an increase in the previous year of £40,557 (group £47,967). Depreciation charges on assets owned by Promo-Cymru Ltd, including the land and buildings of Ebbw Vale Institute and 17 West Bute Street, also impact on the financial activities reported.

Promo-Cymru continues to invest in its staff and profile.

At the year end Promo-Cymru Ltd remains in a strong financial position, with unrestricted reserves of £315,070 (group £364,723) and total net assets of £1,268,454 (group £1,318,107).

The organisation also continues to maintain adequate working capital to facilitate its activities.

The staffing restructure which took place in 2018, and the longer term focused decision to keep key capacity in place, which meant a careful use of reserves, has now had an effect which has seen our incomes, impact and profile expand.

Reserves Policy

Purpose

The purpose of the Reserves Policy of Promo-Cymru is to ensure the stability of the projects, employment and ongoing operations of the organisation. The Operating Reserve (ie, unrestricted reserves) is intended to provide an internal source of funds for situations such as a sudden increase in expenses, one time unbudgeted expenses, unanticipated loss in funding, or uninsured losses. The Reserves may also be used for one-time, non-recurring expenses that will build long-term capacity, such as staff development, research and development, or investment in infrastructure.

Operating Reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap. It is the intention of Promo-Cymru for Operating Reserves to be used and replenished within a reasonably short period of time. The Operating Reserves Policy will be implemented in concert with the other governance and financial policies of Promo-Cymru and is intended to support the goals and strategies contained in these related policies and in strategic and operational plans.

Definitions and Goals

The Operating Reserve Fund is defined as a designated fund set aside by action of the trustees. The minimum amount to be designated as Operating Reserve will be established in an amount sufficient to maintain ongoing operations and programmes for a set period of time. The Operating Reserve serves a dynamic role and will be reviewed and adjusted in response to internal and external changes.

PROMO-CYMRU LTD

TRUSTEES' REPORT

The target minimum Operating Reserve Fund is equal to 6 months of average operating costs. The calculation of average monthly operating costs includes all recurring, predictable expenses such as salaries and benefits, loans, office, travel, project, and ongoing professional services. Depreciation, in-kind, and other non-cash expenses are not included in the calculation.

The calculation of average monthly expenses also excludes some expenses, eg, one-time or unusual and capital purchases. The amount of the Operating Reserve Fund target minimum will be calculated each year after approval of the annual budget, reported to the trustees and Finance Sub Committee, and included in the regular financial reports.

Accounting for Reserves

The Operating Reserve Fund will be recorded in the financial records as unrestricted reserves. The Fund will be funded and available in cash or cash equivalent funds.

Funding of Reserves

The Operating Reserve Fund will be funded with surplus unrestricted operating funds. The trustees may from time to time direct that a specific source of revenue be set aside for Operating Reserves.

Use of Reserves

Use of the Operating Reserves requires three steps:

1. Identification of appropriate use of reserve funds

The trustees and staff will identify the need for access to reserve funds and confirm that the use is consistent with the purpose of the reserves as described in this Policy. This step requires analysis of the reason for the shortfall, the availability of any other sources of funds before using reserves, and evaluation of the time period that the funds will be required and replenished.

2. Authority to use operating reserves

Authority for use of Operating Reserves is delegated to the CEO in consultation with the Chair of the trustees. The use of Operating Reserves will be reported to the trustees at their next scheduled meeting, accompanied by a description of the analysis and determination of the use of funds and plans for replenishment to restore the Operating Reserve Fund to the target minimum amount. The CEO must receive prior approval from the trustees if the Operating Reserves will take longer than 12 months to replenish.

3. Reporting and monitoring

The CEO is responsible for ensuring that the Operating Reserve Fund is maintained and used only as described in this Policy. Upon approval for the use of Operating Reserve funds, the CEO will maintain records of the use of funds and plan for replenishment. The CEO will provide regular reports to the Finance Sub Committee and board of trustees of progress to restore the Fund to the target minimum amount.

Policy Review

This policy will be reviewed every other year, at minimum, by the Finance Sub Committee, or sooner if warranted by internal or external events or changes. Changes to the Policy will be recommended by the Finance Sub Committee to the board of trustees.

Principal Funding Sources

The company is primarily funded from the receipt of grant income from the Welsh Government and Cardiff Council.

PROMO-CYMRU LTD

TRUSTEES' REPORT

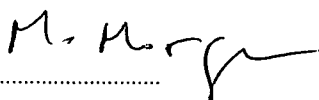
Plans for Future Periods

Promo-Cymru seeks to further develop its charitable activities.

Promo-Cymru will continue to use its experience to develop its expertise across a number of areas. These are:

- 1 Helpline expertise, online and office information to include the promotion of citizen voices. We have developed an integrated communications model to better describe our offer.
- 2 The development of further support to communities, families and people of all ages to support both physical and social developments.
- 3 The development of support and mentoring services to other third sector organisations such as leadership and management development, finance management and other corporate issues.
- 4 The support of organisations to better utilise Service Design Methodologies, IT and communications technology, such as social media practice and policy.
- 5 The development of our central administrative building to allow disparate areas of Promo-Cymru to be housed together and the wider involvement of clients and other organisations in the work of the organisation is working well. We will continue to review better and more efficient use of the building and consider renting further spaces to like minded organisations.
- 6 Promo-Cymru has begun the exploration of working with young people on the development of Social and Environmental Economy projects and organisations.

The annual report was approved by the trustees of the charity on 14 December 2021 and signed on its behalf by:


.....
M Morgan
Trustee

PROMO-CYMRU LTD

STATEMENT OF TRUSTEES' RESPONSIBILITIES

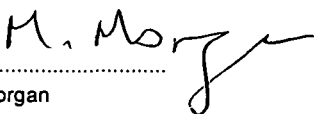
The trustees (who are also the directors of Promo-Cymru Ltd for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Approved by the trustees of the charity on 14 December 2021 and signed on its behalf by:


.....
M Morgan
Trustee

PROMO-CYMRU LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROMO-CYMRU LTD

Opinion

We have audited the financial statements of Promo-Cymru Ltd, the 'charitable parent company' and its subsidiary (the 'group') for the year ended 31 March 2021, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended:
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other Information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

PROMO-CYMRU LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROMO-CYMRU LTD

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 11), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements, including how fraud may occur by enquiring of management of its own consideration of fraud. In particular, we looked at where management made subjective judgements, for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. We also considered potential financial or other pressures, opportunity and motivations for fraud. As part of this discussion we identified the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations and how management monitor these processes. Appropriate procedures included the review and testing of manual journals and key estimates and judgements made by management.

PROMO-CYMRU LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROMO CYMRU LTD

We gained an understanding of the legal and regulatory framework applicable to the charity and the industry in which it operates, drawing on our broad sector experience, and considered the risk of acts by the charity that were contrary to these laws and regulations, including fraud.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to the Charities Act, Companies Acts, UK tax legislation and equivalent local laws and regulations.

We made enquiries of management with regards to compliance with the above laws and regulations and corroborated any necessary evidence to relevant information, for example, minutes of the Trustees' meetings and any other relevant correspondence.

We completed samples of transaction testing with a focus on the income and expenditure throughout the year to ensure that activities were supported and in line with the charity's rules and practices. Any unusual findings were raised with management for further investigation.

Our tests included agreeing the financial statements disclosures to underlying supporting documentation and enquiries with management.

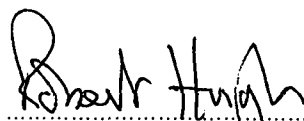
We did not identify any key audit matters relating to irregularities, including fraud. As in all of our audits, we also addressed the risk of management override of internal controls including testing journals and evaluation whether there was evidence of bias by management that represented a risk of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Robert Hugh (Senior Statutory Auditor)

For and on behalf of Robert Hugh Limited, Statutory Auditor

15 Dan y Bryn Avenue
Radyr
Cardiff
CF15 8DD

Signed on 17 December 2021

PROMO-CYMRU LTD
STATEMENT OF CONSOLIDATED FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021

				Continuing operations	Discontinued operations	
	Notes	Unrestricted funds	Restricted funds	total 2021	total 2021	Total 2021
		£	£	£	£	£
INCOME AND ENDOWMENTS FROM:						
Activities for generating funds	3	765,365	-	765,365	-	765,365
Voluntary income	4	1,000	-	1,000	-	1,000
Investment income	5	65,174	-	65,174	-	65,174
Charitable activities	6	34,560	350,324	384,884	-	384,884
Total income		866,099	350,324	1,216,423	-	1,216,423
EXPENDITURE ON:						
Charitable activities	7	820,312	132,368	952,680	-	952,680
Total expenditure		820,312	132,368	952,680	-	952,680
NET INCOME/(EXPENDITURE)		45,787	217,956	263,743	-	263,743
Gross transfers between funds		-	-	-	-	-
NET MOVEMENT IN FUNDS		45,787	217,956	263,743	-	263,743
Reconciliation of funds:						
Total funds brought forward		318,936	735,428	1,054,364	-	1,054,364
TOTAL FUNDS CARRIED FORWARD	19	364,723	953,384	1,318,107	-	1,318,107

				Continuing operations	Discontinued operations	
	Notes	Unrestricted funds	Restricted funds	total 2020	total 2020	Total 2020
		£	£	£	£	£
INCOME AND ENDOWMENTS FROM:						
Activities for generating funds	3	787,677	-	787,677	-	787,677
Voluntary income	4	500	-	500	-	500
Investment income	5	27,484	28,988	56,472	-	56,472
Charitable activities	6	8,492	140,689	149,181	-	149,181
Total income		824,153	169,677	993,830	-	993,830
EXPENDITURE ON:						
Charitable activities	7	787,425	190,500	977,925	-	977,925
Total expenditure		787,425	190,500	977,925	-	977,925
NET INCOME/(EXPENDITURE)		36,728	-20,823	15,905	-	15,905
Gross transfers between funds		11,239	-11,239	-	-	-
NET MOVEMENT IN FUNDS		47,967	-32,062	15,905	-	15,905
Reconciliation of funds:						
Total funds brought forward		270,969	767,490	1,038,459	-	1,038,459
TOTAL FUNDS CARRIED FORWARD	19	318,936	735,428	1,054,364	-	1,054,364

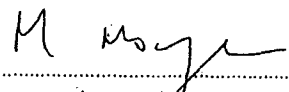
All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2021 and 2020 is shown in note 19.

PROMO-CYMRU LTD.
BALANCE SHEETS
AT 31 MARCH 2021

	Notes	Consolidated		Company	
		2021 Total funds £	2020 Total funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	14	1,363,734	1,141,572	1,354,782	1,130,582
Investments	15	-	-	100	100
		<u>1,363,734</u>	<u>1,141,572</u>	<u>1,354,882</u>	<u>1,130,682</u>
CURRENT ASSETS					
Stocks		1,913	1,557	-	-
Debtors	16	124,456	81,213	102,035	79,283
Cash at bank and in hand		347,046	164,202	205,205	53,203
		<u>473,415</u>	<u>246,972</u>	<u>307,240</u>	<u>132,486</u>
CREDITORS					
Amounts falling due within one year	17	-317,812	-124,313	-193,788	-46,116
NET CURRENT ASSETS		<u>155,603</u>	<u>122,659</u>	<u>113,452</u>	<u>86,370</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,519,337</u>	<u>1,264,231</u>	<u>1,468,334</u>	<u>1,217,052</u>
CREDITORS AND PROVISIONS					
Amounts falling due after one year	18	-199,880	-208,267	-199,880	-208,267
Provisions for liabilities	18	-1,350	-1,600	-	-
		<u>-1,318,107</u>	<u>1,054,364</u>	<u>1,268,454</u>	<u>1,008,785</u>
FUNDS					
Unrestricted funds	19	364,723	318,936	315,070	273,357
Restricted funds	19	953,384	735,428	953,384	735,428
NET ASSETS		<u>1,318,107</u>	<u>1,054,364</u>	<u>1,268,454</u>	<u>1,008,785</u>

The financial statements on pages 15 to 33 were approved by the trustees, and authorised for issue on 14 December 2021 and signed on their behalf by:


M Morgan (Trustee)

PROMO-CYMRU LTD**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Consolidated		Company	
		2021 Total funds £	2020 Total funds £	2021 Total funds £	2020 Total funds £
Cash flows from operating activities					
Net cash income		263,743	15,905	259,669	8,495
Adjustments to cash flows from non-cash items					
Depreciation		33,945	36,550	30,209	32,519
		297,688	52,455	289,878	41,014
Working capital adjustments					
(Increase)/decrease in stocks		-356	1,830	-	-
(Increase)/decrease in debtors	15	-43,243	19,419	-22,752	-52,074
(Decrease)/increase in creditors	16	161,737	-38,162	129,717	733
(Decrease)/increase in deferred income	17	28,217	7,914	14,410	6,534
(Decrease)/increase in provisions	17	-250	100	-	-
Net cash flows from operating activities		443,793	43,556	411,253	-3,793
Cash flows from investing activities					
Purchase of tangible fixed assets	14	-256,107	-5,981	-254,409	-1,800
Net cash flows from investing activities		-256,107	-5,981	-254,409	-1,800
Cash flows from financing activities					
Repayments of loans and borrowings		-4,842	-17,932	-4,842	-17,932
Net cash flows from financing activities		-4,842	-17,932	-4,842	-17,932
Net (decrease)/increase in cash and cash equivalents		182,844	19,643	152,002	-23,525
Cash and cash equivalents at 1 April		164,202	144,559	53,203	76,728
Cash and cash equivalents at 31 March		347,046	164,202	205,205	53,203

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1 CHARITY STATUS

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office and principal place of business is:
17 West Bute Street, Cardiff Bay CF10 5EP

These financial statements were authorised for issue by the trustees on 14 December 2021.

2 ACCOUNTING POLICIES

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Basis of preparation

Promo-Cymru Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The financial statements have been prepared on the going concern basis.

The trustees assess whether the use of going concern is appropriate, ie, whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Group accounts and investment in subsidiary

The accounts have been consolidated to include the results of the charity's subsidiary. No income and expenditure account of the charity has been presented as permitted by the Companies Act 2006 and paragraph 423 of the SORP. The investment in the subsidiary is stated at cost less provision for any impairment.

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Intercompany transactions, balances and unrealised gains on transactions between the charity and its subsidiary, which are related parties, are eliminated in full.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity 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 these conditions will be fulfilled in the reporting period.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the 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 of the 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.

Tangible fixed assets

Individual fixed assets costing £150.00 or more are initially recorded at cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Freehold property	• 2% on cost
Fixtures, fittings and equipment	• 10% to 25% on reducing balance
Computer equipment	• 33 1/3% on reducing balance

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

Fixed asset investments

Investments in associates are accounted for using the equity method. Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the charities share of the profit or loss and other comprehensive income of the associate. Goodwill arising on the acquisition of associates is accounted for in accordance with the policy set out above. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method, where applicable.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

Financial Instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Debt Instruments

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method.

- a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

PROMO-CYMRU LTD**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit and loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

3 ACTIVITIES FOR GENERATING FUNDS

	Consolidated	
	2021	2020
	£	£
Projects, consultancy, workshops, events and helpline fees	765,365	787,677

4 VOLUNTARY INCOME

	Consolidated	
	2021	2020
	£	£
Donations	1,000	500

5 INVESTMENT INCOME

	Consolidated	
	2021	2020
	£	£
Rents received	65,154	56,472
Interest received	20	-
	65,174	56,472

6 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds		Restricted funds		Consolidated	
	General				2021	2020
	£		£		£	£
Money and Pensions Services grant	-		30,000		30,000	70,000
Paul Hamlyn grant	-		30,000		30,000	30,000
Youth Access grant	-		14,682		14,682	-
EVI CFAP grant	-		249,867		249,867	-
EYST grant	-		15,375		15,375	-
Welsh Government Landfill Disposal Scheme grant	-		-		-	10,027
Social Business Growth Fund	-		-		-	12,527
Other project grants	-		10,400		10,400	18,135
Covid grant	25,000		-		25,000	-
Fees and rental income	9,560		-		9,560	8,492
	34,560		350,324		384,884	149,181

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

7 EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds	Restricted funds	Consolidated	
	£	£	2021 £	2020 £
Subsidiary company	734,075	-	734,075	686,314
Core support	77,852	-	77,852	93,526
Heads of the Valleys Programme	-	4,254	4,254	4,361
Big Lottery Community Asset Transfer	-	9,891	9,891	10,685
Money and Pensions Services grant	-	30,000	30,000	70,000
EVI CFAP	-	12,200	12,200	-
EYST	-	15,375	15,375	-
NESTA	-	-	-	7,500
Social Business Growth Fund	-	-	-	12,344
Paul Hamlyn Trust	-	30,000	30,000	30,000
Blaenau Gwent EVI	-	-	-	28,987
Other projects	-	30,648	30,648	26,623
	811,927	132,368	944,295	970,340

	Activity undertaken directly	Activity support costs	Consolidated	
	£	£	2021 £	2020 £
Subsidiary company	734,075	-	734,075	686,314
Staff costs	14,932	50	14,982	15,249
Exchange workers	-	-	-	2,920
Project costs	113,808	700	114,508	170,669
Freelance consultants	-	-	-	2,345
Office costs	-	5,779	5,779	6,446
Advertising and marketing	-	-	-	1,074
Repairs and renewals	15,222	-	15,222	18,921
Insurance	-	12,318	12,318	12,260
Premises costs	-	5,282	5,282	6,458
Loan interest	-	11,920	11,920	15,165
Depreciation	30,209	-	30,209	32,519
	908,246	36,049	944,295	970,340

In addition to the expenditure analysed above, there are also governance costs of £8,385 (2020 - £7,585) which relate directly to charitable activities. See note 8 for further details.

8 ANALYSIS OF GOVERNANCE AND SUPPORT COSTS

SUPPORT COSTS

Governance	Finance	Staff	Admin	Premises	Other	Totals 2021	Totals 2020
£	£	£	£	£	£	£	£
4,175	11,920	50	5,779	5,282	13,018	40,224	44,541

The support costs cover the promotion of youth, adult and family development work.

GOVERNANCE COSTS

	Consolidated	
	2021 £	2020 £
Auditor's remuneration	8,385	7,585

PROMO-CYMRU LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

9 GOVERNMENT GRANTS

Money and Pension Services

Promo-Cymru was commissioned by the Money Advice and Pensions Service to carry out research on how best to engage young people at key learning points to better support their financial literacy.

Paul Hamlyn Foundation

PHF has funded Promo-Cymru as a leading youth organisation in Wales. This funding is to support our general aims of developing digital youth services in Wales. There are no further stipulations as to how this funding is spent.

Youth Access

Promo-Cymru is working with Youth Access as part of a national project funded by the National Lottery UK. We are working with young people and partners to help ensure that youth voice is heard in the design process of mental health provision.

CFAP

Promo-Cymru received funding from Welsh Government under The Community Facilities Programme. The aim of the capital grant was to improve community facilities which are useful to, and well used by, people in the community. The funding was used to undertake much needed renovations at Ebbw Vale Institute.

EYST

Promo-Cymru received a grant to support the 'We Are Wales' project, with video editorial, training support and web creation, which worked with citizen journalists to gather video stories of the great volunteering and work carried out by ethnic minorities in Wales during the pandemic.

Cast

Promo-Cymru received a grant from Cast to deliver workshops to support third sector organisations with delivering better digital services.

Youth Work Support Grant

Promo-Cymru received funding from BGCBC Youth Service to undertake a pilot project using online gaming to engage young people within Blaenau Gwent.

BGCBC Covid Support

Promo-Cymru received a grant from BGCBC to support Ebbw Vale Institute during the Covid 19 pandemic. The grant was to provide financial support as a result of loss of income during the first national lockdown.

10 NET INCOMING (OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	Consolidated	
	2021	2020
	£	£
Auditor's remuneration	8,385	7,585
Depreciation - owned assets	33,945	36,550

11 TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' Expenses

No expenses were paid to trustees for the year ended 31 March 2021 (2020: £NIL).

PROMO-CYMRU LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

12 TAXATION

No taxation is payable by the charity for the year as it is able to make use of the tax exemptions on income and capital gains available to charities.

The taxable profit in the subsidiary was £6,906 (2020: £nil).

13 STAFF COSTS

	2021	2020
	£	£
Wages, salaries and pensions	641,567	627,183

The average number of persons employed by the charity and included in the above figures during the year was 1 (2020: 1).

PROMO-CYMRU LTD**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

14	TANGIBLE FIXED ASSETS	Freehold property £	Furn. & equip. £	Totals £
	a) Consolidated fixed assets			
	COST			
	At 1 April 2020	1,281,058	444,552	1,725,610
	Additions	228,787	27,320	256,107
	Disposals	-	-	-
	At 31 March 2021	1,509,845	471,872	1,981,717
	DEPRECIATION			
	At 1 April 2020	164,237	419,801	584,038
	Charge for year	25,622	8,323	33,945
	Eliminated on disposals	-	-	-
	At 31 March 2021	189,859	428,124	617,983
	NET BOOK VALUE			
	At 31 March 2021	1,319,986	43,748	1,363,734
	At 1 April 2020	1,116,821	24,751	1,141,572

The cost brought forward at 1 April 2016 of freehold property includes a valuation of £175,000 in respect of the freehold interest in The Ebbw Vale Institute transferred to the charity for nil consideration. The remainder of the balance brought forward of freehold property represents building improvements that have been undertaken by the charity during subsequent years together with the addition of, and improvements to, the freehold property at 17 West Bute Street, Cardiff.

	b) Company fixed assets	Freehold land and buildings £	Fixtures, fittings & equip. £	Total £
	COST			
	At 1 April 2020	1,281,058	354,522	1,635,580
	Additions	228,787	25,622	254,409
	Disposals	-	-	-
	At 31 March 2021	1,509,845	380,144	1,889,989
	DEPRECIATION			
	At 1 April 2020	164,237	340,761	504,998
	Charge for year	25,622	4,587	30,209
	Elimination on disposal	-	-	-
	At 31 March 2021	189,859	345,348	535,207
	NET BOOK VALUE			
	At 31 March 2021	1,319,986	34,796	1,354,782
	At 1 April 2020	1,116,821	13,761	1,130,582

PROMO-CYMRU LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

15 FIXED ASSET INVESTMENTS

	Shares in group company £
NET BOOK VALUE	
At 31 March 2021	100
At 31 March 2020	100

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Promo-Cymru Trading Limited

Nature of business: Providing information, advice and advocacy for young people in Wales.

Class of share:	holding
£1 ordinary	100%

	2021 £	2020 £
Aggregate reserves	49,653	45,579
Profit/(loss) for the year	4,074	7,410

The results for the charity's subsidiary at 31 March 2021 and 31 March 2020 were as follows.

	2021 £	2020 £
Turnover	915,996	928,855
Direct costs	-749,907	-720,346
Gross profit	166,089	208,509
Other income	14,932	15,209
	181,021	223,718
Other costs	-176,947	-216,308
Profit/(loss) for the year	4,074	7,410

PROMO-CYMRU LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

16 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated	
	2021	2020
	£	£
Trade debtors	79,608	53,353
Prepayments and accrued income	9,328	24,678
VAT recoverable	26,849	-
Other debtors	8,671	3,182
	<u>124,456</u>	<u>81,213</u>

	Company	
	2021	2020
	£	£
Trade debtors	5,360	2,757
Amounts owed by group undertakings	64,299	54,504
Prepayments and accrued income	5,527	22,022
VAT recoverable	-	-
Other debtors	26,849	-
	<u>102,035</u>	<u>79,283</u>

17 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated	
	2021	2020
	£	£
Trade creditors	160,184	6,583
Other loans	7,634	4,089
Taxation and social security	59,548	55,572
Accruals and deferred income	85,091	52,477
Other creditors	5,355	5,592
	<u>317,812</u>	<u>124,313</u>

	Company	
	2021	2020
	£	£
Trade creditors	147,629	2,130
Amounts owed to group undertakings	-	-
Loans	7,634	4,089
Taxation and social security	-	4,406
Accruals and deferred income	36,526	33,490
Other creditors	1,999	2,001
	<u>193,788</u>	<u>46,116</u>

Creditors due within one year includes the following liabilities, on which security has been given by the charity:

	2021	2020
	£	£
Wales Council for Voluntary Action	<u>7,634</u>	<u>4,089</u>

Secured on freehold property at 17 West Bute Street, Cardiff CF10 5EP.

PROMO-CYMRU LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

Borrowings

Loan from Wales Council for Voluntary Action

The loan has a carrying amount of £207,514 (2020 - £212,356) and is denominated in Sterling with a nominal interest rate of 7%. The final instalment is due in October 2036.

It is repayable at £1,678.08 per month for 20 years from 3 January 2017, increased to £1,826.64 from July 2017 arising from a further drawdown of £55,000.00.

Security is held on the freehold property at 17 West Bute Street, Cardiff CF10 5EP.

The charity undertakes with Wales Council for Voluntary Action, without prior notification or approval, the following.

1. Not to make any change in the project proposal.
2. Not to incorporate any company as its subsidiary.
3. Not to amend or replace its Memorandum and Articles of Association in any way which could materially and adversely affect the interests of the lender under the financing agreement.

Deferred income

Accruals and deferred income includes deferred income relating to grants received in advance of the period to which they relate:

	Consolidated	
	2021	2020
	£	£
At 31 March 2020	29,470	21,556
Amount released to incoming resources	-19,470	-21,556
Amount deferred in the year	47,687	29,470
At 31 March 2021	<u>57,687</u>	<u>29,470</u>

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**CREDITORS AND PROVISIONS: AMOUNTS FALLING DUE AFTER MORE THAN ONE
YEAR/PROVISIONS FOR LIABILITIES**

	Consolidated	
	2021	2020
	£	£
Loans	199,880	208,267
Deferred tax	<u>1,350</u>	<u>1,600</u>

Creditors' amounts falling due after more than one year includes the following liabilities, on which security has been given by the charity on the freehold property at 17 West Bute Street, Cardiff CF10 5EP.

	2021	2020
	£	£
Loan from Wales Council for Voluntary Action	<u>199,880</u>	<u>208,267</u>

Included in the creditors are the following amounts due after more than five years:

	2021	2020
	£	£
After more than five years by instalments	<u>163,413</u>	<u>175,736</u>

Borrowings due after five years

£163,413.00 repayable at £1,826.64 per month including interest at 7%, fixed, will be repaid in October 2036.

PROMO-CYMRU LTD**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

19	MOVEMENT IN FUNDS	At 1.4.20	Incoming resources	Resources expended	Transfers	At 31.3.21
		£	£	£	£	£
	Unrestricted funds					
	General fund	318,936	866,099	-820,312	-	364,723
		<u>318,936</u>	<u>866,099</u>	<u>-820,312</u>	<u>-</u>	<u>364,723</u>
	Restricted funds					
	Cardiff Web Project	138	-	-	-	138
	Heads of the Valleys Programme	158,817	-	-4,254	-	154,563
	Blaenau Gwent Youth Service					
	Capital and Revenue grant	20,849	-	-507	-	20,342
	Big Lottery Community Asset					
	Transfer	363,564	-	-9,891	-	353,673
	Blaenau Gwent Community					
	Economic Development grant	15,735	-	-612	-	15,123
	Blaenau Gwent Community Asset					
	Transfer	147,875	-	-3,500	-	144,375
	Arts for All grant	4,603	-	-99	-	4,504
	Tai Calon grant	326	-	-109	-	217
	Valleys Environment grant	4,650	-	-100	-	4,550
	Police and Crime					
	Commissioners Partnership	369	-	-123	-	246
	Gavo Cash4u grant	258	-	-86	-	172
	Social Business Growth Fund	183	-	-61	-	122
	Paul Hamlyn Trust	-	30,000	-30,000	-	-
	WAG Landfill Disposal Scheme	18,061	-	-369	-	17,692
	Money and Pensions					
	Service grant	-	30,000	-30,000	-	-
	Youth Access grant	-	14,682	-14,682	-	-
	Cast grant	-	3,400	-3,400	-	-
	EVI CFAP grant	-	249,867	-12,200	-	237,667
	Youth Work Support grant	-	7,000	-7,000	-	-
	EYST grant	-	15,375	-15,375	-	-
		<u>735,428</u>	<u>350,324</u>	<u>-132,368</u>	<u>-</u>	<u>953,384</u>
	TOTAL FUNDS	<u>1,054,364</u>	<u>1,216,423</u>	<u>-952,680</u>	<u>-</u>	<u>1,318,107</u>

The general fund balance at 31 March 2021 includes £49,753 of funds retained within the non-charitable subsidiary (2020: £45,679).

The incoming resources include £830,539 (2020: £815,661) of income received by the non-charitable subsidiary. The resources expended include £838,674 (2020: £818,427) of costs expended by the non-charitable subsidiary. The non-charitable subsidiary paid £30,000 (2020: £66,422) to Promo-Cymru Ltd by way of gift aid. The net surplus for the year achieved by the non-charitable subsidiary was £4,074 (2020: £7,410).

PROMO-CYMRU LTD

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

MOVEMENT IN FUNDS

	At 1.4.19 £	Incoming resources £	Resources expended £	Transfers £	At 31.3.20 £
Unrestricted funds					
General fund	270,969	824,153	-787,425	11,239	318,936
	<u>270,969</u>	<u>824,153</u>	<u>-787,425</u>	<u>11,239</u>	<u>318,936</u>
Restricted funds					
Cardiff Web Project	138	-	-	-	138
Youth Service capital grant	98	-	-71	-27	-
Heads of the Valleys Programme	165,010	-	-4,360	-1833	158,817
Blaenau Gwent Youth Service					
Capital and Revenue grant	21,453	-	-604	-	20,849
Big Lottery Community Asset					
Transfer	383,216	-	-10,685	-8967	363,564
Blaenau Gwent Community					
Economic Development grant	16,477	-	-742	-	15,735
Blaenau Gwent Community Asset					
Transfer	151,376	-	-3,500	-1	147,875
Arts for All grant	4,702	-	-99	-	4,603
Tai Calon grant	736	-	-163	-247	326
Valleys Environment grant	4,750	-	-100	-	4,650
Police and Crime					
Commissioners Partnership	552	-	-184	1	369
Gavo Cash4u grant	552	-	-129	-165	258
NESTA	-	7,500	-7,500	-	-
Social Business Growth Fund	-	12,527	-12,344	-	183
Paul Hamlyn Trust	-	30,000	-30,000	-	-
Blaenau Gwent CBC Legacy					
Fund	-	2,659	-2,659	-	-
WAG Landfill Disposal Scheme	18,430	10,027	-10,396	-	18,061
Blaenau Gwent CBC EVI	-	28,988	-28,988	-	-
Money and Pensions					
Service grant	-	70,000	-70,000	-	-
Youth Access grant	-	7,382	-7,382	-	-
Cast grant	-	594	-594	-	-
	<u>767,490</u>	<u>169,677</u>	<u>-190,500</u>	<u>-11,239</u>	<u>735,428</u>
TOTAL FUNDS	<u>1,038,459</u>	<u>993,830</u>	<u>-977,925</u>	<u>-</u>	<u>1,054,364</u>

The general fund balance at 31 March 2020 includes £45,679 of funds retained within the non-charitable subsidiary (2019: £38,269).

The incoming resources include £815,661 (2019: £707,648) of income received by the non-charitable subsidiary. The resources expended include £818,427 (2019: £783,300) of costs expended by the non-charitable subsidiary. The non-charitable subsidiary paid £66,422 (2019: £nil) to Promo-Cymru Ltd by way of gift aid. The net surplus for the year achieved by the non-charitable subsidiary was £7,410 (2019: deficit £22,819).

PROMO-CYMRU LTD**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021****20 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Consolidated		Consolidated	
	Unrestricted	Restricted	total funds	
	funds	funds	2021	2020
	£	£	£	£
Tangible fixed assets	410,488	953,246	1,363,734	1,141,572
Current assets	305,703	167,712	473,415	246,972
Current liabilities	-150,238	-167,574	-317,812	-124,313
Deferred liabilities	-201,230	-	-201,230	-209,867
TOTAL FUNDS	364,723	953,384	1,318,107	1,054,364

	Company		Company	
	Unrestricted	Restricted	total funds	
	funds	funds	2021	2020
	£	£	£	£
Tangible fixed assets	401,536	953,246	1,354,782	1,130,582
Fixed asset investments	100	-	100	100
Current assets	139,528	167,712	307,240	132,486
Current liabilities	-26,214	-167,574	-193,788	-46,116
Deferred liabilities	-199,880	-	-199,880	-208,267
TOTAL FUNDS	315,070	953,384	1,268,454	1,008,785

21 ANALYSIS OF NET FUNDS

	At 1 April 2020	Cashflow	At 31 March 2021
	£	£	£
Cash at bank and in hand	164,202	182,844	347,046
Debt due within one year	-4,089	-3,545	-7,634
Debt due after more than one year	-208,267	8,387	-199,880
Net debt	-48,154	187,686	139,532

	At 1 April 2019	Cashflow	At 31 March 2020
	£	£	£
Cash at bank and in hand	144,559	19,643	164,202
Debt due within one year	-9,031	4,942	-4,089
Debt due after more than one year	-221,257	12,990	-208,267
Net debt	-85,729	37,575	-48,154

PROMO-CYMRU LTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

22 RELATED PARTIES

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

Related party transactions

During the year the charity purchased goods or received services or incurred other liabilities from Promo-Cymru Trading Limited, a wholly owned subsidiary company, in the sum of £85,457 (2020: £146,727) and, sold goods or rendered services or provided other assets to Promo-Cymru Trading Limited in the sum of £58,180 (2020: £51,805). The charity also received £30,000 (2020: £66,422) by way of gift aid from Prom-Cymru Trading Limited. The balance due to the charity at the year end was £64,299 (2020: £54,504).