

REGISTERED COMPANY NUMBER: 05096968 (England and Wales)
REGISTERED CHARITY NUMBER: 1105172

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
FOR
MENTER IAITH SIR CAERFFILI

Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

	Page
Report of the Trustees	1 to 7
Independent Examiner's Report	8
Statement of Financial Activities	9
Balance Sheet	10
Cash Flow Statement	11
Notes to the Cash Flow Statement	12
Notes to the Financial Statements	13 to 23

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Our main long-term goal during this period is:

Increase the use of the Welsh language across Caerphilly County communities by enabling residents to use the Welsh language in all aspects of local community life.

Below are our objectives for the period 2019-22 to achieve the main goal:

Lead joint planning for the Welsh language at county level:

- 1.1) Co-ordinate and lead a Welsh Language Forum for Caerphilly County and ensure a prominent and strategic role for the local Forum.
- 1.2) Produce a detailed and current language profile regularly as the basis for language planning in the County.
- 1.3) to represent the Welsh Language on a cross-section of forums and committees within the Third Sector, local authority and Health Board and the Local Services Board.

Develop and provide services and opportunities of the highest quality:

- 2.1) Development projects that have a positive impact on the use of Welsh in the County of Caerphilly within the field of childcare, play and leisure, youth services, adult education, community events, volunteering opportunities, support and training, artistic activities and consultation. The intention of these services is to encourage confidence in using the language and strengthen positive attitudes towards the language.
- 2.2) Continue to develop our annual festival, Ffilifest.
- 2.3) Researching projects in new areas including community translation.
- 2.4) Investigate and develop projects that are changing attitudes and behaviour.
- 2.5) Ensure that all of Menter Caerffili's services meet the requirements and standards of the Trusted Quality Mark Level 1.

Influence for the benefit of the language at county level and represent the voice of Welsh speakers and learners:

- 3.1) Respond proactively to local and national consultations.
- 3.2) Influence local policy for the benefit of the Welsh language.
- 3.3) Network extensively across sectors at the local level.
- 3.4) Effective communication with the public, partners and others.
- 3.5) To raise awareness of the need for Welsh language services and bodies acting on behalf of those services.
- 3.6) Contribute significantly to development of strategies and plans, including local community plans, Well-Being Plan, Third Sector Agreement.
- 3.7) Raise the profile of the important relationship between the local economy, quality of life, environment, confidence of communities in the language of the community.
- 3.8) Support local people to express their views on their needs as Welsh speakers and learners.
- 3.9) Support local people to submit views to service planners including the local authority and Health Board as well as others.

Research new opportunities to provide services which are self-sustaining:

- 4.1) Completion of research and detailed assessments in order to identify relevant and innovative opportunities to develop Welsh medium services that are self-sufficient and take advantage of the economic value of the Welsh language locally.
- 4.2) Identify components of the existing work of Menter iaith Sir Caerffili that could operate on a more ambitious scale as social enterprises.
- 4.3) Promote and develop further our Childcare Service which is now a successful service employing over 70 members of staff.
- 4.4) Conduct research and detailed consultations to assess the sufficiency of establishing a permanent home for Menter Caerffili which would operate as a focal point for Welsh medium services in Caerphilly County Borough and support a range of organisations.
- 4.5) Research a range of funding sources to fulfil the aims of Menter Caerffili.
- 4.6) Utilise resources in the most effective way to ensure the most benefit.

Manage and develop an organisation which works effectively, with strong governance and considers and ensures the wellbeing of its volunteers and members of staff:

- 5.1) Achieve and retain Trusted Charity Mark Level 1.
- 5.2) Continue to operate the revision programme of policies including the Staff and Trustees Handbook in addition to others.
- 5.3) Ensure sufficient funding to support and sustain our current services effectively.
- 5.4) Procure a Human Resources Service.
- 5.5) Develop and adopt new and relevant policies and procedures.
- 5.6) Sustain and review risk management procedures.
- 5.7) Develop a Wellbeing Policy for both members of staff and volunteers in addition to training and procedures where appropriate.

Public benefit

All the work of Menter iaith is designed to benefit the public. The main aim of the Menter is to boost the education and general knowledge of the community by promoting the Welsh language. This is done by arranging activities and events which are open to the public. The activities and events provide an opportunity for people of all ages to socialize, improve their communication skills and to enjoy themselves in a friendly atmosphere. Wide publicity is given to the provision and new people are encouraged to take part. There is a growing demand for the provision from the public in every part of the County. Some of the activities are free of charge and when there is a need to charge, support is given in the use of subsidies which are available to reduce the cost for people who cannot afford to pay the full price.

Review of Activities

At the end of another period Menter iaith Sir Caerffili has a very important opportunity to continue as a very influential community development organisation in the area and to further expand its level of services and activities.

It was therefore very important to consider the current climate with regard to the community development field, in order to confirm the role of Menter iaith Sir Caerffili as a language and community regeneration organisation. Similarly, this report reinforces the importance of Welsh Government's Strategy for the Welsh Language.

Projects and partnerships stated in this document are clear indications of the main intent of Menter iaith Sir Caerffili, which is empowering and motivating communities to develop new opportunities to use the language, in a manner that works from the bottom up, while also reinforcing the current opportunities to use the language.

At the heart of the work and objectives of Menter iaith Sir Caerffili therefore, is the clear ethos that the Menter belongs to its local communities and the needs and nature of those communities shape the direction of projects and plans.

Menter iaith Sir Caerffili is a leading community and voluntary organisation, promoting and supporting the development of the Welsh language across Caerphilly County's communities. We operate in order to enable local residents to use the Welsh language in all aspects of their lives. This aim will be achieved through the provision of Welsh medium opportunities and services for all ages in partnership with a number of other organisations.

OBJECTIVES AND ACTIVITIES

Main areas of our work:

- 1) Leading joint planning for the Welsh language at county level
- 2) Develop and provide services and opportunities
- 3) Influence for the benefit of the language at county level
- 4) Representing the voice of Welsh speakers and learners in Caerphilly County
- 5) Investigating new opportunities to provide services which are self-sustaining

Mission statement

Menter iaith Sir Caerffili's purpose is to increase the use of the Welsh language across communities in Caerphilly County. To achieve this we will develop and provide a cross-section of services and opportunities to local Welsh speakers and learners so that they can use the language. We will consult regularly with local residents to develop Welsh language services that are accessible, relevant and of the highest quality. We want to see a growth in the use of the Welsh language across communities in the County within a variety of areas. At the heart of our main goal is the commitment to work in partnership with a number of local organisations.

Values

Volunteers and employees of Menter iaith Sir Caerffili are committed to our core values that are fundamental to our work.

The Welsh Language:

- 1) Growth of the Welsh language in the County of Caerphilly in the short term and in the future is the primary reason for the existence of Menter Caerffili.
- 2) Caerphilly County residents have the right to speak and use the Welsh language in all aspects of community life.
- 3) The Welsh language belongs to and is relevant to everyone across Caerphilly County's communities.
- 4) We want adequate opportunities for the people of Caerphilly County to use the Welsh language.

Our Work:

- 1) We will develop and provide relevant services and of the highest quality
- 2) We can achieve more and act more effectively through joint planning and developing partnerships with others
- 3) We can learn from experience
- 4) We work in a transparent and fair way
- 5) We consider the environment when operating
- 6) We are working in a strategic, creative and innovative way

People:

- 1) We support our employees and volunteers and their development
- 2) We treat everyone equally
- 3) The involvement of local residents is crucial to us

STRATEGIC REPORT

Achievement and performance

Charitable activities

Our detailed operational Plan for 2021-22 contains details about how we intended to achieve the above objectives during the period. The plan includes the individual targets that are intended to be delivered in terms of our various objectives. The action plan is a key document in the planning of officers' work programmes and ensures that they are aware of how their work reflects the objectives and the main aim which is central to all our services. The action plan will also help us to decide which individual projects contribute effectively towards meeting the principal aim and whether there is a need to modify projects or develop different projects.

STRATEGIC REPORT

Achievement and performance

Key Performance Indicators

High Level Key Performance Indicators

An increase in the use of the Welsh language across communities in Caerphilly County is the primary goal of Menter Iaith Sir Caerffili for the duration of this corporate plan. In consideration of this, the most useful high level indicators relating to the use of the Welsh language is the census results and detailed information on local ward level. In addition, it will be important for us as an organisation to consider any research undertaken by the Welsh Government Research Unit and other bodies such as universities and research companies. Any surveys that are considering use of the language within communities are key in measuring the impact of our activities on the use of the language and the extent to which the type of activities provided are achieving our primary goal.

Other key performance indicators

Menter Iaith Sir Caerffili works and operates projects on behalf of a number of organisations at present and monitoring and measuring outcomes is central to that work. We are used to measuring soft, qualitative and quantitative, outputs through our work in order to assess and determine whether activities and projects are achieving their intended goals and objectives. Through the development of ambitious and relevant targets we have identified a number of performance indicators that are suitable for and unique to each element of our work. We will therefore monitor and measure a number of performance indicators including:

- 1) number of activities/opportunities
- 2) number of beneficiaries
- 3) number of volunteers
- 4) the number who report increased confidence in using the language
- 5) the number who report increase in awareness of Welsh-medium services locally
- 6) an increase in turnover or fundraising levels

We will consider these KPI's on a consistent basis and assess whether they continue to be effective in order to measure progress in terms of the intended results. In addition, employees are aware and familiar with the KPI's that are relevant to their respective work programmes and understand how they contribute to the main objective of the initiative.

The Local Community

Menter Iaith Sir Caerffili is managed by an experienced and ambitious Management Board of volunteers. The members are from communities across the County of Caerphilly and their guidance and input into the development and effective management of our work is key. The significant contribution by volunteers ensures that it is the requirements of local people that shapes our work. In addition, we are recruiting and supporting volunteers across our services and activities so that volunteers contribute significantly to every element of our work.

As well as attracting volunteers to our work, when planning projects and services we will continue to bring stakeholders and local people together to encourage communities to take ownership of new developments. We feel that it is vital that local residents receive an opportunity to voice their opinion on new developments or respond to a gaps in services.

Financial review

Financial position

The charity's results are reported in the Statement of Financial Activities on page 9.

A total of £865,540 of resources came in (2021: £636,149), and a total of £735,173 (2021: £690,636) was spent. This gave a net surplus of £130,367 in resources (2021: net deficit £54,487). The balance brought forward was £169,336 and this gave a net total of £299,703. This is represented by £254,299 in unrestricted funds and £45,404 in restricted funds. Tangible fixed assets represent £9,858 leaving £244,441 as the charity's free reserves.

No changes were made to the accounts for the previous year.

The trustees have no material interest in the charity's transactions.

STRATEGIC REPORT

Financial review

Reserves policy

The trustees have considered the needs of the charity for financial reserves in accordance with the guidelines given by the Charity Commission that trustees carry out an ongoing review of the reserves levels and the reserves policy to ensure they continue to be relevant in changing circumstances. As a result they have adopted the following policies:

The need for a reserve fund is:

- a) To have money to earmark for special projects in order to develop them or realise them in a short period of time.
- b) To ensure that money is available for administration and support costs which enable the charity to operate, especially during periods of uncertainty that has an enormous impact on the income generation opportunity of the charity, as well as additional pressures on future grants. This reserve level also takes into account periods at the beginning of a new financial year as well as ensuring there are sufficient funds to meet all contractual liabilities in the event of winding up the charity.
- c) To provide a sufficient reserve to enable its voluntary fundraising scheme to operate

The current policy of the trustees is to maintain free reserves, which are the unrestricted funds of the charity less designated funds and the net book value of the fixed assets, at a level which equates to at least three months running costs (approx. £170,000). The trustees consider the current level of reserves to be sufficient to meet the charity's needs.

Free reserves stood at £204,441 at 31 March 2022.

Future plans

The plans for the period 2022-25 include plans that are already in place and those we intend to realise from 2022 onwards. In addition to the budget currently agreed it is a priority during the period to explore and take advantage of new income streams, in particular, it is intended to develop our own income generation methods, for example by broadening our childcare provision, consider developing Community translation services and provide a cross-section of services. To accompany this we will consider tendering for contracts, ensure further grants and investigate more alternative methods of fund raising, for example crowd-funding.

In the past, we have been very successful in securing grants from a wide variety of sources but it is proposed to consider the grant programmes below during the period under review:

- 1) Local funds administered by Caerphilly County Borough Council and GAVO
- 2) Lottery funds - People and Places and the Heritage Fund
- 3) Funds and grants from other Welsh Government departments
- 4) Trusts e.g. Esmee Fairburn, Paul Hamlyn Foundation, Henry Smith
- 5) Volunteering in Wales Fund
- 6) Arts Council for Wales funding

In line with our objectives for 2022-25, Menter Iaith Sir Caerffili is keen to allocate time in order to explore the potential of developing projects or new initiatives which will generate a new source of income to invest in our services or to develop new services.

Effect of COVID-19

At the end of March 2020, we saw the effects of COVID-19 on our methods of working, from providing services to our ability to generate income to invest in our work and in our local communities. During the first months of 2021 our core staff continued to work primarily from home in order to ensure the safety of their health and the health of our communities, we continued to manage, co-ordinate and develop our services by communicating and working digitally. The effect and threat of COVID-19 also meant we had to change many of our community services to be digital rather than face to face to ensure the safety of our staff and members of the public and to adhere to Welsh Government restrictions. By September 2021, some of our services had begun to reopen and face to face services have gradually returned. However, the effect has been substantial with some of our childcare services having been closed for over a year and a half. These services would normally generate significant income for Menter Caerffili during an average year and we have therefore seen a substantial impact on our levels of income generation. This in turn has affected our ability to invest in new community projects and fund our core costs.

The Job Retention Scheme provided by UK Government has been crucial in supporting us to respond to the challenge of a decrease in our income and has ensured that we were able to retain staff and avoid redundancies. We have secured funding to respond to these challenges in addition to adapting our service delivery. Our priority has been to protect the long-term sustainability of Menter Caerffili and to retain our enthusiastic, skilled and experienced workforce.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

In order to achieve the aims and objectives within this report it is essential that we preserve and develop the management structure and staffing that we currently operate. This structure was developed following a detailed Job Evaluation exercise in 2013 and it is felt that it reflects the needs of the organisation and enables us to operate and to communicate effectively. The management and communication processes below support the structure.

Management Board of Directors/Trustees

The Board meets quarterly with the Chief Officer and receives a progress report and financial report. The directors are acting in order to achieve the main aim and objectives of the organisation and is responsible for the strategic management of Menter Iaith Sir Caerffili. Chair of the organisation acts as the Chief Officer's line manager and the Treasurer of the organisation will meet regularly with the Chief Officer to monitor budgets and the financial position. In addition, annually, members of the Management Board conduct performance management meetings with each member of staff. At times, there will be a need to establish sub-committees, to consider specific issues or complete a piece of work. The Board has agreed the organisation's long-term strategy and defines its main aim and objectives that reflect this report and the short-term operational plan.

Chief Officer

The Chief Officer is the line manager for the team of core staff and responds to the needs of the organisation on a day-to-day basis. In addition, the Children and Families Services Officer also acts as a line manager for our workforce of part time childcare workers. The line managers will hold meetings on a quarterly basis as well as organising monthly staff meetings and meetings with specific groups of staff as needed. These processes ensure that all staff are familiar with and committed to strategic and operational plans. In addition, the Chief Officer will discuss with each Member of staff how their work programmes support the aims and objectives of the initiative and expected outputs. There is also agreement on which performance indicators are used to measure progress.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

05096968 (England and Wales)

Registered Charity number

1105172

Registered office

Suite 1
St Margarets Park
Pengam Road
Aberbargoed
CF81 9FW

Trustees

J Grenfell
D A Thomas
G H Davies
L I Neale
J Bruzas
S Jarrett
H Rowlands
G James

Resigned 18 April 2022

Company Secretary

L C Jones

Chief Executive Officer

L C Jones

MENTER IAITH SIR CAERFFILI

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

REFERENCE AND ADMINISTRATIVE DETAILS

Independent Examiner

Watts Gregory LLP

Chartered Accountants

Elfed House

Oak Tree Court

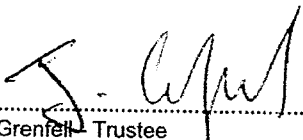
Cardiff Gate Business Park

CARDIFF

County of Cardiff

CF23 8RS

Report of the trustees, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on22/11/22..... and signed on the Board's behalf by:


.....
J Grenfell Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
MENTER IAITH SIR CAERFFILI**

Independent examiner's report to the trustees of Menter Iaith Sir Caerffili ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2022.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ACCA which is one of the listed bodies.

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

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

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

Julia Mortimer FCCA
Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

Date: 29 November 2022

MENTER IAITH SIR CAERFFILI

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	98,797	301,026	399,823	335,353
Charitable activities					
The enhancement of community education and general information by promoting the Welsh language		451,099	-	451,099	300,712
Other trading activities	4	14,609	-	14,609	-
Investment income	5	<u>9</u>	<u>-</u>	<u>9</u>	<u>84</u>
Total		<u>564,514</u>	<u>301,026</u>	<u>865,540</u>	<u>636,149</u>
EXPENDITURE ON					
Raising funds	7	7,405	-	7,405	5,454
Charitable activities					
The enhancement of community education and general information by promoting the Welsh language	8	468,359	259,409	727,768	685,182
Total		<u>475,764</u>	<u>259,409</u>	<u>735,173</u>	<u>690,636</u>
NET INCOME/(EXPENDITURE)		88,750	41,617	130,367	(54,487)
RECONCILIATION OF FUNDS					
Total funds brought forward		165,549	3,787	169,336	223,823
TOTAL FUNDS CARRIED FORWARD		<u>254,299</u>	<u>45,404</u>	<u>299,703</u>	<u>169,336</u>

The notes form part of these financial statements

MENTER IAITH SIR CAERFFILI

**BALANCE SHEET
31 MARCH 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	15	9,858	-	9,858	12,213
CURRENT ASSETS					
Debtors	16	2,841	35,319	38,160	9,404
Cash at bank and in hand		<u>302,443</u>	<u>10,290</u>	<u>312,733</u>	<u>194,246</u>
		305,284	45,609	350,893	203,650
CREDITORS					
Amounts falling due within one year	17	(60,843)	(205)	(61,048)	(46,527)
NET CURRENT ASSETS		<u>244,441</u>	<u>45,404</u>	<u>289,845</u>	<u>157,123</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>254,299</u>	<u>45,404</u>	<u>299,703</u>	<u>169,336</u>
NET ASSETS		<u>254,299</u>	<u>45,404</u>	<u>299,703</u>	<u>169,336</u>
FUNDS	19				
Unrestricted funds				254,299	165,549
Restricted funds				<u>45,404</u>	<u>3,787</u>
TOTAL FUNDS				<u>299,703</u>	<u>169,336</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements were approved by the Board of Trustees and authorised for issue on 22/11/22 and were signed on its behalf by:


J Gronnell - Trustee

The notes form part of these financial statements

MENTER IAITH SIR CAERFFILI

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>119,053</u>	<u>(67,687)</u>
Net cash provided by/(used in) operating activities		<u>119,053</u>	<u>(67,687)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(575)	-
Interest received		<u>9</u>	<u>84</u>
Net cash (used in)/provided by investing activities		(566)	84
Change in cash and cash equivalents in the reporting period		<u>118,487</u>	<u>(67,603)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>194,246</u>	<u>261,849</u>
Cash and cash equivalents at the end of the reporting period		<u><u>312,733</u></u>	<u><u>194,246</u></u>

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	130,367	(54,487)
Adjustments for:		
Depreciation charges	2,930	3,585
Interest received	(9)	(84)
Increase in debtors	(28,756)	(1,351)
Increase/(decrease) in creditors	14,521	(15,350)
Net cash provided by/(used in) operations	<u>119,053</u>	<u>(67,687)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/21 £	Cash flow £	At 31/3/22 £
Net cash			
Cash at bank and in hand	<u>194,246</u>	<u>118,487</u>	<u>312,733</u>
	<u>194,246</u>	<u>118,487</u>	<u>312,733</u>
Total	<u>194,246</u>	<u>118,487</u>	<u>312,733</u>

1. STATUTORY INFORMATION

Menter Iaith Sir Caerffili is a company limited by guarantee incorporated in Wales within the United Kingdom. The registered office is St. Margaret's Park, Suite 1 Pengam Road, Aberbargoed, Bargoed, Mid Glamorgan, CF81 9FW.

The financial statements are presented in Sterling (£), the company's functional currency, and rounded to the nearest pound.

The principal activities and nature of the charity's operations is that of the enhancement of community education and general information by promoting the Welsh language.

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 S1A Update Bulletin 1) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Menter Iaith Sir Caerffili meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction values unless otherwise stated in the relevant accounting policy note(s)

Preparation of the accounts on a going concern

The trustees are satisfied that despite the Coronavirus pandemic, it is appropriate for the charity's financial statements to be prepared on a going concern basis. The pandemic has resulted in a number of uncertainties arising and the trustees and senior management team have taken steps to minimise the effect on the charity and will continue to do so. In the circumstances they have concluded that no adjustments or additional disclosures are required to the financial statements at this time. See Report of the Trustees for further information on the Implications of Covid-19 on the charity.

Income

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

Donations and legacies income

Donations and legacies income includes donations, gifts and grants that provide core funding or are of a general nature are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from charitable activities

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

Investment income

Investment income is recognised on a receivable basis.

It is not the policy of the charity to show income net of expenditure.

2. ACCOUNTING POLICIES - continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Expenditure on raising funds include costs of fundraising, advertising, marketing and direct mail materials.

Expenditure on 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 are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. This includes governance costs which are those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy fees and costs linked to the strategic management of the charity.

Tangible fixed assets

Fixed assets are capitalised at cost.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Improvements to property	- 10% straight line
Fixtures and fittings	- 25% reducing balance

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors

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

Creditors

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

3. DONATIONS AND LEGACIES

	2022	2021
	£	£
Grants	<u>399,823</u>	<u>335,353</u>

Grants received, included in the above, are as follows:

	2022	2021
	£	£
Llywodraeth Cymru	95,552	95,553
Cyngor B.S. Caerffili - Cytundeb Gofal Plant	26,390	24,875
Llywodraeth Cymru - Helo Blod Lleol	31,390	31,390
Cyngor B.S. Caerffili - Grant Cynllun Gofal Plant	-	20,000
Cyngor B.S. Caerffili - Small capital grant	-	4,772
Cyngor B.S. Caerffili - Covid-19 recovery grant	4,532	9,762
Welsh Government - JRS grants	30,376	119,711
Business rates support grant	-	22,000
Moondance Foundation	-	7,290
Cyngor B.S. Caerffili - Covid Reignite and Recovery	59,023	-
Cyngor B.S. Caerffili - Winter of Wellbeing	30,271	-
Cyngor B.S. Caerffili - Hwyl o Haf	15,604	-
Cyngor B.S. Caerffili - Youth Wellbeing grant	8,905	-
Cyngor B.S. Caerffili - Welsh Language Youth Work	8,340	-
Mentrau Iaith Cymru - Kickstart Scheme	4,866	-
Cyngor Gweithredu Gwirfoddol Cymru - CGTS3	49,727	-
Cyngor Gweithredu Gwirfoddol Cymru - Grantiau Bach VWG	19,884	-
Blaenau Gwent BC - Head4Arts	8,265	-
Sefydliad Dysgu a Gwaith	738	-
Gwent Association of Voluntary Organisations	<u>5,960</u>	<u>-</u>
	<u>399,823</u>	<u>335,353</u>

4. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Other income	<u>14,609</u>	<u>-</u>

5. INVESTMENT INCOME

	2022	2021
	£	£
Interest receivable	<u>9</u>	<u>84</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

6. INCOME FROM CHARITABLE ACTIVITIES

	2022	2021
	£	£
Club fees	446,696	266,719
Community Events	4,403	33,993
	<u>451,099</u>	<u>300,712</u>

7. RAISING FUNDS

Raising donations and legacies

	2022	2021
	£	£
Hire of equipment & venues	612	-
Events	1,514	780
Literature and books	262	239
Insurance	4,793	4,435
Advertising and publicity	224	-
	<u>7,405</u>	<u>5,454</u>

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 9) £	Support costs (see note 10) £	Totals £
The enhancement of community education and general information by promoting the Welsh language	<u>723,157</u>	<u>4,611</u>	<u>727,768</u>

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2022	2021
	£	£
Staff costs	621,373	612,539
Rent	28,143	22,122
Rates and water	212	171
Light and heat	2,869	1,748
Telephone	5,380	8,133
Postage and stationery	4,792	4,765
Office costs/goods	4,655	552
Translation	2,340	264
Resources	27,949	17,509
Training	1,952	1,314
Computer and software costs	6,417	3,686
Repairs and renewals	5,315	397
Household and cleaning	3,293	655
Travelling and expenses	4,537	463
Membership	1,000	1,025
Depreciation	2,930	3,585
	<u>723,157</u>	<u>678,928</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

10. SUPPORT COSTS

	Finance £	Governance costs £	Totals £
The enhancement of community education and general information by promoting the Welsh language	<u>291</u>	<u>4,320</u>	<u>4,611</u>

Included within support costs are fees payable to the independent examiner of £4,260.

11. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022 £	2021 £
Independent exam fee	4,260	4,970
Accountancy	60	1,284
Depreciation - owned assets	2,930	3,585
Hire of equipment & venues	612	-
Other operating leases	<u>28,143</u>	<u>22,122</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 or for the year ended 31 March 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 or for the year ended 31 March 2021.

13. STAFF COSTS

	2022 £	2021 £
Wages and salaries	569,863	562,580
Social security costs	28,331	26,574
Other pension costs	<u>23,179</u>	<u>23,385</u>
	<u>621,373</u>	<u>612,539</u>

The average monthly number of employees during the year was as follows:

2022	2021
<u>71</u>	<u>74</u>

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

The total key management personnel remuneration benefits during the year was £44,983 (2021: £45,093).

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES – YEAR ENDED 31 MARCH 2021

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	151,473	183,880	335,353
Charitable activities			
The enhancement of community education and general information by promoting the Welsh language	300,712	-	300,712
Investment income	84	-	84
Total	<u>452,269</u>	<u>183,880</u>	<u>636,149</u>
EXPENDITURE ON			
Raising funds	5,454	-	5,454
Charitable activities			
The enhancement of community education and general information by promoting the Welsh language	496,576	188,606	685,182
Total	<u>502,030</u>	<u>188,606</u>	<u>690,636</u>
NET INCOME/(EXPENDITURE)	(49,761)	(4,726)	(54,487)
Transfers between funds	<u>(7,645)</u>	<u>7,645</u>	-
Net movement in funds	(57,406)	2,919	(54,487)
RECONCILIATION OF FUNDS			
Total funds brought forward	222,955	868	223,823
TOTAL FUNDS CARRIED FORWARD	<u>165,549</u>	<u>3,787</u>	<u>169,336</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

15. TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and fittings £	Totals £
COST			
At 1 April 2021	7,302	26,687	33,989
Additions	-	575	575
At 31 March 2022	<u>7,302</u>	<u>27,262</u>	<u>34,564</u>
DEPRECIATION			
At 1 April 2021	3,650	18,126	21,776
Charge for year	730	2,200	2,930
At 31 March 2022	<u>4,380</u>	<u>20,326</u>	<u>24,706</u>
NET BOOK VALUE			
At 31 March 2022	<u>2,922</u>	<u>6,936</u>	<u>9,858</u>
At 31 March 2021	<u>3,652</u>	<u>8,561</u>	<u>12,213</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Other debtors	1,056	854
Accrued income	14,420	-
Prepayments	<u>22,684</u>	<u>8,550</u>
	<u>38,160</u>	<u>9,404</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Social security and other taxes	8,687	7,309
Other creditors	49	95
Deferred income	41,761	30,587
Accrued expenses	<u>10,551</u>	<u>8,536</u>
	<u>61,048</u>	<u>46,527</u>

Included within accruals and deferred income above is the following deferred income:

	2022 £	2021 £
Deferred income brought forward	30,587	42,302
Released to SOFA	(30,217)	(41,857)
Additional income deferred in the year	<u>41,391</u>	<u>30,142</u>
	<u>41,761</u>	<u>30,587</u>

The deferred income relates to funding received in advance of service delivery.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022 £	2021 £
Within one year	16,360	9,973
Between one and five years	<u>593</u>	<u>16,174</u>
	<u>16,953</u>	<u>26,147</u>

Total operating lease payments recognised as an expense in the year was £21,549 (2021: £21,602).

19. MOVEMENT IN FUNDS

	At 1/4/21 £	Net movement in funds £	Transfers between funds £	At 31/3/22 £
Unrestricted funds				
General fund	165,549	88,750	(40,000)	214,299
Designated fund – Ffiliffest	<u>-</u>	<u>-</u>	<u>40,000</u>	<u>40,000</u>
	165,549	88,750	-	254,299
Restricted funds				
Cyngor B.S. Caerffili - Strategaeth Pum Mlynedd	365	(365)	-	-
Llywodraeth Cymru - Helo Blod Lleol	3,422	(3,422)	-	-
Cyngor Gweithredu Gwirfoddol Cymru - CGTS3	<u>-</u>	<u>45,404</u>	<u>-</u>	<u>45,404</u>
	<u>3,787</u>	<u>41,617</u>	<u>-</u>	<u>45,404</u>
TOTAL FUNDS	<u>169,336</u>	<u>130,367</u>	<u>-</u>	<u>299,703</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

19. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	564,514	(475,764)	88,750
Restricted funds			
Llywodraeth Cymru	95,552	(95,552)	-
Cyngor B.S. Caerffili – Cytundeb Gofal Plant	26,390	(26,390)	-
Cyngor B.S. Caerffili - Gwaith Ieuencid	8,340	(8,340)	-
Cyngor B.S. Caerffili - Strategaeth Pum Mlynedd	-	(365)	(365)
Llywodraeth Cymru - Helo Blod Lleol	31,390	(34,812)	(3,422)
Cyngor B.S. Caerffili - Summer of Fun / Winter of Wellbeing	45,875	(45,875)	-
Cyngor B.S. Caerffili - Youth Wellbeing fund	8,905	(8,905)	-
Cyngor Gweithredu Gwirfoddol Cymru - CGTS3	49,727	(4,323)	45,404
Cyngor Gweithredu Gwirfoddol Cymru - Grantiau Bach VWG	19,884	(19,884)	-
Blaenau Gwent CBC - Head4Arts	8,265	(8,265)	-
Learning and Work Institute	738	(738)	-
Gwent Association of Voluntary Organisations - Health & Wellbeing	5,960	(5,960)	-
	<u>301,026</u>	<u>(259,409)</u>	<u>41,617</u>
TOTAL FUNDS	<u>865,540</u>	<u>(735,173)</u>	<u>130,367</u>

Comparatives for movement in funds

	At 1/4/20 £	Net movement in funds £	Transfers between funds £	At 31/3/21 £
Unrestricted funds				
General fund	222,955	(49,761)	(7,645)	165,549
Restricted funds				
Llywodraeth Cymru	-	(7,545)	7,545	-
Cyngor B.S. Caerffili – Cytundeb Gofal Plant	503	(603)	100	-
Cyngor B.S. Caerffili - Strategaeth Pum Mlynedd	365	-	-	365
Llywodraeth Cymru - Helo Blod Lleol	-	3,422	-	3,422
	<u>868</u>	<u>(4,726)</u>	<u>7,645</u>	<u>3,787</u>
TOTAL FUNDS	<u>223,823</u>	<u>(54,487)</u>	<u>-</u>	<u>169,336</u>

19. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	452,269	(502,030)	(49,761)
Restricted funds			
Llywodraeth Cymru	95,553	(103,098)	(7,545)
Cyngor B.S. Caerffili – Cytundeb Gofal Plant	24,875	(25,478)	(603)
Llywodraeth Cymru - Helo Blod Lleol	31,390	(27,968)	3,422
Cyngor B.S. Caerffili - Grant Cynllun Gofal Plant	20,000	(20,000)	-
Cyngor B.S. Caerffili - Small capital grant - childcare	4,772	(4,772)	-
Moondance Foundation	7,290	(7,290)	-
	<u>183,880</u>	<u>(188,606)</u>	<u>(4,726)</u>
TOTAL FUNDS	<u>636,149</u>	<u>(690,636)</u>	<u>(54,487)</u>

Designated funds

Ffiliffest – the Board agreed to set aside an amount to be used for the 2022 Ffiliffest event.

Restricted funds

Llywodraeth Cymru

This is Menter Caerffili's core grant which contributes to the costs of the Chief Officer, Finance and Administrative Officer and Community Development Officer.

Cyngor B.S. Caerffili - Cytundeb Gofal Plant

This agreement funds development work within the childcare sector in order to increase the use of the Welsh language within a range of childcare settings.

Cyngor B.S. Caerffili - Strategaeth Pum Mlynedd

Menter Caerffili were commissioned to complete work on the Five Year Strategy which included developing a template and consulting with local people and organisations regarding the content of the Strategy.

Cyngor B.S. Caerffili - Grant cynllun gofal plant

Grant to purchase equipment for clubs for Menter Caerffili's childcare clubs.

Llywodraeth Cymru - Helo Blod Lleol

The agreement supports businesses to increase their use of the Welsh Language.

Cyngor B.S. Caerffili - childcare loss of income

Grants to support with loss of income due to the impact of Covid-19.

Caerphilly County Borough Council – Welsh medium Youth Work

Funding to develop and provide Welsh medium opportunities and activities for young people.

Caerphilly County Borough Council – Summer of Fun/Winter of Wellbeing

Funding to provide Welsh medium activities for children and young people to alleviate the effects of Covid-19

Caerphilly County Borough Council – Youth Well-being Fund

Funding to provide Welsh medium opportunities and activities which support the well-being of young people.

WCVA – Third Sector Resilience Fund

Funding to support the improvement of services and systems to ensure the organisation is as resilient as possible.

19. MOVEMENT IN FUNDS - continued

WCVA – Volunteering Wales Grant

Funding to support the recruitment and support of volunteers

Head4Arts/Blaenau Gwent County Borough Council

Support work provided for Welsh medium digital and art activities in the community

Learning and Work Institute

Funding to support the delivery of Welsh medium learning opportunities for adults.

GAVO – Health and Wellbeing Grant

Funding to support Welsh medium activities in the community which support well-being

Prior year funds only

Moondance Foundation

This grant is to contribute to the costs of the project staff and website development.

Transfer between funds

A transfer of £40,000 was made during the year from the general fund to the designated fund for Ffiliffest, to cover costs incurred for the event in June 2022.

20. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions paid by the charity to the fund and amounted to £23,179 (2021: £23,385). Contributions due at the year end amounted to £Nil (2021: £Nil).

21. RELATED PARTY DISCLOSURES

There were no further related party transaction for the year ended 31 March 2022 that require disclosure.