

REGISTERED COMPANY NUMBER: 03958840 (Wales)
REGISTERED CHARITY NUMBER: 1114492

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2022**

FOR

AWEL AMAN Tawe

Bevan Buckland LLP
Chartered Accountants
And Statutory Auditors
Ground Floor Cardigan House
Castle Court
Swansea Enterprise Park
Swansea
SA7 9LA

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FOR THE YEAR ENDED 31 DECEMBER 2022

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AWEL AMAN TAWE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 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 December 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

The charitable company is a non-profit making organisation whose objectives are:

- To advance the education of the public, in particular but not exclusively in energy efficiency and renewable resources for the public benefit;
- The preservation and conservation of the environment through the promotion and use of renewable energy and energy saving measures;
- The relief of poverty;
- To conduct research and development relating to the utilisation of energy conservation practices and renewable energy technologies and to use the research for the public benefit;
- To provide or assist in the provision of recreational facilities in the interests of social welfare with a view to advancing education and improving the conditions of life for those for whom the facilities are primarily intended;
- The relief of unemployment for the public benefit, in particular but not exclusively by the provision of advice, training and support for the unemployed;
- The relief of sickness and the preservation and protection of good health among people residing permanently or temporarily in South Wales and further afield;
- The promotion of the arts, culture and heritage; and
- Such other charitable purposes as may from time to time be determined.

The charitable company's income derives from contracts and grants from local and central government, charitable trusts, donations and trading activities.

AWEL AMAN TAWE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Annual Report - 2022

The overall aims of the charity are to tackle climate change in Wales and enable local regeneration in the Upper Swansea and Amman Valley. To help achieve this, we:

- Engage people in climate change action
- Tackle fuel poverty
- Low carbon, education and arts projects
- Educational and arts programme
- Create jobs

Engage people in climate change action

- Combined, the two co-ops reduced carbon dioxide emissions by more than 4,000 tonnes and supplied the equivalent of more than 4,000 homes in 2021.

We have nearly 1500 members in our co-ops. We have also over 50 schools and community groups who are members and they own over £100k of the shares, giving them a sustainable income stream. We estimate that there are over 50,000 people in these groups which now co-own the Awel and Egni Co-ops. Members include the local rugby and football clubs, over 40 schools, Merched y Wawr, the Food Bank and the Friends of Pontardawe Centre.

- Education: our Education Officer, Jen James, has developed a very exciting programme of work 'We are Energy Warriors'. This engages 40 schools with Egni solar panels and those close to Awel Co-op's wind farm in a range of sustainability and carbon reduction activities. It builds on our partnership with another charity, Energy Sparks and the STEM Ambassadors programme. Energy Sparks www.energysparks.uk have an educational portal for schools which displays electricity, gas and solar generation data in an accessible way, with a range of educational materials. Examples of the fun activities are the energy raps which can be seen on Awel Aman Tawe's Youtube channel.

Tackle fuel poverty

Egni Co-op: we now have 95 sites across Wales with 4.5 MWp of capacity. These sites saved about £119k/year in electricity costs in 2022 and reduced annual carbon emissions by over 1,000 tonnes/year. Many of our community buildings play a key role during the COVID pandemic and costing of living crisis providing foodbanks and other vital services.

We hope to develop fuel poverty/energy efficiency advice services for domestic households in the future depending on funding and our capacity. We are aiming to integrate this support within the Hwb y Gors development.

Hwb y Gors

Hwb y Gors: we started refurbishment of the former Cwmgors Primary School in January 2021 and aim to develop it as zero carbon education, arts and enterprise centre. We've secured £1.9m of capital and loan funding towards the refurbishment costs. Progress can be seen on <https://www.facebook.com/hwbbygors>. We have installed 90kW of solar and a 50kW ground source heat pump. We are engaging the community through a range of community arts projects using textiles, stained glass and tilemaking, drawing on local heritage. The work will then be installed within Hwb y Gors which we aim to open in December 2023.

Taith Co-op

We have two electric vehicles and work with vulnerable groups in SW Wales to enable them to access services and support. In particular, we work with people with learning difficulties, disabilities, carers and the elderly. One of the vehicles has a wheelchair ramp. We are active members of the Community Transport Association. We have been operating this service successfully for over a year. Since September 2022, we have supported 102 passengers who have made 1134 journeys travelling a total of 15,492 miles. This has saved over 1.4 tonnes of carbon emissions.

Other projects

- We have secured planning permission for a ground mounted solar farm next to our turbines on the Gwrhyd. The solar would share the grid connection with our existing wind farm and we have secured agreement that we can install up to 3MW of solar under our grid connection agreement which is three times what was originally offered by National Grid (formerly Western Power Distribution). We are now securing additional agreements and developing the financial model.

- We are also assessing the feasibility of developing 3 additional wind turbines on the Gwrhyd with a capacity of 9MW.

- We are working with a commercial developer ESB/Coriolis to secure up to a 20% shared ownership community stake in Y Bryn windfarm near Port Talbot. We are working with Neath Port Talbot CVS (NPTCVS) and Bridgend Association for Voluntary Organisations (BAVO) on the shared ownership element <https://www.ybryn-windfarm.cymru/>

AWEL AMAN TAWE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

- Mynydd Fforch Dwm Shared Ownership <https://mfdwindfarm.co.uk/>: we have a 17% stake in a 20MW wind farm and 6MW of solar project near the village of Tonmawr, Neath Port Talbot. We are working with NPTCVS on this project. We signed MOUs in July 2023 and expect the project to be submitted for planning in Q3 2023.

-We have supported a number of energy efficiency surveys of community groups, rugby and football clubs in Wales. This has led to a number being successful in securing funding for solar panels, more efficient boilers and other measures.

Job Creation

-Job creation: we've increased our team from six to nine staff

Donors

We would like to thank all our donors and the public for their support in 2022.

FINANCIAL REVIEW

Reserves policy

Unrestricted General Funds as of 31st December 2022 are shown as £254,909 (Note 19 of the accounts). Trustees agree to hold 6 months running costs for the charity - this is based on the Annual Expenditure of £462,124 as shown in the accounts + 10% contingency.

Trustees agreed to designate £290,000 towards Hwb y Gors which aligns with the charity's objectives.

Awel Aman Tawe aims to build up reserves in future years to enable it to continue and expand the services they currently provide and develop new projects in the future. This policy will be reviewed annually or when significant changes occur within the organisation.

Investments and other powers

The trustees have the power to expend the funds of the charitable company in such manner as they consider being beneficial for the achievement of the charitable company's objects. They are also empowered to invest such part of the funds as they see fit in the furtherance of the objects of the charitable company.

Financial Statements

The trustees consider that in view of the non-profit making status of the charitable company's activities, the terms "profit and loss" are not appropriate to giving a true and fair view. Accordingly, under the provisions of the Companies Act 2006, the term "profit and loss account" has been replaced by "income and expenditure account", and the words "profit" and "loss" by "surplus" and "deficit".

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

The organisation was incorporated on 9th March 2000 and registered as a charity on the 1st June 2006.

Recruitment and appointment of new trustees

The directors of the charitable company are also charity trustees for the purpose of charity law. The rules regarding the number of directors and their appointment, reappointment and removal are contained in the Articles of Association to which reference should be made.

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. The trustees actively review the major risks which the charitable company faces on a regular basis and we believe that maintaining our free reserves at sufficient levels to enable the charity to continue and expand the services they provide. The trustees have also examined other operational and business risks which we face and confirm that we have established systems to mitigate the significant risks.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03958840 (Wales)

Registered Charity number

1114492

AWEL AMAN TAWE

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

Registered office

76-78 Gwilym Road
Cwmillynfell
Swansea
SA9 2GN

Trustees

B Jones
D Stonehouse
C McGurgan
B E Edwards
M Jervis
Ms H Roach (appointed 16.3.22)
Ms K J Powis (appointed 16.3.22)
Dr C M Maby (appointed 21.9.22)
A W Lloyd (appointed 16.3.22)
C B Johnes (appointed 21.9.22)

Company Secretary

D McCallum

Auditors

Bevan Buckland LLP
Chartered Accountants
And Statutory Auditors
Ground Floor Cardigan House
Castle Court
Swansea Enterprise Park
Swansea
SA7 9LA

Bankers

The Co - operative Bank
P.O. Box 250
Delf House
Southway
Skelmersdale
WN8 6WT

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Awel Aman Tawe for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 which 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.

AWEL AMAN TAWE
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Bevan Buckland LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 27/09/2023 and signed on its behalf by:



.....
B E Edwards - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF AWEL AMAN Tawe

Opinion

We have audited the financial statements of Awel Aman Tawe (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are 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 Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. 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.

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

Matters on which we are required to report by exception

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

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 or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF AWEL AMAN TAWE

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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:

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, and then, design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

We discussed our audit independence complying with the Revised Ethical Standard 2019 with the engagement team members whilst planning the audit and continually monitored our independence throughout the process.

Identifying and assessing potential risks related to irregularities.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- discussing among the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud.
- obtaining an understanding of the legal and regulatory frameworks that the Charity operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Charity. The key laws and regulations we considered in this context included the UK Companies Act and relevant tax legislation.

Audit response to risks identified

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations;
- enquiring of management concerning actual and potential litigation and claims; performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments;
- assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and
- evaluating the operational rationale of any significant transactions that are unusual or outside the normal course of operations.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
AWEL AMAN TAWE**

Use of our report

This report is made solely to the charitable company's members, 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 charitable company's members those matters we are required to state to them in an auditors' 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Alison Vickers (Senior Statutory Auditor)
for and on behalf of Bevan Buckland LLP
Chartered Accountants
And Statutory Auditors
Ground Floor Cardigan House
Castle Court
Swansea Enterprise Park
Swansea
SA7 9LA

Date: ..27/09/2023.....

AWEL AMAN TAWE

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

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	-	-	-	500
Charitable activities					
Grant Income	5	154,817	646,538	801,355	1,433,411
Other trading activities	3	350,342	-	350,342	212,034
Investment income	4	10,620	-	10,620	8,798
Total		<u>515,779</u>	<u>646,538</u>	<u>1,162,317</u>	<u>1,654,743</u>
EXPENDITURE ON					
Charitable activities					
Energy and environmental projects	6	462,124	239,997	702,121	455,760
Grant Income		-	-	-	-
Total		<u>462,124</u>	<u>239,997</u>	<u>702,121</u>	<u>455,760</u>
NET INCOME					
Transfers between funds	19	53,655 99,413	406,541 (99,413)	460,196 -	1,198,983 -
Net movement in funds		<u>153,068</u>	<u>307,128</u>	<u>460,196</u>	<u>1,198,983</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		937,441	796,749	1,734,190	535,207
TOTAL FUNDS CARRIED FORWARD		<u><u>1,090,509</u></u>	<u><u>1,103,877</u></u>	<u><u>2,194,386</u></u>	<u><u>1,734,190</u></u>

The notes form part of these financial statements

AWEL AMAN TAWE

**BALANCE SHEET
31 DECEMBER 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	12	1,839,518	1,051,491	2,891,009	1,937,420
Investments	13	12,082	-	12,082	102,001
		<u>1,851,600</u>	<u>1,051,491</u>	<u>2,903,091</u>	<u>2,039,421</u>
CURRENT ASSETS					
Debtors	14	477,082	52,386	529,468	486,501
Cash at bank and in hand		178,510	-	178,510	329,327
		<u>655,592</u>	<u>52,386</u>	<u>707,978</u>	<u>815,828</u>
CREDITORS					
Amounts falling due within one year	15	(188,734)	-	(188,734)	(71,660)
		<u>466,858</u>	<u>52,386</u>	<u>519,244</u>	<u>744,168</u>
NET CURRENT ASSETS					
		<u>466,858</u>	<u>52,386</u>	<u>519,244</u>	<u>744,168</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,318,458	1,103,877	3,422,335	2,783,589
CREDITORS					
Amounts falling due after more than one year	16	(1,227,949)	-	(1,227,949)	(1,049,399)
		<u>1,090,509</u>	<u>1,103,877</u>	<u>2,194,386</u>	<u>1,734,190</u>
NET ASSETS					
		<u>1,090,509</u>	<u>1,103,877</u>	<u>2,194,386</u>	<u>1,734,190</u>
FUNDS	19				
Unrestricted funds				1,090,509	937,441
Restricted funds				1,103,877	796,749
TOTAL FUNDS				<u>2,194,386</u>	<u>1,734,190</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on ..27/09/2023.. and were signed on its behalf by:



.....
B E Edwards - Trustee

AWEL AMAN TAWE
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	688,032	997,390
Interest paid		(147,050)	(40,921)
Net cash provided by operating activities		<u>540,982</u>	<u>956,469</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,021,614)	(750,461)
Sale of fixed asset investments		89,919	-
Net cash used in investing activities		<u>(931,695)</u>	<u>(750,461)</u>
Cash flows from financing activities			
New loans in year		(100,000)	25,000
Loan repayments in year		-	(13,508)
Related party loan movement		339,896	53,411
Net cash provided by financing activities		<u>239,896</u>	<u>64,903</u>
Change in cash and cash equivalents in the reporting period		<u>(150,817)</u>	<u>270,911</u>
Cash and cash equivalents at the beginning of the reporting period		<u>329,327</u>	<u>58,416</u>
Cash and cash equivalents at the end of the reporting period		<u><u>178,510</u></u>	<u><u>329,327</u></u>

The notes form part of these financial statements

AWEL AMAN TAWE

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income for the reporting period (as per the Statement of Financial Activities)	460,196	1,198,983
Adjustments for:		
Depreciation charges	68,025	81,070
Interest paid	147,050	40,921
Increase in debtors	(42,967)	(329,265)
Increase in creditors	55,728	5,681
Net cash provided by operations	<u>688,032</u>	<u>997,390</u>

2. ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)

	At 1.1.22 £	Cash flow £	At 31.12.22 £
Net cash			
Cash at bank and in hand	329,327	(150,817)	178,510
	<u>329,327</u>	<u>(150,817)</u>	<u>178,510</u>
Debt			
Debts falling due within 1 year	(16,705)	(61,346)	(78,051)
Debts falling due after 1 year	(118,689)	(1,109,260)	(1,227,949)
	<u>(135,394)</u>	<u>(1,170,606)</u>	<u>(1,306,000)</u>
Total	<u>193,933</u>	<u>(1,321,423)</u>	<u>(1,127,490)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts are prepared in sterling

The charity constitutes a public benefit entity as defined by FRS 102.

Legal status of the charity

The charity is private limited company by guarantee incorporated in England and Wales and has no share capital.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

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

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 before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Income on consultancy and contracts is recognised on an accruals basis and recognised in the period in which it relates to.

Income from Solar Panels is recognised over the period of electricity generation on an accruals basis.

Management charge income is recognised in relation to the period which the management services apply to, on an accruals basis.

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

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 costs related to that 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.

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly relate to charitable activities. Support costs include back office costs, insurance and governance costs which support the charity's activities. These costs have been allocated to expenditure on charitable activities

Depreciation

Depreciation of fixed assets is calculated to write off their cost less any residual value over their estimated useful lives as follows:

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

1. ACCOUNTING POLICIES - continued

Depreciation

Freehold land	No depreciation
Freehold buildings	2% straight line
Solar panels	5% straight line
Plant & machinery:	
Additions pre 2008	15% reducing balance
Additions 2008 onwards	25% straight line
Office equipment:	
Additions pre 2008	15% reducing balance
Additions 2008 onwards	25% straight line

Assets purchased which have a value of less than £1,000 are expensed to the profit and loss account in the year of purchase.

Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

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.

Pensions

Contributions are charged to the income and expenditure account as they become payable in accordance with the rules of the scheme.

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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Fixed asset Investments

Shares held in fixed asset investments are held at cost.

Significant management judgements and key sources of estimation uncertainty

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

1. ACCOUNTING POLICIES - continued

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Significant management judgements

The following are management judgements in applying the accounting policies of the charity that have the most significant effect on the amounts recognised in the financial statements.

Estimation of the useful economic life of buildings, solar panels, plant and machinery and office equipment.

2. DONATIONS AND LEGACIES

	2022 £	2021 £
Donations	-	500

3. OTHER TRADING ACTIVITIES

	2022 £	2021 £
Contracts and consultancy	117,653	41,102
Co-op Management	100,817	56,160
Solar panel revenue	131,872	114,772
	<u>350,342</u>	<u>212,034</u>

4. INVESTMENT INCOME

	2022 £	2021 £
Investment income	<u>10,620</u>	<u>8,798</u>

Investment income includes interest earned on share capital invested in Awel Ltd and Egni.

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2022 £	2021 £
Grants	Grant Income	<u>801,355</u>	<u>1,433,411</u>

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

	2022 £	2021 £
YouCoop	1,577	-
Awel y Gwrhyd CIC - S106 Community Benefit	33,642	31,888
Awel y Gwrhyd CIC - Common Land	22,428	21,259
Awel y Gwrhyd CIC	100,000	125,000
Rural Development Programme (RDP) – Gwrhyd Solar	-	18,472
WCVA - Kickstart	9,834	4,952
Community Facilities Programme – Welsh Government	50,000	250,000
Lottery Community Fund - We are Energy Warriors	-	9,600
	<u>217,481</u>	<u>461,171</u>
Carried forward	217,481	461,171

AWEL AMAN TAWE

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

5. INCOME FROM CHARITABLE ACTIVITIES - continued

	2022 £	2021 £
Brought forward	217,481	461,171
Western Valleys Community Transport Scheme, Community Transport Association - Welsh Government	115,575	126,377
Third Sector Resilience Fund – Wales Council for Voluntary Action (WCVA)	50,000	75,000
People and Places - The National Lottery Community Fund	100,000	400,000
Welsh Government's Landfill Disposal Tax Communities Scheme – Wales Council for Voluntary Action (WCVA)	49,600	49,999
Garfield Weston Foundation	15,000	15,000
Virgin Media O2 Together Fund	-	7,000
Pembrokeshire Coast P.A. Sustainable Development Fund	-	10,080
Moondance Foundation	-	100,000
Awards for All - The National Lottery Community Fund	-	10,000
Transforming Towns, Neath Port Talbot County Borough Council (NPTCBC)	-	98,891
Arts Council of Wales	-	37,813
Margaret Davies Charity Grant	-	5,000
Rural Development Programme- Engagement Officer	-	22,080
Welsh Government Energy Service	-	15,000
Ein Milltir Sqwar Defibrillator	1,679	-
Morel Trust - Hwb y Gors	3,000	-
Clothworkers Foundation - Hwb y Gors	100,000	-
West Glamorgan Regional Partnership-Learning Disabilities Fund	11,537	-
Heritage Lottery - Ein Milltir Sqwar	39,400	-
Heritage Lottery - Hwb y Gors	20,000	-
Ashley Family Foundation - Hwb y Gors	25,000	-
Welsh Government Energy Service- Gwrhyd Solar/Wind	25,000	-
Bus Services Support Grant- Community Transport- NPTCBC	6,297	-
NPTCVS UK Community Renewal Fund – Third Sector Grants Scheme	24,616	-
Other grant income	(2,830)	-
	<u>801,355</u>	<u>1,433,411</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
Energy and environmental projects	<u>686,164</u>	<u>15,957</u>	<u>702,121</u>

7. SUPPORT COSTS

	Support costs £
Energy and environmental projects	<u>15,957</u>

AWEL AMAN TAWE

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

8. NET INCOME/(EXPENDITURE)

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

	2022	2021
	£	£
Depreciation - owned assets	68,025	81,070
Auditors remuneration - audit services	9,000	7,500
Auditors remuneration - accountancy and other services	4,500	2,500
	<u> </u>	<u> </u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2022 nor for the year ended 31 December 2021.

10. STAFF COSTS

	31/12/2022	31/12/2021
	£	£
Wages and Salaries	247,070	186,960
Social Security Costs	18,204	11,889
Pension Costs	12,577	10,552
	<u> </u>	<u> </u>
	<u>277,850</u>	<u>209,401</u>

The staff costs are included in a number of the expense headings within the detailed income and expenditure account.

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

	2022	2021
Management/ Finance	5	3
Projects	<u>7</u>	<u>5</u>
	<u>12</u>	<u>8</u>

No employee was paid more than £60,000.

The Key Management Personnel of the Charity received remuneration of £87,476 (31/12/2021 £56,625) , this includes gross salary paid, employers national insurance contributions and employers pension contributions. The number of staff classed as key management was 2 for 2022 and 1 for 2021

Defined Contribution Pension Scheme

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

The pension cost charge represents contributions payable by the charitable company to the fund and amounted to £12,577 (31/12/2021: £10,552)

AWEL AMAN TAWE

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

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	500	-	500
Charitable activities			
Grant Income	183,099	1,250,312	1,433,411
Other trading activities	212,034	-	212,034
Investment income	8,798	-	8,798
Total	<u>404,431</u>	<u>1,250,312</u>	<u>1,654,743</u>
EXPENDITURE ON			
Charitable activities			
Energy and environmental projects	369,500	86,260	455,760
Grant Income	-	-	-
Total	<u>369,500</u>	<u>86,260</u>	<u>455,760</u>
NET INCOME	34,931	1,164,052	1,198,983
Transfers between funds	<u>367,303</u>	<u>(367,303)</u>	<u>-</u>
Net movement in funds	402,234	796,749	1,198,983
RECONCILIATION OF FUNDS			
Total funds brought forward			
As previously reported	470,732	107,889	578,621
Prior year adjustment	64,475	(107,889)	(43,414)
As restated	<u>535,207</u>	<u>-</u>	<u>535,207</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>937,441</u></u>	<u><u>796,749</u></u>	<u><u>1,734,190</u></u>

AWEL AMAN TAWE

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

12. TANGIBLE FIXED ASSETS

	Freehold property £	Solar panels £	Plant and machinery £
COST			
At 1 January 2022	845,978	1,132,139	79,996
Additions	945,288	-	26,692
Disposals	-	-	-
At 31 December 2022	1,791,266	1,132,139	106,688
DEPRECIATION			
At 1 January 2022	36,743	82,118	27,256
Charge for year	2,491	56,607	(11,956)
Eliminated on disposal	-	-	-
At 31 December 2022	39,234	138,725	15,300
NET BOOK VALUE			
At 31 December 2022	1,752,032	993,414	91,388
At 31 December 2021	809,235	1,050,021	52,740
	Office Equipment £	Motor vehicles £	Totals £
COST			
At 1 January 2022	51,495	31,130	2,140,738
Additions	436	49,198	1,021,614
Disposals	(23,950)	-	(23,950)
At 31 December 2022	27,981	80,328	3,138,402
DEPRECIATION			
At 1 January 2022	49,418	7,783	203,318
Charge for year	801	20,082	68,025
Eliminated on disposal	(23,950)	-	(23,950)
At 31 December 2022	26,269	27,865	247,393
NET BOOK VALUE			
At 31 December 2022	1,712	52,463	2,891,009
At 31 December 2021	2,077	23,347	1,937,420

13. FIXED ASSET INVESTMENTS

	Unlisted investments £
MARKET VALUE	
At 1 January 2022	102,001
Disposals	(89,919)
At 31 December 2022	12,082
NET BOOK VALUE	
At 31 December 2022	12,082
At 31 December 2021	102,001

AWEL AMAN TAWE

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

13. FIXED ASSET INVESTMENTS - continued

There were no investment assets outside the UK.

Fixed Asset Investments are made up £10.1k (2021 £100k) of share capital in Egni (a Co-operative and Community Benefit Society). £89,9k of shares were repaid to Awel Aman Tawe in the year at nominal value.

Fixed Asset investments also include £1 of share capital in Awel Limited (a Co-operative and Community Benefit Society) and £2,000 of share capital in Trydani (a Co-operative and Community Benefit Society).

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	21,885	20,868
Amounts owed by related parties	383,684	108,771
Other debtors	78,522	336,326
VAT	9,983	18,978
Prepayments and accrued income	35,394	1,558
	<u>529,468</u>	<u>486,501</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Other loans (see note 17)	78,051	16,705
Trade creditors	28,646	6,271
Social security and other taxes	2,408	3,921
Other creditors	3,930	5,811
Accruals and deferred income	75,699	38,952
	<u>188,734</u>	<u>71,660</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Other loans (see note 17)	1,227,949	118,689
Amounts owed to related parties	-	930,710
	<u>1,227,949</u>	<u>1,049,399</u>

Related party balances with Egni have been restructured during the year with some of the balance being converted to loans

More details on this are included in note 17.

17. LOANS

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year on demand:		
Other loans	<u>78,051</u>	<u>16,705</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	<u>80,905</u>	<u>13,927</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>233,825</u>	<u>65,704</u>

AWEL AMAN TAWE

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

17. LOANS - continued

	2022 £	2021 £
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans more than 5yrs	913,219	39,058
Related party balances with Egni Co-op (Egni) have been restructured during the year with some of the balance being converted to loans.		
Egni had previously provided loans to pay for the purchase and installation costs of solar panels (PV) and the purchase and installation of a Ground Source Heat Pump (GSHP) on behalf of AAT.		
Amounts owed to Egni included within loans is as follows:		
	2022	
Solar Panel (PV) loan	1,005,824	
Ground Source Heat pump (GSHP) loan	83,843	

18. SECURED DEBTS

The following hold a charge against the freehold land and property of the charity

NPTCBC - dated Dec 2022
 WCVA - dated Dec 2022 and Dec 2006
 Big Lottery Fund - dated April 2022

AWEL AMAN TAWE

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

19. MOVEMENT IN FUNDS

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General funds	200,416	153,068	(98,575)	254,909
Designated Asset Fund - Capital	635,024	-	(101,506)	533,518
Designated Long Term Investments	102,001	-	(89,919)	12,082
Hwb y Gors	-	(99,413)	389,413	290,000
	<u>937,441</u>	<u>53,655</u>	<u>99,413</u>	<u>1,090,509</u>
Restricted funds				
People and Places - The National Lottery Community Fund	88,757	100,000	(188,757)	-
Transforming Towns, Neath Port Talbot County Borough Council (NPTCBC)	98,891	-	(98,891)	-
Arts Council of Wales	37,242	(37,242)	-	-
Margaret Davies Charity	5,000	-	(5,000)	-
Moondance Foundation	100,000	-	(100,000)	-
Welsh Government's Landfill Disposal Tax Communities Scheme – Wales Council for Voluntary Action (WCVA)	-	49,600	(49,600)	-
Western Valleys Community Transport Scheme, Community Transport Association - Welsh Government	93,116	80,000	(173,116)	-
Third Sector Resilience Fund – Wales Council for Voluntary Action (WCVA)	37,500	(25,000)	-	12,500
Community Facilities Programme – Welsh Government	-	50,000	(50,000)	-
Garfield Weston Foundation	15,000	15,000	-	30,000
Awards for All - The National Lottery Community Fund	10,000	(10,000)	-	-
Restricted Hwb y Gors capital fund	311,243	20,000	720,248	1,051,491
Ein Milltir Sgwar - Defibrillator	-	1,679	-	1,679
Bus Services Support Grant - Community Transport (BSSG) NPT	-	6,297	(6,297)	-
Heritage Lottery fund - Ein Militir Sgwar	-	20,000	(20,000)	-
Morel Trust fund	-	3,000	(3,000)	-
Clothworkers Foundation - Hwb y Gors	-	100,000	(100,000)	-
Ashley Family Foundation Fund - Hwb y Gors	-	25,000	(25,000)	-
Welsh Government Energy Service - Gwrhyd Solar & Wind Project	-	8,207	-	8,207
	<u>796,749</u>	<u>406,541</u>	<u>(99,413)</u>	<u>1,103,877</u>
TOTAL FUNDS	<u>1,734,190</u>	<u>460,196</u>	<u>-</u>	<u>2,194,386</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 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 funds	515,779	(362,711)	153,068
Hwb y Gors	-	(99,413)	(99,413)
	<u>515,779</u>	<u>(462,124)</u>	<u>53,655</u>
Restricted funds			
People and Places - The National Lottery Community Fund	100,000	-	100,000
Arts Council of Wales	-	(37,242)	(37,242)
Welsh Government's Landfill Disposal Tax Communities Scheme – Wales Council for Voluntary Action (WCVA)	49,600	-	49,600
Western Valleys Community Transport Scheme, Community Transport Association - Welsh Government	115,575	(35,575)	80,000
Third Sector Resilience Fund – Wales Council for Voluntary Action (WCVA)	50,000	(75,000)	(25,000)
WCVA- Kick start	9,834	(9,834)	-
Community Facilities Programme – Welsh Government	50,000	-	50,000
Garfield Weston Foundation	15,000	-	15,000
Awards for All - The National Lottery Community Fund	-	(10,000)	(10,000)
Restricted Hwb y Gors capital fund	20,000	-	20,000
Transport - Learning Disabilities Fund	11,537	(11,537)	-
Ein Milltir Sgwar - Defibrillator	1,679	-	1,679
Bus Services Support Grant - Community Transport (BSSG) NPT	6,297	-	6,297
Heritage Lottery fund - Ein Milltir Sgwar NPTCVS UK Community Renewal Fund – Third Sector Grants Scheme	59,400	(39,400)	20,000
Morel Trust fund	4,616	(4,616)	-
Clothworkers Foundation - Hwb y Gors	3,000	-	3,000
Ashley Family Foundation Fund - Hwb y Gors	100,000	-	100,000
Welsh Government Energy Service - Gwrhyd Solar & Wind Project	25,000	-	25,000
	<u>25,000</u>	<u>(16,793)</u>	<u>8,207</u>
	<u>646,538</u>	<u>(239,997)</u>	<u>406,541</u>
TOTAL FUNDS	<u>1,162,317</u>	<u>(702,121)</u>	<u>460,196</u>

AWEL AMAN TAWE

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

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.21 £	Prior year adjustment £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
Unrestricted funds					
General funds	141,405	64,475	34,931	(40,395)	200,416
Designated Asset Fund - Capital	227,326	-	-	407,698	635,024
Designated Long Term Investments	102,001	-	-	-	102,001
	<u>470,732</u>	<u>64,475</u>	<u>34,931</u>	<u>367,303</u>	<u>937,441</u>
Restricted funds					
Aggregate Levy Fund - Capital	50,000	(50,000)	-	-	-
NPT CBC Rural Key Fund - Capital	5,550	(5,550)	-	-	-
NPT Rural Key Fund - Capital	36,340	(36,340)	-	-	-
Groundwork Wales - Capital	1,214	(1,214)	-	-	-
Community Investment Fund - Capital	13,050	(13,050)	-	-	-
The Energy Saving Trust - Capital	1,735	(1,735)	-	-	-
Rural Development Programme (RDP) - Gwrhyd Solar	-	-	18,472	(18,472)	-
People and Places - The National Lottery Community Fund	-	-	400,000	(311,243)	88,757
Transforming Towns, Neath Port Talbot County Borough Council (NPTCBC)	-	-	98,891	-	98,891
Arts Council of Wales	-	-	37,813	(571)	37,242
Margaret Davies Charity	-	-	5,000	-	5,000
Moondance Foundation	-	-	100,000	-	100,000
Welsh Government's Landfill Disposal Tax Communities Scheme – Wales Council for Voluntary Action (WCVA)	-	-	49,999	(49,999)	-
Western Valleys Community Transport Scheme, Community Transport Association - Welsh Government	-	-	126,377	(33,261)	93,116
Third Sector Resilience Fund – Wales Council for Voluntary Action (WCVA)	-	-	37,500	-	37,500
Community Facilities Programme – Welsh Government	-	-	250,000	(250,000)	-
Garfield Weston Foundation	-	-	15,000	-	15,000
Awards for All - The National Lottery Community Fund	-	-	10,000	-	10,000

AWEL AMAN TAWE

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

19. MOVEMENT IN FUNDS - continued

Welsh Government Energy Service	-	-	15,000	(15,000)	-
Restricted Hwb y Gors capital fund	-	-	-	311,243	311,243
	<u>107,889</u>	<u>(107,889)</u>	<u>1,164,052</u>	<u>(367,303)</u>	<u>796,749</u>
TOTAL FUNDS	<u>578,621</u>	<u>(43,414)</u>	<u>1,198,983</u>	<u>-</u>	<u>1,734,190</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General funds	404,431	(369,500)	34,931
Restricted funds			
Rural Development Programme (RDP) - Gwrhyd Solar	18,472	-	18,472
People and Places - The National Lottery Community Fund	400,000	-	400,000
Transforming Towns, Neath Port Talbot County Borough Council (NPTCBC)	98,891	-	98,891
Arts Council of Wales	37,813	-	37,813
Margaret Davies Charity	5,000	-	5,000
Moondance Foundation	100,000	-	100,000
Welsh Government's Landfill Disposal Tax Communities Scheme – Wales Council for Voluntary Action (WCVA)	49,999	-	49,999
Western Valleys Community Transport Scheme, Community Transport Association - Welsh Government	126,377	-	126,377
Third Sector Resilience Fund – Wales Council for Voluntary Action (WCVA)	75,000	(37,500)	37,500
Lottery Community Fund - We are Energy Warriors	9,600	(9,600)	-
Sustainable Development Fund	10,080	(10,080)	-
Community Facilities Programme – Welsh Government	250,000	-	250,000
Garfield Weston Foundation	15,000	-	15,000
Virgin Media O2 Together Fund	7,000	(7,000)	-
Awards for All - The National Lottery Community Fund	10,000	-	10,000
Rural Development Programme- Engagement Officer	22,080	(22,080)	-
Welsh Government Energy Service	15,000	-	15,000
	<u>1,250,312</u>	<u>(86,260)</u>	<u>1,164,052</u>
TOTAL FUNDS	<u>1,654,743</u>	<u>(455,760)</u>	<u>1,198,983</u>

Unrestricted & Designated Funds

Unrestricted General Funds as of 31st December 2022 are shown as £254,909. Trustees agree to hold 6 months running costs for the charity - this is based on the Annual Expenditure of £462,124 as shown in the accounts + 10% contingency.

Trustees agreed to designate £290,000 towards Hwb y Gors which aligns with the charity's objectives

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

19. MOVEMENT IN FUNDS - continued

Designated capital funds carried forward represent monies received towards capital expenditure,

Designated investment funds represent amounts held by the Charity in investments at the year end.

Restricted Funds

Details of specific Restricted funds are noted below:

- Rural Development Programme (RDP) - Gwrhyd Solar - this is funding towards a Feasibility Study for a ground mounted solar scheme
- People and Places - The National Lottery Community Fund - this is funding towards the Hwb y Gors refurbishment project
- Transforming Towns, Neath Port Talbot County Borough Council (NPTCBC) - this is funding towards the Hwb y Gors refurbishment project
- Arts Council of Wales - this is funding towards various community arts projects, as well as towards the Hwb y Gors refurbishment project
- Margaret Davies Charity - this is funding towards the Hwb y Gors refurbishment project
- Moondance Foundation - this is funding towards the Hwb y Gors refurbishment project
- Welsh Government's Landfill Disposal Tax Communities Scheme - Wales Council for Voluntary Action (WCVA) - this is funding towards the Hwb y Gors refurbishment project
- Western Valleys Community Transport Scheme, Community Transport Association - Welsh Government - this is funding towards the Community transport scheme
- Third Sector Resilience Fund - Wales Council for Voluntary Action (WCVA) - this is funding towards additional staffing and capacity development
- Community Facilities Programme - Welsh Government - this is funding towards the Hwb y Gors refurbishment project
- Garfield Weston Foundation - this is funding towards the Hwb y Gors refurbishment project
- Awards for All - The National Lottery Community Fund - this is funding towards community arts projects, as well as towards the Hwb y Gors refurbishment project
- Welsh Government Energy Service - Gwrhyd Solar & Wind Project - this is funding towards a feasibility study for a ground mounted solar and wind scheme
- Transport, Learning Disabilities Fund: this is towards staff salaries and running costs for providing this community transport service
- Ein Milltir Sqwar - Debrillitor: this will be located at Hwb y Gors for public use
- Bus Services Support Grant (BSSG) NPT: to support community transport in NPT
- Heritage Lottery Fund: funding towards heritage craft projects and lime render work at Hwb y Gors
- NPTCVS Community Renewal Fund: funding towards craft projects at Hwb y Gors
- Morel Trust: funding forward Hwb y Gors refurbishment
- Clothworkers Foundation: funding forward Hwb y Gors refurbishment
- Ashley Family Foundation: towards ceramics project and kitting out pottery studio at Hwb y Gors

AWEL AMAN TAWE

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

19. MOVEMENT IN FUNDS - continued

Transfers between funds

Transfers between restricted funds

These transfers represent restricted funds that have been received and spent on the Hwb y Gors development.

The closing balance on the restricted fund of £1,051,491 represents all sources of capital funding the charity has received in respect of this development.

Transfers between restricted and unrestricted funds

These transfers represents the direct revenue spend on the Hwb y Gors development , together with management time in respect of this development, where the costs were reflected in general unrestricted funds.

20. RELATED PARTY DISCLOSURES

Awel y Gwrhyd (community wind farm)

Awel y Gwrhyd CIC is a 100% subsidiary of Awel Limited and both Awel Limited and Awel y Gwrhyd CIC are managed and administrated by Awel Aman Tawe.

Included within debtors is a balance of £41,186 (2021 £11,418) due from Awel y Gwrhyd CIC, this balance is made up of costs incurred by Awel Aman Tawe on behalf of Awel y Gwrhyd CIC due for recharge.

During the year Awel Aman Tawe received S106 Community Benefit and Common Land income from Awel y Gwrhyd CIC of £56,071 (2021 £53,147) and charged management and admin fees of £24,000 (2021 £20,800).

During the year, a donation of £100,000 was made to Awel Aman Tawe by Awel y Gwrhyd (2021 £125,000)

Awel Limited

Awel Aman Tawe holds share capital in Awel Limited (a cooperative and community benefit company) of £1 at the year end which represents <25% of the voting rights of Awel Limited. Interest receivable on this balance for 2022 is £3,670.

Included within other debtors is a balance of £38,041 (2021 £97,380) due from Awel Ltd, this balance is made up of various loans and recharges due from Awel Ltd at the year end.

During the year Awel Aman Tawe provided management and administration services to Awel Limited totalling £24,000 (2021 £20,800).

Other related parties

As agreed by Trustees, during the year Emily Hinshelwood, co-founder of the Charity and partner of Dan McCallum (company secretary) provided consultancy services on a freelance basis totalling £27,686 (2021:£17,671) to manage the Hwb y Gors renovation and development project.

Trustees in Awel Aman Tawe held shares in Awel Ltd totalling £4,805 and total interest receivable thereon for 2022 was £291.

Trustees in Awel Aman Tawe held shares in Egni totalling £24,466 and total interest receivable thereon for 2022 was £782.

Staff of Awel Aman Tawe held shares in Awel Ltd totalling £477 and received interest of £33.

Staff in Awel Aman Tawe held shares in Egni totalling £15,270 and received interest of £477.

AWEL AMAN TAWE

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

21. Egni CYDWEITHREDOL

Awel Aman Tawe (AAT) holds shares totalling £10,081 in Egni Co-op (a cooperative and community benefit company) at the year end.

Egni Co-op (Egni) repaid shares totalling £89,919 to AAT during the year to 31/12/2022.

There are no staff employed by Egni and all administration and management faculties are provided by Awel Aman Tawe (AAT). AAT and Egni are related parties based on similar directors/trusteeships.

During the year AAT charged Egni a management & administration charge of £52,817 (2021: £14,560), plus project/consultancy charges of £108,464 (2021: £nil).

These charges are a contribution towards AAT's costs of employing three solar development staff, the finance and administration team, and the Education Officer who works with schools that have Egni solar panels, and other schools as required.

Related party balances with Egni have been restructured during the year with some of the balance being converted to loans. Egni had previously provided loans to pay for the purchase and installation costs of solar panels (PV) and the purchase and installation of a Ground Source Heat Pump (GSHP) on behalf of AAT.

Interest is charged on a variable rate on the PV loan and will mirror the amount of income less depreciation incurred by AAT in each period. The interest on the GSHP loan is charged at 6%.

The balance owed by AAT to Egni as at 31/12/2022 in relation to the PV loan was £1,005,824. The balance owed by AAT to Egni as at 31/12/2022 in relation to the GSHP loan was £83,843.

The reason for using both Egni and AAT for FiT preregistrations and for each organisation to then own panels was to maximise FiT income to the project and make the overall scheme more financially viable. In effect, our larger installs are more viable and enabled us to do smaller installs on primary schools and community buildings. This was permitted under Ofgem rules to support community energy - not for profit legal entities were allowed to share a grid connection and both were eligible for FiT. Since March 2021, when the FiT income ended, all installs have been funded and installed by Egni Co-op alone.

During the year, £131,872 was generated from Awel Aman Tawe's solar panels.

From time to time Egni and AAT will also pay bills on behalf of the other organisation. These amounts are typically balanced at year end and repaid in the following period. The balance of these items at year end was £127,867 owed by Egni to AAT.

There was a further balance owed by Egni to AAT at year end of £175,635, in relation to recharges (including VAT) issued in FY22 but not paid until FY23.

The total net amounts owed by AAT to Egni as at 31/12/2022 was £786,157 (2021: £875,026).

AWEL AMAN TAWE

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	-	500
Other trading activities		
Contracts and consultancy	117,653	41,102
Co-op Management	100,817	56,160
Solar panel revenue	131,872	114,772
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	350,342	212,034
Investment income		
Investment income	10,620	8,798
Charitable activities		
Grants	801,355	1,433,411
	<hr/>	<hr/>
Total incoming resources	1,162,317	1,654,743
 EXPENDITURE		
Charitable activities		
Project and employee costs	366,879	211,545
Rent, rates and water	687	1,140
Insurance	13,317	14,390
Light and heat	5,405	7,198
Telephone	1,662	1,600
Office costs	6,560	10,779
Photocopying	340	580
Marketing and advertising	2,384	915
Travel and motor	18,149	7,948
Professional fees	23,204	43,614
Subscriptions	5,132	3,537
Training costs	3,487	140
Repairs, maintenance & equipment	23,883	19,480
Depreciation	68,025	81,070
Finance charges	2,838	3,940
Interest payable-Solar panels	138,916	36,981
Interest on GSHP loan	5,296	-
	<hr/>	<hr/>
	686,164	444,857
Support costs		
Management		
Postage and stationery	-	54
Support costs		
Accountancy fees	15,957	10,849
	<hr/>	<hr/>
Total resources expended	702,121	455,760
	<hr/>	<hr/>
Net income	460,196	1,198,983
	<hr/>	<hr/>

This page does not form part of the statutory financial statements