

Ferryside Social Enterprise Group CIO

Charity Registration Number: 1158602

Trustees' report and financial statements
for the year ended 31st December 2022

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Legal and administrative information

Company Name: Ferryside Social Enterprise Group CIO

Charity Number: 1158602

Address: Calon Y Fferi
Community Centre
Carmarthen Road
Ferryside
SA17 5TE

Trustees:

James Ewen Greenwell	resigned 16/11/22, re-appointed 11/06/23
Anthony Stuart Duckworth	resigned 22/06/23
Simone Clare Bizzell-Browning	
Mark John Harwood	
Kenneth Mauric Day	resigned 25/10/22
Charles Robert Donald Etty-Leal	
Delyth Jayne Thompson	
Gaynor Jenkins	appointed 26/04/22
Elizabeth Margaret Gibson	appointed 18/04/23
Janet Parker	appointed 26/04/22 resigned 22/07/22
Ian Cutter	appointed 16/02/22 resigned 16/01/23
Sue Matthews	appointed 03/03/22 resigned 12/06/23

Independent Examiner: Nicola Lewis – EasyBooks (Wales) Ltd
Unit 4, Dragon 24,
North Dock
Llanelli
SA15 2LF

Report of the Trustees*For the year ended 31 December 2022*

The trustees present their report and the financial statements for the year ended 31 December 2022. The trustees who served during the year and up to the date of this report are set out on page 1.

Governing Document

The charity is governed by its trust deed.

Objectives

The principal objects of the charity are to further or benefit the residents of Ferryside, Carmarthenshire and the neighbourhood, without distinction of sex, sexual orientation, race or of political, religious or other opinions by associating together the said residents and the local authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of social welfare for recreation leisure time occupation with the objective of improving the conditions of life for the residents. Such other charitable purposes which may be charitable according to the law of England and Wales. In furtherance of these objects but not otherwise, the trustees shall have power: to establish or secure the establishment of a community centre and to maintain or manage or co-operate with any statutory authority in the maintenance and management of such a centre for activities promoted by the charity in furtherance of the above objects.

Achievements, Activities and Performance

Last year's report stated that Calon y Fferi has entered a phase of consolidation and steady development. This remains the case in terms of our short to medium term plans, but the project in the last year has faced a number of challenges and it has really been a year of survival, rather than the hoped-for slow growth. The inflation in the global and national economy has hit us very badly, with rises in the cost of electricity and heating oil being particularly damaging to our budget and to our tenants.

Our aim has always been to function as an asset to our community and we achieve that by acting as a space for the Community to use; as a place where micro-enterprises and SMEs can establish and grow, and as a host for other groups who provide demonstrable benefits to our locale.

As a community centre we provide meeting places in two main venues onsite: the Meeting Room, a large meeting room in the main building and a separate large space known as the Forum Hall. Both have, post Covid-19, seen steady use through the last year. The Meeting Room is used mainly for such activities as Yoga classes, lectures, and a Podiatry Clinic. This room also was used throughout the winter of 2022/23 as a Warm Space for the local community, supported by a small grant from Carmarthen County Council. Occupation of this room is increasing but not yet as high as we wish and we are continuing to develop this resource.

The Forum Hall has seen good levels of use. Ferryside Forum host a weekly market in the summer and in the run-up to Christmas, the market uses the Hall for stalls, along with the grass space outside in good weather. The monthly Repair Café continues to be a well-attended and popular resource and is especially valued for its emphasis on sustainability. In a similar vein, the Community Wardrobe is a regular user of this space. It is also used for sports activities and craft events, amongst others.

We have had three main social enterprises hosted full-time on site. The Ferryside Men's Shed, Ferryside Village Forum (mentioned above) and Broadside Films; of these the Men's Shed and the Forum have continued their activities largely unchanged and continue to support local people. Broadside Films have recently concentrated their efforts more on their commercial activities and have used their space in the old RAF Billets less and less. After discussions with them it was decided that they would cease to be tenants and they have now left us. We wish them well in the future. This does, however, give us the opportunity to develop this part of the site, which has received little or no improvement up to now. The Men's Shed continues to provide valuable, practical support to the men of the community, particularly to the older population, who can suffer from isolation. The Forum, in addition to running the Market, has been integral to developing parts of the site by providing volunteer help and materials, it is they who have established the raised beds used by

local people who have no access to other spaces for growing herbs, salads and vegetables and the Forum who developed the garden at the southern end of the site. FSEG has taken on maintenance of some of these spaces but the Forum remains an invaluable partner. The Community Wardrobe and the Repair Café are not-for-profit social organizations who use the site, but they are not full-time tenants.

We were approached in the last year by the Probation Service and we now act as a host to a supervised group sentenced to Community Service Orders. They use a room in the RAF Billets as a base and to store tools and materials. They have been very useful to us, doing maintenance and improvements on our site, but also around the wider community.

The business premises at Calon y Fferi continue to provide low-cost workspaces for local people. However, as we have matured, we have recognized that our existing model; where we offer spaces at very low cost, below market rates, needs revision. We find that the revenue raised barely covers the costs and certainly does not provide the capital we need to improve the site and our offering to the public. We are re-building the business model of FSEG generally but we will certainly need to build into that model some increases in revenue from our business tenants. The need for this kind of facility as the economy evolves remains and we intend to continue with this. Currently, we have nearly full occupancy of our current business units, though there has been some turnover. The range of tenants is wide; we have food businesses, therapy, solicitors, professional consultancies, established contractors and artists. Of the latter, Dorothy Morris, who runs the Greenspace Gallery here, falls somewhat between the social enterprise and commercial sectors. Whilst Dorothy is herself a successful professional artist, the Gallery provides a space for many to meet and create art, with hands-on training and guidance provided by Dorothy. The standard of work produced is impressive and it is a clear success as a social asset.

Our main hospitality business, Pryd o Fwyd was hit hard by the pandemic, this was then followed by huge increases in overhead costs and the business, sadly, was declared insolvent and ceased trading. The owner of Pryd was also the Post Master, and the Post Office – a service that was highly valued by the community – was also forced to close. These two failures have been a huge blow to us and to the wider community. Despite pleas and campaigns in the community the Post Office declined to support us and as I write Ferryside no longer has a Post Office.

While the Greenspace Gallery remains the main venue for visual arts, we have maintained the use of the foyer and adjoining areas as a gallery space for other local artists. Sales have been steady and we hope we are supporting those local artists who would otherwise struggle to place their work in commercial galleries.

The accommodation, branded as Sleep@Calonyfferi, traded profitably through the summer of 2022 and at a loss during the winter and spring of 2022/23. The Trustees were concerned that this enterprise, which was intended to create the revenue needed to run the Centre and pay staff, was in fact losing us money, averaged over each year. The Treasurer looked at the numbers in detail and we came to conclusion that the hotel was breaking even over the course of the last 12 months. We were faced with the need to change the hotel business model to ensure it could reliably operate and fulfil its aims. However, when our Hotel Manager gave notice the Trustees took the decision to cease taking bookings for the hotel until we can decide on the best way forward.

The site has several areas that still need refurbishment and maintenance. The Trustees are still actively considering plans for the part of the Main Building that remains largely unimproved and for the more dilapidated wing of the old RAF buildings. In the case of the former, a structural assessment has allowed us to rent the un-improved rooms upstairs for limited purposes but we still have not finalised longer term plans for this area. Likewise, we are still considering plans for the best way forward with the parts of the RAF Billets vacated by Broadside and the old Kitchen area currently used by the Probation Service.

At the start of this period our employed team consisted of a Centre Manager, Hotel Manager and Caretaker. This team was supported by part-time house-keeping staff and volunteers. Our Centre Manager resigned and was replaced by a temporary manager. We have since secured funding for a more permanent Centre Manager and will be recruiting for that post shortly. Our Hotel Manager resigned and has not been replaced.

St Ishmaels Community Council have approved a small grant to help us grow and develop through this difficult period. We are delighted to be developing closer ties between us and the council.

In summary, we have got through another difficult year. We have strived to deliver on our aims and commitments to be a real and positive asset to our community. We know we need to evolve and refine our model and have completed a major community consultation in the summer of 2023 to help guide us as we move on. The real challenges to our survival come largely from wider economics that we have little or no control over – inflation in general and increases in energy prices in particular. We hope the next 12 months

will be the hoped-for period of consolidation and slow growth for us, we will carry on working to improve our offering to Ferryside and the surrounding district, if we survive, we still have much exciting work ahead of us.

Financial review

Policy on reserves

The reserve policy has been updated this year to retain a minimum of two months of core staff salaries plus £3,000 totalling £10,204. This will be reviewed annually.

Statement of trustees' responsibilities

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

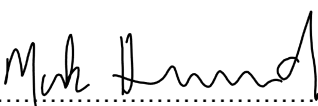
Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees declare that they have approved the trustees' report above.

On behalf of the board

Signed:  Trustee

Date: 19th October 2023

Print Name: Dr. Mark Harwood

Independent Examiner's Report
to the trustees of Ferryside Social Enterprise Group CIO

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

I have been appointed as independent examiner under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 145 of that Act.

My responsibility is to examine the accounts under section 145 of the Charities Act, to follow the procedures laid down in the general directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and to state whether particular matters have come to our attention.

Basis of independent examiner's statement

I have examined the financial statements of Ferryside Social Enterprise Group for the year ended 31st December 2022 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes.

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).

This report is made solely to the charity's trustees, as a body, in accordance with section 154 of the Charities Act 2011. My independent examination work has been undertaken so that I might state to the charity's trustees those matters we are required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity's trustees as a body, for any audit work, for this report, or for the opinions I have formed.

Independent examiner's statement

In connection with my examination, no matter has come to my attention (other than that disclosed below)

- Which gives me reasonable cause to believe that in, any material respect, the requirements:
- To keep accounting records in accordance with section 130 of the Charities Act; and
- To prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met; or
- To which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed



Nicola Jayne Lewis

Date 3rd October 2023

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31st December 2022

(including summary income and expenditure account)

	notes	<u>Unrestricted</u> <u>Funds</u>	<u>Restricted</u> <u>Funds</u>	<u>Total</u> <u>Funds</u>	<u>last year</u>
<u>INCOME</u>	3				
Donations and legacies		208	0	208	301
Grants received - Unrestricted		4116		4116	15000
Grants received - Restricted			7891	7891	27819
Trading Activities		121781	0	121781	102046
Bank Interest Received		36	0	36	1
TOTAL INCOME		126140	7891	134032	145166
<u>EXPENDITURE</u>					
Raising funds		0	0	0	0
Grants/Gifts in furtherance of objectives	8	0	0	0	0
Charitable Activities	4	124695	18297	142991	149343
TOTAL EXPENDITURE		124695	18297	142991	149343
Net Income (Expenditure) Before Transfers		1446	(10406)	(8960)	(4177)
Transfers Between Funds		(6777)	6777	0	0
Net Income (Expenditure) After Transfers		(5331)	(3629)	(8960)	(4177)
Gains/Losses on Revaluation of Fixed Assets		0	0	0	0
NET MOVEMENT IN FUNDS		(5331)	(3629)	(8960)	(4177)
Total Funds Brought Forward		17345	470915	488260	492438
Total Funds Carried Forward		12014	467287	479301	488260

BALANCE SHEET	notes	Unrestricted Funds	Restricted Funds	Total Funds	last year
as at 31st December 2022					
<u>Fixed Assets -Tangible</u>					
Fixed Assets -Tangible	9	3882	473101	476983	486741
<u>Current Assets</u>					
Debtors & Prepayments	10	7000	0	7000	3227
Accrued Income		0	1001	1001	0
Bank & Cash		8663	40058	48721	16367
		15664	41059	56723	19594
<u>Current Liabilities (falling due within 1 year)</u>					
Creditors & Accruals	11	7482	0	7482	5482
Deferred Income		0	40397	40397	0
Loan - repayments due in 1 year		0	6476	6476	0
		7482	46873	54355	5482
Net Current Assets		8182	(5814)	2368	14112
Total Assets less Current Liabilities		12064	467287	479351	500853
Loans Falling due after 1 year	11	0	0	0	12593
Provisions for Liabilities & Charges		50	0	50	0
Total Net Assets		12014	467287	479301	488260
<u>Fund Balances</u>					
Funds B/fwd		17345	470915	488260	492438
Net movement of funds		(5331)	(3629)	(8960)	(4177)
TOTAL FUNDS		12014	467287	479301	488260

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies

The members have not required the charitable company to obtain an audit of its financial statements in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102.

The financial statements were approved by the Board on 19/10/23 and were signed on its behalf by:

Signed.....
Director/Trustee

Print Name.....**Dr. Mark Harwood**

Notes to the financial statements

for the year ended 31 December 2022

1. Basis of preparation

1.1. Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities: Statement of Recommended Practice' (SORP FRS102) and with the Charities Act.

1.2. Change in Basis of Accounting

There has been no change in the accounting methods this year.

1.3. Changes to previous Accounts

No changes have been made to accounts for the previous years.

2. Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year.

2.1 Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. Gifts donated for resale are included as income when they are sold. Donated assets are included at the value to the charity where this can be quantified, and a third party is bearing the cost. The value of services provided by volunteers has not been included.

Tax Reclaims are included in the SoFA at the same time as the gift to which they relate.

Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

Income from investments is included in the year in which it is receivable.

Legacies are included when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

2.2 Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Resources expended are recognised in the year in which they are incurred.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management.

2.3 Tangible fixed assets and depreciation

Expenditure is capitalised if the asset has a useful life of more than 1 year and its cost exceeds £100.

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, on a straight-line basis as follows:

Buildings	2%
Equipment	25%

3. Analysis of Income

	This Year	Last Year
General Gifts and Donations	208	301
Grants	12007	42819
Hotel Income	49826	34285
Rental Income	69453	53867
ICT Services	713	11438
Sundry Sales	1585	2455
Other Income	204	0
Bank Interest	36	1
	134032	145166

Grants to restricted funds are:

TSRF3	6890
Warm Room	1001
	7891

Grants to Unrestricted funds are:

CCC Covid Funding	4116
CCC Rates Covid Support	
	4116

4. Analysis of Expenditure

Charitable Activities Costs are as follows:

	this year	last year
Employee Costs	69666	59701
Insurance	4512	3767
Rent, Rates, Light & Heat	26325	18307
Administration Costs	4485	11029
Repairs & Maintenance	10260	30945
Travel and subsistence	610	127
Hotel Direct Expenses	6892	7359
Legal and Professional Fees	0	460
Accounting Fees	2622	1974
Bank & Card Aquiring Charges	1500	983
Loan Interest	660	1102
Bad Debts	2486	0
Depreciation	12972	12973
Loss/(Profit) on disposal of asset	0	617
	142991	149343

The financial value of volunteer time has not been included in the financial statements but forms a crucial part of the success of the organisation.

5. Trustee Expenses

There were no trustee expenses incurred and reimbursed during the year.

6. Audit & Accounting Fees

Book Keeping & Software	1604	1014
Accounts & Examination	1018	960

7. Staff Expenditure

7.1 Staff Costs include:

	<u>This Year</u>	<u>Last Year</u>
Gross Wages & Salaries (incl. ER NI)	67796	58020
Pension Costs	1436	1295

7.2 Number of Employees

	<u>This Year</u>	<u>Last Year</u>
Full time employees (or equivalent)	7	4

8. Grant making

No donations have been made during the year.

9. Fixed Assets

	Buildings	Equipment	Total
Opening Balance Cost	510,044	14,368	524,412
Additions in Year	0	3,213	3,213
Disposals in Year	0.00	2,906	2,906
Closing Balance at Cost	510,044	14,675	524,719
Opening Accumulated Depreciation	29,949	7,722	37,671
Charge for year	10,201	2,771	12,972
Released on Disposal	0.00	2,906	2,906
Closing Accumulated Depreciation	40,150	7,586	47,736
Closing Net Book Value	469,894	7,089	476,983

No assets have been re-valued during the year.

10. Debtors and prepayments

The debtor figure represents:

	<u>This Year</u>	<u>Last Year</u>
Prepayments	4648	3432
Trade Debtors	2353	(205)
Total	7000	3227

Accrued Grant Income £1001 (Restricted - Warm Room)

11. Creditors and Accruals

Amounts falling due within 1 year are as follows:

	<u>This Year</u>	<u>Last Year</u>
Trade Creditors	4573	787
Accruals	2115	960
Net Pay and Pension creditor	793	303
DBW Investment Loan	5476	0
Loan From Trustee	1000	0
Total	13957	2050

Deferred Income £40397 – Grants to be released in future accounting periods

Amounts falling due after 1 year are as follows:

	<u>This Year</u>	<u>Last Year</u>
DBW Investment Loan	0	11593
ICT Equipment Loan	0	0
Loan From Trustee (Interest Free)	0	1000
Total	0	12593

12. Transactions with related Parties

12.1 Remuneration and benefits

No amounts were paid to trustees as salary in the year.

12.2 Loans

No loans were made to the trustees or related parties during the year.

12.3 Other Transactions

13. Fund Balances

Analysis of funds for the year are:-

	Balance b/fwd	Income	Expenditure	Fixed Asset Transfers	Fund Transfers	Balance c/fwd
Restricted Funds:						
Fixed Assets Restricted-net of loans	470914		11402	997	6777	467285
DBW Funds	2	0	0	0	0	2
Warm Room	0	1001	622	(379)	0	0
TSRF - Survive/Thrive	0	6890	6272	(618)	0	(0)
	470916	7891	18297	0	6777	467287
General Funds	17345	126140	124695	0	(6777)	12014
Total Funds	488261	134032	142991	0	0	479301

Restricted funds Details:

Fixed Assets – Funds for the restoration of the building (capitalised and held on Fixed Asset Register) net of depreciation and loan liabilities.

Warm Room – Grant for the provision of a warm community space.

TSRF Survive & Thrive – to assist with costs of surviving the COVID-19 pandemic and / or invest in new or additional activity which will generate a return beyond the period of funding.

Spending on capital assets is shown as transfer to Building & Asset fund and will depreciated from that fund.

14. Additional Disclosures

There are no further disclosures for this year.