

REGISTERED CHARITY NUMBER:

**TRUSTEES' REPORT AND
UNAUDITED FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 MARCH 2021
FOR**

Cylch Meithrin Cynwyd

Connolly Accountants & Business Advisors Ltd
Chartered Certified Accountants
The Stable Yard
Vicarage Road
Stony Stratford
Milton Keynes
Buckinghamshire
MK11 1BN

Cylch Meithrin Cynwyd

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FOR THE YEAR ENDED 31 MARCH 2021**

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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

The trustees present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

Principal address

Ysgol Isaf Hall
Cynwyd
Corwen
Denbighshire
LL21 0HR

Trustees

Ms A Lawrence	Trustee
Mrs A M Ellison	
Ms L Davies	

Independent examiner

Connolly Accountants & Business Advisors Ltd
Chartered Certified Accountants
The Stable Yard
Vicarage Road
Stony Stratford
Milton Keynes
Buckinghamshire
MK11 1BN

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

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.

TRUSTEES RESPONSIBILITY STATEMENT

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity 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 charity 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 charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They 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.

Cylch Meithrin Cynwyd

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

Approved by order of the board of trustees on 22 April 2021 and signed on its behalf by:

Mrs A M Ellison - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
CYLCH MEITHRIN CYNWYD**

I report on the accounts for the year ended 31 March 2021, which are set out on pages four to ten.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I have examined your charity's accounts as required under section 145 of the Charities Act 2011 ('the 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.

My role is to state whether any material matters have come to my attention giving me cause to believe:

1. that accounting records were not kept as required by section 130 of the Act; or
2. that the accounts do not accord with those records; or
3. that the accounts do not comply with the accounting requirements of the Act; or
4. that there is further information needed for a proper understanding of the accounts.

Independent examiner's statement

I have completed my examination and have no concerns in respect of the matters (1) to (4) listed above and, in connection with following the Directions of the Charity Commission I have found no matters that require drawing to your attention.

Declan Connolly
Connolly Accountants & Business Advisors Ltd
Chartered Certified Accountants
The Stable Yard
Vicarage Road
Stony Stratford
Milton Keynes
Buckinghamshire
MK11 1BN

Date:

Cylch Meithrin Cynwyd

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

		2021 Unrestricted fund £	2020 Total funds £
	Notes		
INCOMING RESOURCES			
Incoming resources from generated funds			
Income		61,574	81,800
Activities for generating funds	3	2,180	882
Total incoming resources		<u>63,754</u>	<u>82,682</u>
 RESOURCES EXPENDED			
Costs of generating funds			
Cost of generating income	4	3,773	8,638
Fundraising trading: cost of goods sold and other costs	5	62,317	74,478
Total resources expended		<u>66,090</u>	<u>83,116</u>
 NET INCOMING/(OUTGOING) RESOURCES		 (2,336)	 (434)
 RECONCILIATION OF FUNDS			
Total funds brought forward		3,400	3,834
 TOTAL FUNDS CARRIED FORWARD		<u><u>1,064</u></u>	<u><u>3,400</u></u>

The notes form part of these financial statements

Cylch Meithrin Cynwyd

**BALANCE SHEET
AT 31 MARCH 2021**

	Notes	2021 Unrestricted fund £	2020 Total funds £
CURRENT ASSETS			
Debtors	8	339	-
Cash at bank and in hand		6,736	5,455
		<u>7,075</u>	<u>5,455</u>
 CREDITORS			
Amounts falling due within one year	9	(1,011)	(2,055)
		<u>6,064</u>	<u>3,400</u>
NET CURRENT ASSETS			
		6,064	3,400
 TOTAL ASSETS LESS CURRENT LIABILITIES		6,064	3,400
 CREDITORS			
Amounts falling due after more than one year	10	(5,000)	-
		<u>1,064</u>	<u>3,400</u>
NET ASSETS			
		1,064	3,400
 FUNDS	11		
Unrestricted funds		1,064	3,400
TOTAL FUNDS		<u>1,064</u>	<u>3,400</u>

The financial statements were approved by the Board of Trustees on 22 April 2021 and were signed on its behalf by:

Mrs A M Ellison -Trustee

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. GOVERNMENT GRANTS

Covid-19 related Job Retention Scheme government grants are included in the 'grant income' line item. There are no unfulfilled conditions or other contingencies attaching to these grants. The grants are recognised under the performance model and the income recognised over the period of furlough on a straight-line basis.

2. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Charities Act 2011 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

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.

Financial instruments

Financial instruments

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provision of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic Financial Assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised costs using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including creditors and loans from related companies are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised costs, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Taxation

The charity is exempt from tax on its charitable activities.

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021**

2. ACCOUNTING POLICIES - continued

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

3. ACTIVITIES FOR GENERATING FUNDS

	2021	2020
	£	£
Raffle	2,180	882
	<u>2,180</u>	<u>882</u>

4. COST OF GENERATING INCOME

	2021	2020
	£	£
Rent	1,686	5,203
Support costs	2,087	3,435
	<u>3,773</u>	<u>8,638</u>

5. FUNDRAISING TRADING: COST OF GOODS SOLD AND OTHER COSTS

	2021	2020
	£	£
Hire of plant and machinery	-	319
Craft and display	343	1,064
Toys and play	601	1,047
Support costs	61,373	72,048
	<u>62,317</u>	<u>74,478</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021**

7. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	57,947	69,102
Social security costs	510	601
Other pension costs	992	758
	<u>59,449</u>	<u>70,461</u>

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

	2021	2020
Employees	<u>4</u>	<u>5</u>

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

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	<u>339</u>	<u>-</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	61	-
Taxation and social security	507	1,755
Other creditors	443	300
	<u>1,011</u>	<u>2,055</u>

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

	2021	2020
	£	£
Other creditors	<u>5,000</u>	<u>-</u>

11. MOVEMENT IN FUNDS

	At 1.4.20	Net movement in funds	At 31.3.21
	£	£	£
Unrestricted funds			
General fund	3,400	(2,336)	1,064
	<u>3,400</u>	<u>(2,336)</u>	<u>1,064</u>
TOTAL FUNDS	<u>3,400</u>	<u>(2,336)</u>	<u>1,064</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

11. 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	63,754	(66,090)	(2,336)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>63,754</u>	<u>(66,090)</u>	<u>(2,336)</u>

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted Funds			
General fund	3,834	(434)	3,400
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>3,834</u>	<u>(434)</u>	<u>3,400</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	82,682	(83,116)	(434)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>82,682</u>	<u>(83,116)</u>	<u>(434)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.19 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	3,834	(2,770)	1,064
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>3,834</u>	<u>(2,770)</u>	<u>1,064</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021

11. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	146,436	(149,206)	(2,770)
TOTAL FUNDS	<u>146,436</u>	<u>(149,206)</u>	<u>(2,770)</u>

Cylch Meithrin Cynwyd

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 £
INCOMING RESOURCES		
Income		
Donations	22	-
Fees	40,567	28,847
Flintshire CC childcare	-	52,415
Other income	112	538
Grants	20,873	-
	<hr/> 61,574	<hr/> 81,800
Activities for generating funds		
Raffle	2,180	882
	<hr/>	<hr/>
Total incoming resources	63,754	82,682
RESOURCES EXPENDED		
Cost of generating income		
Rent	1,686	5,203
Fundraising trading: cost of goods sold and other costs		
Hire of plant and machinery	-	319
Craft and display	343	1,064
Toys and play	601	1,047
	<hr/> 944	<hr/> 2,430
Support costs		
Management		
Telephone and internet	22	410
Postage and stationery	641	342
Advertising	40	-
Sundries	206	650
It costs	312	477
	<hr/> 1,221	<hr/> 1,879
Other staff costs		
Uniforms	62	-
Other		
Cleaning products	594	253
Wages and operational costs		
Wages	57,947	69,102
Social security	510	601
Pensions	992	758
Food	326	1,237
Accountancy	1,768	1,285
Legal fees	40	368
	<hr/> 61,583	<hr/> 73,351
Total resources expended	66,090	83,116

This page does not form part of the statutory financial statements

Cylch Meithrin Cynwyd

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 £
	<hr/>	<hr/>
Net expenditure	<u>(2,336)</u>	<u>(434)</u>

This page does not form part of the statutory financial statements