

LITTLE LOUNGE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

LITTLE LOUNGE

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LITTLE LOUNGE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their annual report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "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

Little Lounge's aim is to support and facilitate the wellbeing of residents of Cilfynydd and wider Pontypridd.

The Objects of the charity as set out in the 2019 Constitution are:

1. To advance in life and help children and young people through:
 - a. the provision of recreational and leisure time activities provided in the interest of social welfare, designed to improve their conditions of life.
 - b. providing support and activities which develop their skills, capacities and capabilities to enable them to participate in society as mature and responsible individuals.
2. To promote for the benefit of the inhabitants of Cilfynydd (RCT) and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

Activities & Objectives Overview:

Objective 1: "To advance in life and help children and young people...":

- **Baby Group:**

Weekly opportunity for local parents to interact, be supported and make friends. Opportunities for Children in their early years to gain social skills and experience sensory activities such as singing, movement, storytelling, role play, messy play.

- **Outdoor Adventures:**

Outdoor nature-based activities for children and parents/carers to experience learning through play and exploration. Providing access to outdoor play spaces where gardens and parks may be inaccessible.

- **Summer of Fun:**

Free summer holiday activities for local families.

- **Find Your Voice:**

Therapeutic horsemanship sessions for young people struggling with mental health and/or school refusal. Facilitated by Little Lounge accessing funding and partnering with Maggie's Voice Equestrian Centre.

Objective 2: "Inhabitants of Cilfynydd of all ages... with the object of improving the condition of life of the said inhabitants."

- **Community Pantry:**

Weekly food distribution project, making fresh fruit, vegetables and bakery items available to the local community at low cost.

- **Cook From Scratch:**

Cooking project and peer group to encourage healthy and low-cost home cooking.

LITTLE LOUNGE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

In April 2022 the lease was finally agreed and signed with Rhondda Cynon Taf for the legal ownership of the lower ground floor of Cilfynydd Community Centre and adjoining outdoor space. This was the result of many months of negotiation and collating evidence to satisfy RCT that Little Lounge would utilise the space effectively for the benefit of the community. The renovation project was scheduled to begin in May and had been anticipated to be an eight-week project. The Pantry project which had been operating out of the space was relocated to nearby chapel, Beulah, who's congregation kindly allowed us access to store the Pantry food and opened their building on Friday mornings to serve tea and coffee to coincide with the Pantry.

The costs of the renovation had increased due to costs of materials increasing, therefore the grants secured had a shortfall of approx. £40,000. Katie Hadley, Charity Manager was able to secure a grant with The National Lottery to cover the shortfall, and the decision was made to proceed with the work.

Unfortunately, there were significant delays with the renovation project, largely due to the aluminium-framed windows which had been outsourced to be produced in Eastern Europe; the windows delayed the project by months, finally being delivered in November. There was also a significant delay with relocation of serving area inside due to oversight made by the architect when designing the serving area and proximity to the WC. The staff team were able to begin building furniture and install equipment in June 2023.

Sadly, Little Lounge lost a core volunteer in 2022, Una Hilder, who had been managing Little Lounge's finances since incorporation in 2019. However, by securing a Comic Relief Organisational Growth Grant, Little Lounge was able to employ Emma Haines as an Admin and Finance Manager, to work alongside Katie Hadley as General Manager.

Projects:

2022 was a significant year for the development of new projects:

Find Your Voice

This has been our first official partnership project - working with Maggie's Voice Equestrian Centre and Voyage of Hope Therapy Services, we created an innovative Farm based support package for families with children experiencing challenging behaviour and/or school refusal. The impact of lockdown on many children has meant an increased disengagement from school and longer waiting times for official behaviour/neuro diagnoses. Using the therapeutic qualities of horses, these children received 10 one-to-one sessions with facilitator and centre owner Elinor Brewer, and the parents had opportunity to receive support and advice from child therapist Louise Worral. This holistic approach, serving both child and parent, was the first Louise Worral had experienced where the parent was also offered support. An article written by Katie Hadley was published in Public Health Network Cymru E-Newsletter about this project as an example of grass roots mental health support for children.

Summer of Fun

In August of 2022 Little Lounge ran free summer activities for local children, funded by Welsh Government as part of the post-Covid Summer of Fun initiative. Brunch and Craft Clubs, Pony Days in partnership with Maggie's Voice Equestrian Centre and a Youth event with a giant inflatable assault course and BBQ were all accessed free of charge by local children.

Cook From Scratch

30 families participated in a free summer cooking project, receiving a slow cooker and box of cupboard basics worth £30 such as oil, spices, lentils, stock cubes. Katie Hadley, alongside sessional worker Jade Herbert, compiled a file of low cost, healthy slow cook recipes, created a Facebook group for participants to interact, and delivered live cooking videos on the Little Lounge Facebook page for participants to cook along to or watch later in their own time. Two face-to-face coffee mornings were held where slow cook recipes could be tasted and participants had a chance to meet socially.

LITTLE LOUNGE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Outdoor Adventures

The success of Outdoor Adventures Toddler group led to a need to find a better site. There was an opportunity to take ownership of a large local allotment which had many natural elements such as a stream, an oak tree and a view of the mountains. Little Lounge successfully secured £10,000 funding from Cynon Valley Renewal Fund and Trivallis Community Fund to landscape the allotment and create safe pathways and fenced areas. Outdoor Adventures then successfully relaunched in September 2022 on the new site, with facilitator Angela Karadog who Little Lounge helped to access training in Level 3 Forest School qualification. Saturday morning Family sessions were also well received, with toasting bread on an open fire and a neighbouring allotment holder bringing chickens over for the children to meet.

Baby Group

In November 2022 Katie Hadley was invited as a guest speaker at the Book Trust Cymru Annual Conference, the theme was 'Hyper local initiatives supporting communities in Wales'. The focus of Katie's contribution was the work of the weekly Baby Group and the dedication to creating spaces where parents and carers could connect and bond with their little ones over songs and stories. Baby Group continued to be the highest attended of all our projects, with sessions often selling out on the online booking system.

Volunteers: Our Volunteers team has continued to grow at a healthy rate. New local people have volunteered for the Pantry rota and the Tesco collection rota. We ended the financial year with a Garden Volunteer team of over 30 local people of all ages, helping to clear the outdoor area of the new venue, ready for landscaping in the spring.

2022-2023 has been both exciting and frustrating, with some projects blossoming and the renovation project dragging. Lots of funding pots have been accessed and allocated across our various activities and our impact has been felt in a broader way across the community.

The trustees would like to thank our partners:

Cilfynydd Community Centre
Rhondda Cynon Taf Council
FareShare Cymru
Tesco Extra Upper Boat
Beulah Baptist Church, Cilfynydd
Maggie's Voice Equestrian Centre

Financial review

Results

The charity made an operational unrestricted deficit before transfers of £5,961 (2022: £2,708 deficit).

The charity undertook phase 1 of the refurbishment of the basement during the year with completion in July 2023. Capital costs incurred totalled £90,357. A large portion of the capital costs were covered by grant funding.

Reserves policy

The trustees decided to maintain a small financial reserve, approximately equivalent to the normal, predictable outgoings in one month.

At the year end the charity had negative free reserves. The charity's 2024 and 2025 budgets are predicting unrestricted surpluses, and it is expected that by 2025 the negative free reserves will be eradicated. The charity is able to pay its liabilities as they fall due and has not identified any pinch points in its cash flow over future periods.

Risk management

The management committee regularly reviews the major risks to which the charity is exposed, and systems are established to mitigate these risks. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

LITTLE LOUNGE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management

Governing document and structure

Little Lounge is a registered Charitable Incorporated Organisation, the governing document is the Constitution dated 21 January 2019.

Appointment of trustees

Appointment of trustees is done in accordance with paragraph 10 of the Constitution.

Organisational structure

During the accounting period all decisions were made by the board of trustees. Delegated responsibility is given to the senior employees Katie Hadley, Charity Manager and Emma Haines, Administration and Finance Manager.

Reference and administrative details

Charity number	1181770
Principal office	Cilfynydd Community Centre Howell Street Pontypridd CF37 4NR
Trustees	Suzanne Spooner Elizabeth Comissioning Peter Bevan Helen Jones Mark Pont
Key management personnel	Katie Hadley (Manager) Emma Haines (Admin and Finance Manager)
Independent examiners	Azets Audit Services Ty Derw Lime Tree Court Cardiff Gate Business Park Cardiff CF23 8AB
Bankers	Santander Fraternal Parade Pontypridd CF37 4UH HSBC 92A Taff Street Pontypridd CF37 4UH

LITTLE LOUNGE

TRUSTEES' REPORT (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2023**

The trustees' report was approved by the Board of Trustees.


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Mark Pont (Trustee)

Date: 29-01-2024

LITTLE LOUNGE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2023

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 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 of the charity for that year.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping sufficient accounting records that 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, 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.

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

LITTLE LOUNGE

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF LITTLE LOUNGE

I report to the trustees on my examination of the financial statements of Little Lounge (the charity) for the year ended 31 March 2023.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

Claire Thompson

Claire Thompson FCCA DChA
Azets Audit Services
Ty Derw, Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB
United Kingdom

Dated: 29-01-2024

LITTLE LOUNGE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
<u>Income from:</u>							
Donations and legacies	3	6,419	-	6,419	90	370	460
Charitable activities	4	2,854	117,429	120,283	7,269	69,255	76,524
Other trading activities	5	79	-	79	95	-	95
Total income		9,352	117,429	126,781	7,454	69,625	77,079
<u>Expenditure on:</u>							
Raising funds	6	12	-	12	861	-	861
Charitable activities	7	15,301	57,645	72,946	9,301	32,516	41,817
Total expenditure		15,313	57,645	72,958	10,162	32,516	42,678
Net (outgoing)/incoming resources before transfers		(5,961)	59,784	53,823	(2,708)	37,109	34,401
Gross transfers between funds		83,734	(83,734)	-	-	-	-
Net income/(expenditure) for the year/							
Net movement in funds		77,773	(23,950)	53,823	(2,708)	37,109	34,401
Fund balances at 1 April 2022		3,818	66,200	70,018	6,526	29,091	35,617
Fund balances at 31 March 2023		81,591	42,250	123,841	3,818	66,200	70,018

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

LITTLE LOUNGE

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	12		92,497		259
Current assets					
Cash at bank and in hand		49,381		79,103	
Creditors: amounts falling due within one year	13	(10,564)		-	
Net current assets			38,817		79,103
Total assets less current liabilities			131,314		79,362
Creditors: amounts falling due after more than one year	14		(7,473)		(9,344)
Net assets			123,841		70,018
Income funds					
Restricted funds	17		42,250		66,200
<u>Unrestricted funds</u>					
Designated funds	18	92,497		-	
General unrestricted funds		(10,906)		3,818	
			81,591		3,818
			123,841		70,018

The financial statements were approved by the Trustees on 29-1-2024

Mark Pont

Mark Pont (Trustee)

LITTLE LOUNGE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity Information

Little Lounge is a charitable incorporated organisation whose principal office is Cilfynydd Community Centre, Howell Street, Pontypridd, CF37 4NR.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the year end the charity had negative free reserves. The charity's 2024 and 2025 budgets are predicting unrestricted surpluses, and it is expected that by 2025 the negative free reserves will be eradicated. The charity is able to pay its liabilities as they fall due and has not identified any pinch points in its cash flow over future periods.

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

LITTLE LOUNGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Income from 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. Capital grants are released to the Statement of Financial Activities in the year of receipt. Fixed assets relating to capital grants are capitalised, and depreciation charged is offset against the grant income, in a restricted fund.

Income raised from events and classes is recognised in the period to which it relates with any amounts received in advance deferred.

Income received from pantry donations is recognised when the donation takes place.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure on raising funds comprise the costs expended in relation to fundraising activities and events.

Expenditure on charitable activities includes all costs relating to the furtherance of the charity's objectives as stated in the trustees report and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	20% straight line
Computers	33.33% straight line

Assets in the course of construction are not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

LITTLE LOUNGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.8 Cash and cash equivalents

Cash and cash equivalents 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.

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 cost 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.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans 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 cost, 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 operations 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Leases

Rentals payable under operating leases, are charged as an expense on a straight line basis over the term of the relevant lease.

LITTLE LOUNGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2023 £	2022 £	2022 £	2022 £
Donations and gifts	6,419	90	370	460

LITTLE LOUNGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

4 Charitable activities

	2023 £	2022 £
Toddlers income	1,544	3,223
Pantry income	1,310	2,525
Sundry income	-	1,521
Grants	117,429	69,255
	<u>120,283</u>	<u>76,524</u>
Analysis by fund		
Unrestricted funds	2,854	7,269
Restricted funds	117,429	69,255
	<u>120,283</u>	<u>76,524</u>
Grants		
Purple Shoots	8,989	-
The Arnold Clark Community Fund	1,000	-
Bute Energy	2,500	-
Community Foundation Wales	2,000	-
National Grid Our Community Matters	2,276	-
WCVA	10,161	7,475
Comic Relief	8,500	-
Rhondda Cynon Taf County Borough Council	26,492	10,696
People's Postcode Lottery	-	19,926
The Rank Foundation	3,700	-
Interlink RCT	1,000	474
Moondance Foundation	12,199	10,000
UnLtd	-	5,000
1910 Trust	-	5,000
Trivallis Community Investment Fund	-	1,000
The National Lottery Community Fund	38,612	9,684
	<u>117,429</u>	<u>69,255</u>

5 Other trading activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Events	<u>79</u>	<u>95</u>

LITTLE LOUNGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
<u>Fundraising and publicity</u>		
Event expenses	12	861
	<u>12</u>	<u>861</u>

7 Charitable activities

	2023	2022
	£	£
Staff costs	20,322	-
Depreciation and impairment	193	209
Advertising, marketing and PPS	2,421	22
Legal and professional fees	288	-
Other staff and volunteer costs	733	99
Premises and office expenses	7,874	10,958
Project expenses	35,621	28,604
Sundry	245	739
	<u>67,697</u>	<u>40,631</u>
Share of support costs (see note 8)	2,116	300
Share of governance costs (see note 8)	3,133	886
	<u>72,946</u>	<u>41,817</u>
Analysis by fund		
Unrestricted funds	15,301	9,301
Restricted funds	57,645	32,516
	<u>72,946</u>	<u>41,817</u>

LITTLE LOUNGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Staff costs	1,070	-	1,070	-	-	-
Bank charges	632	-	632	300	-	300
Premises and office costs	414	-	414	-	-	-
Accountancy and bookkeeping fees	-	1,459	1,459	-	886	886
Independent examination fees	-	1,674	1,674	-	-	-
	<u>2,116</u>	<u>3,133</u>	<u>5,249</u>	<u>300</u>	<u>886</u>	<u>1,186</u>
Analysed between Charitable activities	<u>2,116</u>	<u>3,133</u>	<u>5,249</u>	<u>300</u>	<u>886</u>	<u>1,186</u>

Governance costs includes payments to the independent examiners of £1,674 (2022: £nil).

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the current or prior year.

No trustees were reimbursed for expenses during the current or prior year.

10 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	<u>2</u>	<u>-</u>
Employment costs	2023 £	2022 £
Wages and salaries	21,024	-
Other pension costs	368	-
	<u>21,392</u>	<u>-</u>

Key management personnel

The key management personnel of the charity received benefits totalling £21,392 (2022: £nil).

There were no employees whose annual remuneration was more than £60,000.

LITTLE LOUNGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

11 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.

12 Tangible fixed assets

	Assets under construction	Plant and equipment	Computers	Total
	£	£	£	£
Cost				
At 1 April 2022	-	-	474	474
Additions	90,357	2,074	-	92,431
	<u>90,357</u>	<u>2,074</u>	<u>474</u>	<u>92,905</u>
At 31 March 2023	90,357	2,074	474	92,905
	<u>90,357</u>	<u>2,074</u>	<u>474</u>	<u>92,905</u>
Depreciation and impairment				
At 1 April 2022	-	-	215	215
Depreciation charged in the year	-	35	158	193
	<u>-</u>	<u>35</u>	<u>158</u>	<u>193</u>
At 31 March 2023	-	35	373	408
	<u>-</u>	<u>35</u>	<u>373</u>	<u>408</u>
Carrying amount				
At 31 March 2023	90,357	2,039	101	92,497
	<u>90,357</u>	<u>2,039</u>	<u>101</u>	<u>92,497</u>
At 31 March 2022	-	-	259	259
	<u>-</u>	<u>-</u>	<u>259</u>	<u>259</u>

13 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Loans	15	1,871	-
Trade creditors		956	-
Other creditors		6,063	-
Accruals		1,674	-
		<u>10,564</u>	<u>-</u>

14 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Loans	15	7,473	9,344
		<u>7,473</u>	<u>9,344</u>

LITTLE LOUNGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

15 Loans and overdrafts

	2023 £	2022 £
Other loans	9,344	9,344
Payable within one year	1,871	-
Payable after one year	7,473	9,344

A loan amount of £9,344 was received during 2020/21 from WCVA with interest payable after 24 months at a rate of 3%. The charity made their first loan payment in April 2023. Monthly loan repayments are £190.22.

16 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £368 (2022:£nil). Amounts outstanding at the year end totalled £130 (2022: £nil).

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

17 Restricted funds

	Balance at 1 April 2021 £	Movement in funds		Balance at 1 April 2022 £	Movement in funds		Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
1910 Trust	-	5,000	-	5,000	-	(5,000)	-	-	-	-
Rhondda Cynon Taf County Borough Council - Summer of Fun	-	696	(696)	-	2,450	(2,338)	-	-	-	112
Rhondda Cynon Taf County Borough Council - Food Network	-	10,000	-	10,000	1,500	(668)	-	(7,527)	3,305	3,305
Rhondda Cynon Taf County Borough Council	500	-	-	500	-	-	-	-	-	500
Rhondda Cynon Taf County Borough Council - SPF	-	-	-	-	14,466	(10,924)	-	(2,889)	653	653
Rhondda Cynon Taf County Borough Council - CAT Funding	-	-	-	-	7,576	-	-	-	-	7,576
Rhondda Cynon Taf County Borough Council -MVC Micro Grant	-	-	-	-	500	(500)	-	-	-	-
Interlink RCT	250	474	(388)	336	1,000	-	-	-	-	1,336
People's Postcode Lottery -Magic Little Grant	-	500	-	500	500	(500)	-	-	-	500
People's Postcode Lottery	-	19,426	-	19,426	38,112	-	-	(51,757)	5,781	5,781
Moondance Foundation	-	10,000	(3,000)	7,000	12,199	(1,806)	-	(8,000)	9,393	9,393
National Lottery Community Fund Awards for All	7,425	9,684	(1,083)	16,025	-	(3,756)	-	(10,337)	1,932	1,932
Pontypridd Town Council	200	-	-	200	-	-	-	-	-	200
The Grange Appeal	-	370	(370)	-	-	-	-	-	-	-
Trivallis Community Investment Fund	-	1,000	-	1,000	-	(1,000)	-	-	-	-
UnLtd	-	5,000	(4,888)	112	-	(112)	-	-	-	-
WCVA - Flood	160	-	-	160	-	-	-	-	-	160
WCVA - Thrive/Revive	20,556	7,475	(22,091)	5,941	-	(1,244)	-	(3,224)	1,473	1,473
WCVA - Organic Growth Fund	-	-	-	-	10,161	(10,161)	-	-	-	-
Purple Shoots	-	-	-	-	8,989	(8,989)	-	-	-	-
The Arnold Clark Community Fund	-	-	-	-	1,000	(1,000)	-	-	-	-
Bute Energy	-	-	-	-	2,500	(1,600)	-	-	-	900
Community Foundation Wales	-	-	-	-	2,000	(936)	-	-	-	1,064

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

17	Restricted funds						(Continued)
	National Grid Our Community Matters	-	-	-	2,276	(2,035)	-
	Comic Relief	-	-	-	8,500	(5,076)	241
	The Rank Foundation	-	-	-	3,700	-	3,424
							3,700
		29,091	69,625	(32,516)	117,429	(57,645)	42,250

1910 Trust

To pay equine therapy facilitator for Find Your Voice (family support project for families with children with additional needs).

Rhondda Cynon Taf County Borough Council - Summer of Fun

To fund a 6-week breakfast club in the summer holidays.

Rhondda Cynon Taf County Borough Council - Food Network

Funding for capital project –basement renovation phase 1.

Rhondda Cynon Taf County Borough Council

Funding to cover sundry items.

Rhondda Cynon Taf County Borough Council - SPF

Shared Prosperity Fund, administered by RCT.Round 1 Spent by March 23 Revenue only (setting up costs for The Basement venue, drinks, food, resources, kitchen equipment etc). Round 2 Revenue and Capital over 2 years (Capital element Yr 1 only) Salary costs for 2 years for General Manager & AdminFinance Manager posts and some other Basement revenue spend.

Rhondda Cynon Taf County Borough Council - CAT Funding

Community Asset Transfer Fund, contribution towards renovation of The Basement venue.

Rhondda Cynon Taf County Borough Council -MVC Micro Grant

Administered by Interlink RCT for Maggie's Voice Club which is funded spaces for After-schools Pony Club Child Wellbeing project.

LITTLE LOUNGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

17 Restricted funds

(Continued)

Interlink RCT

Funding to buy toys/COVID PPE for first baby group post-lockdown, and for a summer litterpicking project.

People's Postcode Lottery -Magic Little Grant

Outdoor Adventures, gardening equipment for the allotment project.

People's Postcode Lottery

Funding for capital project – basement renovation, phase 1.

Moondance Foundation

Funding for capital project – basement renovation, phase 1.

National Lottery Community Fund Awards for All

Funding for capital project – basement renovation, phase 1.

Pontypridd Town Council

Funding received to plant fruit trees on new Outdoor Adventures space.

The Grange Appeal

Community Christmas appeal for a local hostel for young people.

Trivallis Community Investment Fund

Match funding for Purple Shoots grant (received April 2022, for landscaping the allotment.

UnLtd

Revenue funding for ongoing costs of the charity.

WCVA - Flood

Vouchers for victims of the February 2020 floods.

LITTLE LOUNGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

17	Restricted funds	(Continued)
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WCVA - Thrive/Revive
Funding for capital project – basement renovation, phase 1. Also 2 x staff posts, website development, volunteer training, Welsh translation and accreditation.

WCVA - Organisational Growth Fund
Comic Relief Organisational Growth Fund. This was provided to fund salary posts for 12 months Sep 22 - Sep 23.

Purple Shoots
Cynon Valley Investment Fund was for landscaping our Community Allotment to make it a usable space for the Outdoor Adventures project.

The Arnold Clark Community Fund
This was match funding for Find Your Voice Therapeutic Horsemanship project, The AC fund funded resources to create a coffee room for parents (sofa/ kettle/ microwave / fridge).

Bute Energy
This was match funding for Find Your Voice Therapeutic Horsemanship project, with the funder covering the costs of the Family Therapist.

Community Foundation Wales
Salary contributions of £6,000 over three years,

National Grid Our Community Matters
Combating Holiday Hunger project 'Cook From Scratch' funded 30 families to receive kitchen equipment (Slow cookers/ blenders etc) and a box of 'Cupboard basics', Facebook Live cooking workshops and online group..

Comic Relief
Funding the role of Family Support Worker Oct 22-Oct 23.

The Rank Foundation
Contribution towards the renovations costs of the Basement.

Transfers
Relate to the element of restricted funding received for capital items of which the restrictions were fulfilled during the year.

LITTLE LOUNGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds				
	Incoming resources	Balance at 1 April 2022	Resources expended	Transfers	Balance at 31 March 2023
	£	£	£	£	£
Fixed asset fund	-	-	(193)	92,690	92,497
	<u>-</u>	<u>-</u>	<u>(193)</u>	<u>92,690</u>	<u>92,497</u>
	<u>-</u>	<u>-</u>	<u>(193)</u>	<u>92,690</u>	<u>92,497</u>

Fixed asset fund

Represents the unrestricted net book value of the charity's fixed assets. Movement relates to depreciation charge and fixed asset additions.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

19 Analysis of net assets between funds

Fund balances at 31 March 2023 are represented by:

	Unrestricted funds	Designated funds	Restricted funds	Total Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2023	2022	2022
	£	£	£	£	£	£
Tangible assets	-	92,497	-	92,497	-	259
Current assets/(liabilities)	(3,433)	-	42,250	38,817	66,200	79,103
Long term liabilities	(7,473)	-	-	(7,473)	-	(9,344)
	(10,906)	92,497	42,250	123,841	66,200	70,018

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

20 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

