

CYLCH MEITHRIN CAE TOP CIO
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021

CYLCH MEITHRIN CAE TOP CIO

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	H Ombler-Williams H Davies E Keily
Charity number	1183339
Independent examiner	Barrie Buels FCCA FCIE

CYLCH MEITHRIN CAE TOP CIO

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CYLCH MEITHRIN CAE TOP CIO

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 APRIL 2021

The trustees present their annual report and financial statements for the year ended 30 April 2021.

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

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

Significant activities and achievements against objectives

In line with the CIO's purpose, Cylch Meithrin Cae Top has provided affordable, Welsh medium childcare for our families from 07:30 to 17:55 daily for 48 weeks of the year. Our essential service has enabled parents to return to work and has helped encourage the Welsh language to thrive in an urban and multicultural environment in North Wales.

During the Pandemic, as we have a high proportion of parents who are key workers, we provided an essential service for those children. We also posted activity videos and songs on SeeSaw and Facebook for our other children to keep a sense of community and to let our children know that we were thinking about them.

We continued to develop Welsh language initiatives to help the language thrive and have now incorporated 'Croesi'r Bont' into our daily routine.

The committee has continued to work tirelessly and is in the process of collaborating with the school to ensure better outdoor facilities for our children. The Cylch has received very positive feedback from parents.

Financial review

During the year the charity had income of £247,746 (2020 - £280,919), expenditure of £258,531 (2020 - £257,249) and a closing cash reserve of £14,805 (2020 - £24,630).

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between two and four month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised.

Structure, governance and management

The charity is a Charitable Incorporated Organisation.

The trustees who served during the year and up to the date of signature of the financial statements were:

H Ombler-Williams

H Davies

E Keily

CYLCH MEITHRIN CAE TOP CIO

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

Recruitment and appointment of trustees

New trustees are appointed by the existing Board following interview and completion of appropriate due diligence procedures.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

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

H Ombler-Williams

Trustee

15 May 2024

CYLCH MEITHRIN CAE TOP CIO

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF CYLCH MEITHRIN CAE TOP CIO

I report to the trustees on my examination of the financial statements of Cylch Meithrin Cae Top CIO (the charity) for the year ended 30 April 2021.

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.

Barrie Buels FCCA FCIE

Crestmere Limited
Chartered Certified Accountants

Dated: 15 May 2024

CYLCH MEITHRIN CAE TOP CIO

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Income and endowments from:			
Charitable activities	3	189,266	280,919
Other income	5	58,480	-
Total income		247,746	280,919
Expenditure on:			
Charitable activities	6	258,531	259,172
Total expenditure		258,531	259,172
Net income/(expenditure) and movement in funds		(10,785)	21,747
Reconciliation of funds:			
Fund balances at 1 May 2020		21,747	-
Fund balances at 30 April 2021		10,962	21,747

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

CYLCH MEITHRIN CAE TOP CIO

BALANCE SHEET

AS AT 30 APRIL 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Cash at bank and in hand		14,805		24,630	
Creditors: amounts falling due within one year	11	<u>(3,843)</u>		<u>(2,883)</u>	
Net current assets			10,962		21,747
Net assets excluding pension liability			10,962		21,747
			=====		=====
The funds of the charity					
Unrestricted funds			10,962		21,747
			=====		=====
			10,962		21,747
			=====		=====

The financial statements were approved by the trustees on 15 May 2024

H Davies
Trustee

CYLCH MEITHRIN CAE TOP CIO

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	15		(9,825)		24,630
Net cash used in investing activities			-		-
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(9,825)		24,630
Cash and cash equivalents at beginning of year			24,630		-
Cash and cash equivalents at end of year			14,805		24,630

CYLCH MEITHRIN CAE TOP CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

Charity information

Cylch Meithrin Cae Top is a Charitable Incorporated Organisation (CIO) which provides early years education facilities through the medium of the Welsh language. The CIO operates under the guidance of Mudiad Ysgolion Meithrin, a registered charity (England & Wales 1022320).

Formed on 9th May 2019, Cylch Meithrin Cae Top CIO replaced a previous venture registered with the Care Inspectorate Wales and operated by Ysgol Cae Top;

1.1 Reporting period

The comparative figures in these financial statements cover the period from incorporation on 9 May 2019 to 30 April 2020. The trustees are of the opinion that the results for that period are not materially different to what the outcomes would have been were the financial statements presented for a full year.

1.2 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 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, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.3 Going concern

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.

1.4 Charitable funds

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

Restricted funds are subject to specific conditions by donors or grantors 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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.5 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.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

(Continued)

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. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.6 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.

1.7 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.

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.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies (Continued)

1.8 Employee benefits

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.

1.9 Retirement benefits

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

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 Income from charitable activities

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Heading #ac989		
Referral scheme and training	247	1,367
Children's fees	124,015	211,841
Grants	64,001	50,978
Other income	1,003	16,733
	<u>189,266</u>	<u>280,919</u>

4 Other material income

Other income in the year ended 30 April 2020 includes a transfer of £14,787.92 from a previous operation carried out by Ysgol Cae Top and registered with the Care Commission Wales.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2021

5 Other income

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Coronavirus job retention scheme income	58,480	-

6 Expenditure on charitable activities

	Heading #ac982 2021 £	Heading #ac982 2020 £
Direct costs		
Staff costs	197,978	186,851
Food and drink costs	14,147	34,430
Materials and resources	6,351	6,190
Training and sundry expenses	3,615	19,732
Registration fees and insurance	-	11,009
Accountancy and Independent Examination	960	960
Rent and heating	35,480	-
	258,531	259,172
Analysis by fund		
Unrestricted funds	258,531	259,172

7 Net movement in funds

	2021 £	2020 £
The net movement in funds is stated after charging/(crediting):		

8 Trustees

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

9 Employees

The average monthly number of employees during the year was:

2021 Number	2020 Number
7	7

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2021

9 Employees (Continued)

Employment costs	2021 £	2020 £
Wages and salaries	187,680	177,149
Other pension costs	10,298	9,702
	<u>197,978</u>	<u>186,851</u>

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

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

10 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

11 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	<u>3,843</u>	<u>2,883</u>

12 Retirement benefit schemes

Defined contribution schemes	2021 £	2020 £
Charge to profit or loss in respect of defined contribution schemes	<u>10,298</u>	<u>9,702</u>

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.

13 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 May 2020 £	Incoming resources £	Resources expended £	At 30 April 2021 £
General funds	<u>21,747</u>	<u>247,746</u>	<u>(258,531)</u>	<u>10,962</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2021

13 Unrestricted funds (Continued)

Previous period:	At 1 May 2019	Incoming resources	Resources expended	At 30 April 2020
	£	£	£	£
General funds	-	280,919	(259,172)	21,747

14 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

15 Cash generated from operations	2021 £	2020 £
(Deficit)/surplus for the year	(10,785)	21,747
Movements in working capital:		
Increase in creditors	960	2,883
Cash (absorbed by)/generated from operations	(9,825)	24,630

16 Analysis of changes in net funds

The charity had no material debt during the year.