

**CYLCH MEITHRIN CAE TOP CIO**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 APRIL 2023**

# CYLCH MEITHRIN CAE TOP CIO

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	H Ombler-Williams H Davies E Keily
<b>Charity number</b>	1183339
<b>Independent examiner</b>	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 2023

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The trustees present their annual report and financial statements for the year ended 30 April 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 constitution, 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. The Cylch has built on last year's success and has very stable numbers with a waiting list for some children to start.

Outdoor learning has developed well with daily walks into Eithinog, a site of special scientific interest. Another development has been the use of balance bikes and scooters around the school site to develop children's balance and stability. We aim to develop this further next year with a forest school programme.

Promoting the use of Cymraeg, whilst recognising and celebrating the 24 different languages spoken in the homes of our children has been a real success. Daily singing and storytelling in Cymraeg, as well as Croesi'r Bont sessions are now demonstrating a very positive impact on the children's understanding and use of Cymraeg.

#### **Financial review**

During the year the charity had income of £294,254 (2022 - £293,801), expenditure of £330,756 (2022 - £266,740) and a closing cash reserve of £58,846 (2022 - £44,573).

Expenditure includes an amount of £49,615 accrued for food and drink costs owed to Gwynedd Council School Canteens. This amount was deferred by arrangement to enable the Cylch to fund the re-establishment of service user provision following the coronavirus pandemic. The amount due was paid in full during the year ended 30 April 2024.

##### *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 2023**

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### *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**

14 June 2024

# CYLCH MEITHRIN CAE TOP CIO

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF CYLCH MEITHRIN CAE TOP CIO

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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 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**

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Association of Chartered Certified Accountants, which is one of the listed bodies and a member of the Association of Charity Independent Examiners, which is also one of the listed bodies.

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: 14 June 2024

# CYLCH MEITHRIN CAE TOP CIO

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 30 APRIL 2023**

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	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
<b>Income from:</b>			
Charitable activities	3	294,254	293,801
<b>Total income</b>		294,254	293,801
<b>Expenditure on:</b>			
Charitable activities	4	330,756	266,740
<b>Total expenditure</b>		330,756	266,740
<b>Net income/(expenditure) and movement in funds</b>		(36,502)	27,061
<b>Reconciliation of funds:</b>			
Fund balances at 1 May 2022		38,023	10,962
<b>Fund balances at 30 April 2023</b>		1,521	38,023

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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 2023

	Notes	2023 £	£	2022 £	£
<b>Current assets</b>					
Cash at bank and in hand		58,846		44,573	
<b>Creditors: amounts falling due within one year</b>	<b>8</b>	<u>(57,325)</u>		<u>(6,550)</u>	
<b>Net current assets</b>			1,521		38,023
<b>Net assets excluding pension liability</b>			1,521		38,023
			=====		=====
<b>The funds of the charity</b>					
Unrestricted funds			1,521		38,023
			1,521		38,023
			=====		=====

The financial statements were approved by the trustees on 14 June 2024

H Davies  
Trustee



# CYLCH MEITHRIN CAE TOP CIO

## STATEMENT OF CASH FLOWS

*FOR THE YEAR ENDED 30 APRIL 2023*

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	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	12		14,273		29,768
<b>Net cash used in investing activities</b>			-		-
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			14,273		29,768
Cash and cash equivalents at beginning of year			44,573		14,805
<b>Cash and cash equivalents at end of year</b>			58,846		44,573

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# CYLCH MEITHRIN CAE TOP CIO

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 30 APRIL 2023**

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### **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 Accounting convention**

The financial statements have been prepared in accordance with the charity's constitution, 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.

#### **1.2 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.

#### **1.3 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.

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

# CYLCH MEITHRIN CAE TOP CIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

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### 1 Accounting policies

(Continued)

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.

#### 1.5 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.

#### 1.6 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.

#### 1.7 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.

#### 1.8 Retirement benefits

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

# CYLCH MEITHRIN CAE TOP CIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 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 Income from charitable activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Children's fees	180,722	177,952
Grants	111,906	107,741
Other income	1,626	8,108
	<u>294,254</u>	<u>293,801</u>

### 4 Expenditure on charitable activities

	2023 £	2022 £
<b>Direct costs</b>		
Staff costs	276,875	244,962
Food and drink costs	50,892	18,249
Materials and resources	952	1,767
Training and sundry expenses	1,077	802
Accountancy and Independent Examination	960	960
	<u>330,756</u>	<u>266,740</u>
<b>Analysis by fund</b>		
Unrestricted funds	<u>330,756</u>	<u>266,740</u>

The charity operates from premises owned by Ysgol Cae Top. From time to time the trustees elect to make a payment to the school to offset the additional costs for premises usage and utilities in hosting the Cylch. These payments are voluntary and non-contractual. During the year no such payments were made.

### 5 Trustees

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

# CYLCH MEITHRIN CAE TOP CIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

### 6 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	11	9

#### Employment costs

	2023 £	2022 £
Wages and salaries	263,239	232,268
Other pension costs	13,636	12,694
	276,875	244,962

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

### 7 Taxation

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

### 8 Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals and deferred income	57,325	6,550

### 9 Retirement benefit schemes

	2023 £	2022 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	13,636	12,694

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.

# CYLCH MEITHRIN CAE TOP CIO

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

### 10 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 2022	Incoming resources	Resources expended	At 30 April 2023
	£	£	£	£
General funds	38,023	294,254	(330,756)	1,521
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Previous year:</b>	<b>At 1 May 2021</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>At 30 April 2022</b>
	£	£	£	£
General funds	10,962	293,801	(266,740)	38,023
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

### 11 Related party transactions

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

12 Cash generated from operations	2023 £	2022 £
(Deficit)/surplus for the year	(36,502)	27,061
Movements in working capital:		
Increase in creditors	50,775	2,707
<b>Cash generated from operations</b>	<u>14,273</u>	<u>29,768</u>

### 13 Analysis of changes in net funds

The charity had no material debt during the year.