

Charity Registration No: 1188058
Company Registration No. CE020767 (England and Wales)

Urban Circle Newport

Annual Report and Unaudited Financial Statements for The Year To 31 December 2022

URBAN CIRCLE NEWPORT

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Peter Landers (Chair) Deanna Henry Michael Conroy Philip Wilson Shauna Gibbons
Charity number	1188058
Company number	CE020767
Principal address	Newport City Campus, Floor D, Usk Way, Gwent Newport NP20 2BP
Registered office	Newport City Campus, Floor D, Usk Way, Gwent Newport NP20 2BP
Independent examiner	Marilyn Bryan 2 Mons Close Allt-yr-yn Newport NP20 5ET
Bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill, West Malling Kent, ME19 4JQ
Solicitors	Harding Evans, Queens Chambers, 2 North Street, Newport, NP20 1TE

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 December 2022

Introduction

The trustees present their report and accounts for the year ended 31 December 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 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)" (as amended for accounting periods commencing from 1 January 2016)

The accounts will be submitted to the Charity Commission after the AGM.

The annual report and accounts help to provide timely and regular information on the charity and its funds to help understand the charity's objectives, structure, activities, and achievements and to gain appreciation of the financial transactions during the year and of its funds at the end of the year.

Structure Governance and Management

Constitution of the Charity

Urban Circle Newport is a Charitable Incorporated Organisation 1188058

Organisational Structure and Decision Making

The organisation structure of the charity consists of a board of trustees who meet on a regular basis to consider reports from the officers of the charity, to consider and review the charity's activities, general progress, and current financial position. Decisions are then made regarding current expenditure and the level of reserves.

The charity trustees manage the affairs of Urban Circle Newport and may for that purpose exercise all the powers of Urban Circle Newport, as laid down in the Constitution agreed in 2021.

The charity trustees have appointed one of the charity trustees as Chair of Trustees. The Chair of Trustees has responsibility for supporting and managing senior staff members. The Chair of Trustees reports on their actions at each Trustee Meeting.

The trustees regularly review the arrangements which they have made for the delegation of their powers.

The trustees delegate the day to day running of the Charity to a Chief Executive Officer, who reports to the Quarterly Trustee Meetings, and is managed by the Chair of Trustees.

Trustees

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The trustees who served during the year were:

Peter Landers (Chair)

Deanna Henry
Michael Conroy
Philip Wilson
Shauna Gibbons

None of the trustees has any beneficial interest in the Charity

Risk Management

The Trustees regularly review financial policies to ensure that appropriate controls are in place to ensure continuity of the delivery of services. The trustees have controls in place to provide reasonable assurance against fraud and error.

Trustee and risk:

Trustees monitor the operation of the charity to ensure that employment legislation is fully complied with. Senior staff under trustee supervision compile and monitor a risk register.

Major risks are defined as those risks which have a high likelihood of occurring and would, if they occurred, have a severe impact on operational performance, achievement of aims and objectives or could damage the reputation of the charity.

Currently the major financial risk is the loss of grant and other charitable income. In the area of reputational risk, senior staff and trustees ensure that all activities of the charity are conducted to the highest quality levels.

The trustees are mindful of the need to recruit appropriate trustees to replace any who leave. An active recruitment process is in operation.

Partner organisations

During the Year on which we are reporting the Charity worked in partnership with:

Newport City Council, through its Community Hubs and its Youth Service.

Newport Live

Schools in Newport

The Welsh Government

Arts Council Wales

The Aneurin Bevan University Health Board

The University of South Wales

G-Expressions

National Trust

BlackNine Films

ACAP Academy

Rastafari Indigenous Village

JukeBox Collective

During the year Urban Circle Newport has continued its organic relationship with G-Expressions

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Achievements

For the past ten years we have used a collaborative and distributed leadership approach to oversee social research projects, youth work activity, Arts projects, bid writing, development, training, and partnerships attracting 1 million in external funding. To develop the team's leadership capacity further, in 2017, we established a partnership with USW Youth and Community work team securing a permanent base for UCN at the Newport campus. This increases young peoples' aspirations, ambitions, and access to Higher Education. This partnership was commended by Estyn (2020) in 'The Value of Youth Work Training, A sustainable model for Wales'. We have since established an MOU with USW securing UCN's long term training and development strategy.

The CEO as a leader was instrumental in establishing a strong organisational reputation as a champion of Black, Asian and Minority Ethnic Communities. Loren Henry was recently awarded with a Fellowship (USW April 2023) recognising her expertise in leading anti-racist and anti-discriminatory work. In collaboration with USW, Loren and her team are leading the development of Youth Work level 2/3 courses, delivered via a cultural lens.

UCN is committed to the principles and purposes of Youth Work in Wales, and actively promote young person's voices. It also enables students on youth and community work degrees and MA courses to use Urban Circle as a work placement setting, with the advantage of staff and qualified ex-students working as supervisors to the trainees. It became apparent that we could aid USW in navigating the changing racial landscape, delivering a social justice agenda locally and nationally, and encouraging students and educators to think and act in an anti-discriminatory and anti-oppressive way. The UCN team have a lived experience aligned with academic knowledge that they are willing to share with USW & others to aid in understanding how beneficial a partnership can be for all parties.

Now 95% of the Urban Circle family have graduated from USW as JNC qualified Youth and Community workers. They are committed to working with others to increase outcomes for all. For this vision to be delivered, young people and those working with them need to recognise the importance of dynamic and effective leadership and positive role models.

USW and Urban Circle have recently secured funding from DARPL to create a series of professional learning resources for teachers across Wales, based on the award-winning documentary Humanitree & Wales Untold. Both documentaries were created in association with Black Nine Films and came out of questions that our young people had about our heritage, diversity and the origins of racism. These resources will support teachers and learners to have critical conversations in brave spaces about racism, discrimination, cultural identity and, as such, will contribute to achieving Wales aim of being an anti-racist nation by 2030.

Aspirations

UCN (Urban Circle Newport) has an excellent relationship with USW and now have established a long-term Memorandum of Understanding that has ensured a positive future for the Charity's Training and Development strategy.

The partnership provides the USW with the passion and drive for seeking transformational change in raising awareness of the challenges faced by young people from BAME communities. The work, creative learning and research projects developed by Urban Circle consistently embody and mirror the key aims that are outlined in the Welsh Government Anti-Racist Action Plan (2022).

This now ranges from Urban Circle developing high quality evidence-based and research-based practices to inform the USW teaching programme, through to delivering highly innovative, dynamic and lived experience workshops on anti-racism and diversity in the classroom.

The recent development of our film Humanitree and accompanying resources (Brave Space Resources) provides courses within the FLSE programme with invaluable tools to deliver the anti-discriminatory and anti-oppressive values and principles of the USW education courses. As a social justice and social change organisation, Urban Circle will continue to develop a close working partnership with USW here at Newport, one which enables both organisations to develop training, research, and practice initiatives which embrace the values and benefits of delivering evidence-based interventions for our students and young people in the community. This matches USW's aspiration to produce critically reflective professionals equipped with the learning, flexible skills, and drive for delivering the social change and justice agenda needed to transform

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our communities into places where young people feel they belong, feel safe, feel secure, and are able to flourish and be the very best they can be.

The Charity still aspires to have a permanent home of its own. The trustees will continue looking at sustainable routes to the Charity having its own home.

The trustee's report was approved by the board of trustees.



Peter Landers - Chairperson

Chairperson
Dated: 31-10-23

URBAN CIRCLE NEWPORT

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees, URBAN CIRCLE NEWPORT, 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).

Company Law 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 charitable company 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; 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 adequate 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 Companies Act 2006. 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.

In so far as the Trustees are aware, there is no relevant information of which the charitable company's Independent Examiner is unaware; and the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the Independent Examiner is aware of that information.

The Trustees' report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006

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INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF URBAN CIRCLE NEWPORT

I report to the trustees on my examination of the accounts of Urban Circle Newport (the charity) for the year ended 31 December 2022.

Responsibilities and basis of report

As the trustees of the charity, you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the accounts of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts carried out under section 145 of the Charities Act 2011 (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

I confirm that I have met the required criteria to undertake the role of an Independent Examiner as I am not a Trustee or a related party.

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 386 of the 2006 Act; or

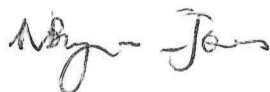
2 the accounts do not accord with those records; or

3 the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or

4 the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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 to enable a proper understanding of the accounts to be reached.

Marilyn Bryan
2 Mons Close
Allt-yr-yn
Newport
NP20 5ET



Dated: 31/10/2023

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STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED DECEMBER 2022

	Notes	2022 £	2021 £
<u>Income from:</u>			
Donations, Grants & legacies	<u>3</u>	388,157	168,633
Other Income	<u>4</u>	74,460	20,100
Total income		<u>462,617</u>	<u>188,733</u>
<u>Expenditure on:</u>			
Charitable activities	<u>5</u>	<u>461,405</u>	<u>183,665</u>
Net (expenditure)/income for the year/ Net movement in funds		1,212	5,068
 Fund balances at 1 Jan 2022		5,684	616
 Fund balances at 31 December 2022		<u>6,896</u>	<u>5,684</u>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

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BALANCE SHEET

AS AT 31 DECEMBER 2022

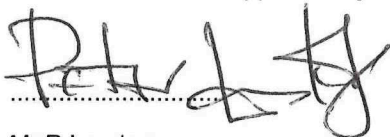
	Note	2022	2021
		£	£
Current assets			
Tangible Assets	<u>9</u>	7,672	
Cash at Bank & in Hand		9,119	5,684
			5,684
Creditors: Amounts falling due within one year	<u>11</u>	<u>(4,211)</u>	
		4,908	5,684
Net Current Assets/(liabilities)		<u>12,580</u>	<u>5,684</u>
Total assets less current liabilities		<u>12,580</u>	<u>5,684</u>
Income Funds			
Unrestricted Funds		<u>12,580</u>	<u>5,684</u>
		<u>12,580</u>	<u>5,684</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2022. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

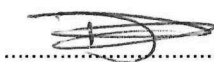
The Trustees' responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The accounts were approved by the Trustees on 16/10/23



Mr P Landers
Chair



Miss D Henry
Trustee

Company Registration No. CE020767

Charity No: 1188058

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

URBAN CIRCLE NEWPORT is a Charitable Incorporated Organisation. The registered office is Newport City Campus, Floor D, Usk Way, Gwent, Newport, NP20 2BP. The charitable company meets the definition of a public benefit entity under FRS 102.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's [governing document], the Companies Act 2006 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)" (as amended for accounting periods commencing from 1 January 2016). 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 applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The accounts 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 accounts, 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 accounts. In making this assertion the trustees have considered the current uncertain economic conditions due to the Coronavirus pandemic. The trustees have not yet seen any adverse impact on the charity however they continue to assess its impact on the going concern basis of accounting. The trustees believe that the charity has a strong asset base which, combined with its cash reserves, will enable it to meet the challenges presented by this virus and to continue with its charitable objectives.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

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 accounts.

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1.4 Incoming resources

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.

Donations are accounted for on a receivable basis as soon as they are capable of accurate financial measurement.

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.

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated items have been met, the receipt of economic benefit from the use by the charity of the items probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

Donated professional services and donated facilities are recognised based on the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Grants are accounted for in the year in which they are receivable in accordance with the terms of the grant.

1.5 Resources expended.

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Direct Charitable Expenditure

Expenditure which is directly attributable to specific activities has been allocated directly.

Support Costs

The costs of the charity are all allocated directly to the main activities and the charity does not therefore have any material support costs.

Governance Costs

Includes staff time and expenses for time spent in connection with trustees' meetings, plus the cost of accounting and professional fees.

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:

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Freehold land and buildings	2%
Leasehold improvements	Lease period
Fixtures and fittings	10%
Computers	10%

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 net income/(expenditure) for the year.

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 to determine the extent of the impairment loss (if any).

1 Accounting policies

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

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.9 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.

1.10 Retirement benefits

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

1.11 Pensions

In line with recent changes in pension legislation URBAN CIRCLE NEWPORT has enrolled eligible employees into an auto-enrolment pension scheme. The basic contributions for the scheme are 3% of pensionable earnings by the charity and 5% by the employees. Pension costs are charged to the Statement of Financial Activities as incurred.

1.12 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 activities.

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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 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 Grants, Donations & Legacies

	2022	2021
	£	£
Grants, Donations & Legacies	<u>388,157</u>	<u>168,633</u>
Grants and Donations		
Arts Council Wales	223,613	78,306
Awards for All	10,000	
Donations	7,008	2,600
G-Expression	68,013	
NCC	60,779	23,574
PCC	1,750	25,000
Peoples Postcode Trust Grant		39,153
Prospect Union	<u>16,994</u>	
	<u>388,157</u>	<u>168,633</u>

4 Other Income

	2022	2021
	£	£
Consulting		300
Festival Income	69,879	
Interest Received	11	
Rental Income		4,800
Workshop Delivery (G Expressions)	<u>4,570</u>	<u>15,000</u>
	<u>74,460</u>	<u>20,100</u>

5 Charitable Activities

	2022	2021
	£	£
Share of Support cost (see note 6)	459,355	183,665
Share of Governance costs (see note 6)	<u>2,050</u>	
	<u>461,405</u>	<u>183,665</u>

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6 Support Cost

	Support Cost	Governance	2022	2021	Basis of Allocation
	£	£	£	£	
Advertising and Promotions	4,707		4,707	10,371	Actual Cost
Banking Charges	81		81	96	Actual Cost
Computer Software	513		513	1,231	Actual Cost
Consulting	14,984		14,984	31,179	Actual Cost
Content Production	14,000		14,000		Trainingl Video
Contracting Costs	11,870		11,870	80,740	Time Spent
Depreciation	852		852		Depreciation of Relevant Asset
Equipment Expensed	438		438	1,746	Equipment used to provide services
Festival Cost	232,681		232,681		Event Cost
Insurances	540		540	1,274	Actual Cost
Legal and Professional Fees		2,050	2,050	2,000	Governance
Light and heat			-	64	Actual Cost
Other Supporting Cost	2,822		2,822	6,222	Volunteer Cost
PAYE/ENIC	17,559		17,559		Time Spent Basis
Pensions	4,016		4,016	4,854	Time Spent Basis
Rent	9,310		9,310		Actual Cost
Staff training and welfare	1,015		1,015	23,376	Actual Cost
Stationery and printing	259		259	109	Actual Cost
Subscriptions			-	604	Actual Cost
Sundry	20		20		Actual Cost
Telephone and email	655		655	-	Actual Cost
Travelling & Subsistence	24,560		24,560	6,731	Actual Cost
Venue Hire/Meeeting Room	6,738		6,738	13,068	Actual Cost
Wages & Salary	111,737		111,737		Time Spent Basis
	<u>459,355</u>	<u>2,050</u>	<u>461,405</u>	<u>183,665</u>	
Analysed between					
Charitable activities	<u>459,355</u>	<u>2,050</u>	<u>461,405</u>		

7 Trustees

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

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8 Employees

Number of employees

The average monthly number employees during the year were:

	2022
	Number
	<u>9</u>

Employment costs	2022
	£
Wages and salaries	111,737
Social security costs	17,559
Other pension costs	<u>4,016</u>
	<u>133,312</u>

No employees received employee benefits of more than £50,000 in the current or prior

9 Tangible fixed assets

	Computers	Total
	£	£
Cost		
At 1 Jan 2022	<u>8,524</u>	<u>8,524</u>
At 31 Dec 2022	<u>8,524</u>	<u>8,524</u>
Depreciation and impairment		
At 1 Jan 2022	<u>0</u>	<u>0</u>
Depreciation charged in the year	<u>852</u>	<u>852</u>
NBV At 31 Dec 2022	<u>7,672</u>	<u>7,672</u>

10 Creditors: amounts falling due within one year

	2022
	£
Creditor (Staff reimbursement)	<u>4,211</u>
	<u>4,211</u>

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11 Analysis of net assets between funds

	2022	2021
	£	£
Tangible Assets	7,672	
Net Current Assets/(liabilities)	<u>4,908</u>	<u>5682</u>
	<u><u>12,580</u></u>	<u><u>5,684</u></u>

12 Related party transactions

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