

Trecynon Free Library & Institute

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Charity Number 525465
Mill Street, Aberdare, CF44 8NF

TRECYNON FREE LIBRARY & INSTITUTE

REFERENCE & ADMINISTRATIVE INFORMATION

Registered Charity Number	525465
Principal Address	Mill Street Aberdare CF44 8NF
Trustees	Gareth Jones (Chair) Gareth Jones John Ashton Morfydd Jones
Bookkeepers	Your Business Hub Services Ltd Ty Menter Navigation Park Abercynon CF45 4SN
Bankers	Barclays Bank PLC 12 Victoria Square Aberdare CF44 7HY

TRECYNON FREE LIBRARY & INSTITUTE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their report and the financial statements of the charity for the year ended 31 March 2022

CONSTITUTION & LEGAL STATUS

Trecynon Free Institute & Library is an unincorporated Charity registered as a charity on 14 May 1964.

The trust is governed by its Indenture Trust Deed dated 28 April 1922, which establishes the objects and powers of the charity.

Under the Trust Deed the Trustees are elected to serve for an indefinite period.

OBJECTS OF THE CHARITY

The Trustees of Trecynon Free Library & Institute ('the charity') work to provide facilities and services to the area of Aberdare.

Each year the charity's trustees review our objectives and activities to ensure they continue to reflect our aims. In carrying out this review the trustees have considered the Charity's Commission's general guidance on public benefit.

Broadly, our objectives are to continue to enable the building to be used by the local community safely for a broad range of activities

The charity has been able to enable the safe use of the hall to local groups and organisations, including a local band, dance group and various yoga and fitness classes. It is enjoyed by the local community for parties and performances throughout the year.

TRUSTEES

The method of appointment of trustees is set out in the Trust Deed. No Trustees are remunerated.

During the year ended 31 March 2022 the following people acted as trustees:

Gareth Jones (Chair)
Gareth Jones
John Ashton
Morfydd Jones

The need for new trustees is reviewed regularly and when appropriate possible names are presented at a trustee meeting for consideration. The existing trustees make any new appointments, for an indefinite period. New trustees are given copies of the governing documents, appropriate Charity Commission information and recent trustee minutes.

ACTIVITIES

SARS-CoV-2

Early 2021 were felt to be the beginning of the end of Covid19 and lockdowns in Wales but soon a variant of concern emerged and caution in the population re-appeared. This continued to impact on the day-to-day activities in and around the Hall. Social activities, a characteristic of the Hall's community activities were slow to return and some failed on account attendance numbers were not sustainable. It can be considered that both fear as well as the habit of staying at home was a factor in this.

Room Hire

Room hire continues to be a successful way of providing income that covers revenue costs

- Long-stay occupiers - There was movement in the period but rooms dedicated to the more permanent occupations continued to be filled. One space released by a tenant gave an opportunity to undertake

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further damp-proofing work of a technical nature which when completed made the room both healthy and attractive leading to a new tenant active in the social-need third sector.

- Regular day room hire - The use of rooms for social, the arts and exercise activities continued to be a feature but increasing energy costs impacted on the hire rate causing one user to terminate the contract. A new contract came from the local authority to use the main hall for a literary programme.
- Casual room hire and social events - The use of the main hall was stymied by the consequences of Covid19 and was slow to return to previous levels. However, this element of income remains active.

Maintenance of the building

The exterior rendering of two walls at the rear and one-side of the building continued from 2020 into 2021 when weather not conducive to external work prevented good progress. This work was funded primarily by Pen-y-Cymoedd Wind Farm Community Fund CIC and supported by the Welsh Church Act Fund and both were awarded in late 2020. However, in this period, the works were eventually completed and the building made both presentable and importantly, damp resistant. Maintenance is a vital part in the sustainable life and business of a building and this work was both desirable and essential.

RISK REVIEW

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.

RESERVES POLICY

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

RESPONSIBILITIES OF THE TRUSTEES

Charity 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 Trust as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure for the financial year.

In preparing those financial statements the trustees should follow best practice and

- select suitable accounting policies and apply them consistently
- make judgments and estimates that are reasonable and prudent and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue on that basis.

The trustees are responsible for maintaining proper accounting records which disclose at any time the financial position of the charity and to enable them to ensure that the financial statements comply with charity legislation. The trustees 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.

Approved by the trustees on 28 January 2023 and signed on their behalf

.....
Mr Gareth Jones (Chair)
Trustee

.....
Mr Robert Matthews
Secretary

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES ON THE UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

I report on the accounts of Trecynon Free Library & Institute for the year ended 31 March 2022 set out on pages 3 to 10.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND INDEPENDENT EXAMINER

As the charity's trustees you are responsible for the preparation of the accounts, you consider that the audit requirement of section 144(2) of the Charities Act 2011 (the Act) does not apply and that an independent examination is needed. It is my responsibility to examine the accounts under section 145 of the Act, to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the Act, and to state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S STATEMENT

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

In connection with my examination, no matter has come to my attention:

- 1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep proper accounting records in accordance with section 130 of the Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Acthave not been met; or
- 2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



.....
Mr Paul Burnell
C Management Services Ltd
Independent Examiner
69 Velindre Road
Cardiff
CF14 2TF

Date: 29 January 2023

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STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds £	Restricted Funds £	2021-22 Total £	2020-21 Total £
Incoming resources					
Building Hire		8,934	0	8,934	4,831
Other Income		132	0	132	95
Grants		10,000	42,360	52,360	47,000
Total incoming resources		<u>19,066</u>	<u>42,360</u>	<u>61,426</u>	<u>51,926</u>
Resources expended					
Charitable Activities	2	20,784	55,160	75,944	25,593
Governance Costs	3	481	0	481	285
Total resources expended		<u>21,265</u>	<u>55,160</u>	<u>76,425</u>	<u>25,878</u>
Net incoming/(outgoing) resources before transfers		(2,199)	(12,800)	(14,999)	26,048
Transfer between funds		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net incoming/(outgoing) resources for the year		(2,199)	(12,800)	(14,999)	26,048
Total funds brought forward		44,656	13,000	57,656	31,608
Total funds carried forward		<u>42,457</u>	<u>200</u>	<u>42,657</u>	<u>57,656</u>

The statement of financial activities includes all gains and losses in the year and therefore a separate statement of total recognised gains and losses has not been prepared.

All the above amounts relate to continuing services

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BALANCE SHEET AS AT 31 MARCH 2022

	Notes	31 March 22 £	31 March 21 £
Current Assets			
Cash at bank and in hand		42,896	58,399
Debtors		0	0
Total Current Assets		42,896	58,399
Current Liabilities			
Creditor amounts falling due within one year	4	(239)	(743)
Net Current Assets		42,657	57,656
Fixed Assets			
Tangible assets		0	0
Total Assets less Current Liabilities		42,657	57,656
Non-Current Liabilities			
Creditor amounts falling due after more than one year		0	0
Net assets		42,657	57,656
Funds			
Restricted funds	5	200	13,000
Unrestricted funds	6	42,457	44,656
Total funds		42,657	57,656

Notes in pages 8 to 10 form part of these accounts

Approved by the trustees on 28 January 2023 and signed on their behalf

.....
Mr Gareth Jones (Chair)
Trustee

.....
Mr Robert Matthews
Secretary

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

1. Accounting Policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the year preceding.

1.1. Basis of Preparation

The financial statements have been prepared in accordance with 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 2015) - (Charities SORP (FRS 102); and the Charities Act 2011.

The accounts have been prepared on a cash basis.

1.2. Cashflow

The charity has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small charity.

1.3. Fund Accounting

Funds held by the charity are either:

1. **Unrestricted Funds** - these are funds which can be used in accordance with the charity's objectives, at the discretion of the trustees.
2. **Designated Funds** - these are funds set aside by the trustees out of unrestricted general funds for a specific future purpose or projects
3. **Restricted Funds** - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

1.4. Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

1. Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable.
2. Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.
3. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant. Other grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.
4. Legacies are included when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified

1.5. Resources expended

Expenditure is recognised on a cash basis as a liability is paid. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

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Governance costs include those associated with meeting the constitutional and statutory requirements of the charity and include accountancy fees, costs relating to the strategic development of the charity, management of assets and organisational administration.

2. Charitable Activities

	Unrestricted Funds	Restricted Funds	2021-22 Total	2020-21 Total
	£	£	£	£
Administration	44,860	0	44,860	20,000
Grant Costs	0	2,595	2,595	540
Premises & Maintenance	12,204	0	12,204	1,964
Total	57,064	2,595	59,659	22,504

3. Governance Costs

	Unrestricted Funds	Restricted Funds	2021-22 Total	2020-21 Total
	£	£	£	£
Professional - Accountancy Fees	481	0	481	285
Total	481	0	481	285

4. Creditors: amounts falling due within one year

	Unrestricted Funds	Restricted Funds	2021-22 Total	2020-21 Total
	£	£	£	£
Petty Cash	96	0	96	0.00
RCT Loan	143	0	143	743
	239	0	239	743

5. Restricted Funds

	At 1st April 2021	Incoming resources	Outgoing resources	Transfers	At 31st March 2022
	£	£	£	£	£
Pen y Cymoedd Wind Farm Community Fund	3000	41,860	(44,860)	0	0
Welsh Church Act Fund	10,000	0	(10,000)	0	0
Interlink	0	500	(300)	0	200
Total	13,000	42,360	(55,160)	0	200

Restricted for the following purposes:

Pen y Cymoedd Wind Farm Community Fund – Capital investment works

Welsh Church Act Fund - rendering the exterior of the building and other associated works

Interlink – catering related to the “Big Lunch”

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6. Unrestricted Funds

	At 1st April 2021	Incoming resources	Outgoing resources	Transfers	At 31st March 2022
	£	£	£	£	£
Unrestricted Funds	44,656	19,066	(21,265)	0	42,457
Total	44,656	19,066	(21,265)	0	42,457