

**Charity Registration No. 1027848**

**Company Registration No. 2861787 (England and Wales)**

**PENRHYS PARTNERSHIP TRUST**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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# **PENRHYS PARTNERSHIP TRUST**

## **CONTENTS**

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	<b>Page</b>
Trustees report	1 - 3
Statement of trustees responsibilities	4
Accountants' report	5
Statement of financial activities	6
Balance sheet	7
Notes to the financial statements	8 - 13

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# **PENRHYS PARTNERSHIP TRUST**

## **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)**

***FOR THE YEAR ENDED 31 MARCH 2021***

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The trustees present their report and financial statements for the year ended 31 March 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 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) (effective 1 January 2019)".

### **Objectives and activities**

The charity's purposes as set out in the objects contained in the company's Memorandum and Articles of Association are:-

- to consolidate the viability of Y Ffynnon premises, both socially and economically through the generating of additional income.
- to work alongside partners and agencies in addressing major opportunities and constraints on Penrhys.
- to enable the experience and understanding gained by Partnership members to be shared by the wider community.
- to work alongside the Rhondda Cynon Taf County Borough Council for the benefit of Penrhys residents.
- to support initiatives to make Penrhys a safer place to live.
- to work alongside Penrhys Community Groups in developing a sustainable community for future generations.
- to create a professional flexible working environment in meeting the needs of the community of Penrhys.

The charity has the general aim of contributing to provide for the inhabitants of Penrhys in Rhondda Cynon Taf and the wider South Wales area.

### **Review of Activities**

Due to the loss of funding in a prior year, the charity has ceased operating.

### **Financial review**

The charity sold its remaining fixed asset in the year and the proceeds are being used to repay the balance owed to Penrhys Partnership Limited and to close down the charity.

### **Reserves**

Unrestricted reserves at 31 March 2021 were £2,482 (2020: negative of £20,626).

### **Structure, governance and management**

#### **Governing document**

Penrhys Partnership Trust is a company limited by guarantee governed by its Memorandum and Articles of Association dated 13 October 1993 and amended to allow for current governance arrangements on 6 June 1999. It is registered as a charity with the Charity Commission.

# **PENRHYS PARTNERSHIP TRUST**

## **TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021**

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### **Organisation**

The trustees of the charity are in charge of directing and controlling, running and operating the charity. All trustees give their time freely and no trustee received remuneration or expenses in the year.

### **Related Parties**

The trustees of the charity are also Directors of Penrhys Partnership Limited. A not for profit organisation and company limited by guarantee.

### **Reference and administrative details**

#### **Company number:**

2861787

#### **Charity number:**

1027848

#### **Principal office:**

Y Ffynnon Centre  
Penrhys  
FERNDAL  
Rhondda Cynon Taf  
CF43 3NS

#### **Trustees**

Anne Lord  
Beverly Humphreys

#### **Members**

S Rees, P. Noble, Penrhys Community Group

#### **Accountants:**

Azets  
Ty Derw  
Lime Tree Court  
Cardiff Gate Business Park  
Cardiff  
CF23 8AB

#### **Bankers:**

Co-operative Bank plc  
PO Box 101  
1 Balloon Street  
Manchester  
M60 4EP

#### **Solicitors:**

Eversheds LLP  
1 Callaghan Square  
CARDIFF

## **PENRHYS PARTNERSHIP TRUST**

### **TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021**

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The trustees report was approved by the Board of Trustees.

*Beverley Humphreys.*

Trustee - BEVERLEY HUMPHREYS  
Dated: 30 March 2022

## **PENRHYS PARTNERSHIP TRUST**

### **STATEMENT OF TRUSTEES RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 MARCH 2021***

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The trustees, who are also the directors of Penrhys Partnership Trust for the purpose of company law, 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.

## **PENRHYS PARTNERSHIP TRUST**

### **ACCOUNTANTS' REPORT TO THE TRUSTEES ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF PENRHYS PARTNERSHIP TRUST FOR THE YEAR ENDED 31 MARCH 2021**

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Penrhys Partnership Trust for the year ended 31 March 2021, which comprise the statement of financial activities and the related notes from the charity's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>

This report is made to the charity's trustees, as a body, in accordance with the terms of our engagement letter dated 23 October 2015. Our work has been undertaken solely to prepare for your approval the financial statements of Penrhys Partnership Trust and state those matters that we have agreed to state to the charity's trustees, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Penrhys Partnership Trust and the charity's trustees as a body, for our work or for this report.

It is your duty to ensure that Penrhys Partnership Trust has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and deficit of Penrhys Partnership Trust. You consider that Penrhys Partnership Trust is exempt from the statutory audit requirement for the year, and is not required to obtain an independent examiner's report.

We have not been instructed to carry out an audit or a review of the financial statements of Penrhys Partnership Trust. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



**Azets**

Chartered Accountants

30 March 2022

Ty Derw  
Lime Tree Court  
Cardiff Gate Business Park  
Cardiff  
UK  
CF23 8AB

# PENRHYS PARTNERSHIP TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total Restated 2020 £
<b>Expenditure on:</b>							
Charitable activities	3	120	-	120	747	10,610	11,357
Other	7	244,164	-	244,164	-	-	-
<b>Total resources expended</b>		<b>244,284</b>	<b>-</b>	<b>244,284</b>	<b>747</b>	<b>10,610</b>	<b>11,357</b>
<b>Net outgoing resources before transfers</b>		<b>(244,284)</b>	<b>-</b>	<b>(244,284)</b>	<b>(747)</b>	<b>(10,610)</b>	<b>(11,357)</b>
Gross transfers between funds		267,392	(267,392)	-	-	-	-
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>23,108</b>	<b>(267,392)</b>	<b>(244,284)</b>	<b>(747)</b>	<b>(10,610)</b>	<b>(11,357)</b>
Fund balances at 1 April 2020		(20,626)	267,392	246,766	(19,879)	278,002	258,123
<b>Fund balances at 31 March 2021</b>		<b>2,482</b>	<b>-</b>	<b>2,482</b>	<b>(20,626)</b>	<b>267,392</b>	<b>246,766</b>

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.



# PENRHYS PARTNERSHIP TRUST

## BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets			-		269,664
<b>Current assets</b>					
Cash at bank and in hand		16,981		1,601	
<b>Creditors: amounts falling due within one year</b>	8	(14,499)		(24,499)	
Net current assets/(liabilities)			2,482		(22,898)
<b>Total assets less current liabilities</b>			2,482		246,766
<b>Income funds</b>					
Restricted funds	9		-		267,392
Unrestricted funds			2,482		(20,626)
			2,482		246,766

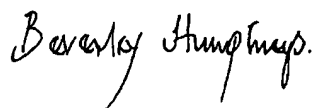
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 30 March 2022



Trustee - BEVERLEY HUMPHREYS

Company Registration No. 2861787

# **PENRHYS PARTNERSHIP TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

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### **1 Accounting policies**

#### **Charity information**

Penrhys Partnership Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Penrhys Partnership, Y Ffynnon Centre, Penrhys, Ferndale, Rhonda Cynon Taff, CF43 3NS.

#### **1.1 Accounting convention**

The financial statements 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) (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 applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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**

The charity has ceased its activities.

The charity sold its remaining fixed asset in the year and the proceeds are being used to repay the balance owed to Penrhys Partnership Limited and to close down the charity.

On this basis the trustees consider the charity is no longer a going concern.

#### **1.3 Charitable funds**

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

Unreleased grants received on capital expenditure are recognised as part of restricted funds rather than deferred income. The depreciation on the restricted assets is charged annually to the restricted fund.

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 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.

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.

#### **1.5 Resources expended**

# PENRHYS PARTNERSHIP TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies

(Continued)

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Cost of charitable activities includes expenditure associated with grants and rental properties and include both the direct costs and support costs relating to these activities.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with statutory requirements.

#### 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. Tangible fixed assets costing more than £1,000 are capitalised.

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:

Freehold land and buildings	2% Straight line basis
Fixtures and fittings	25% Reducing balance basis

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

#### 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.

# **PENRHYS PARTNERSHIP TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2021**

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### **1 Accounting policies**

**(Continued)**

#### ***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.

The charity operates a defined contribution scheme for the benefit of its employees. The assets of the scheme are held separately from those of the charity. Contributions payable are charged to the profit and loss account in the year they are payable and are charged against unrestricted fund.

### **1.9 Operating Leases**

Rentals applicable to operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease terms.

### **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.

# PENRHYS PARTNERSHIP TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 3 Charitable activities

	Charitable Expenditure 2021 £	Charitable Expenditure 2020 £
Miscellaneous costs	120	150
Share of support costs (see note 4)	-	11,207
	<u>120</u>	<u>11,357</u>
<b>Analysis by fund</b>		
Unrestricted funds	120	747
Restricted funds	-	10,610
	<u>-</u>	<u>10,610</u>
<b>For the year ended 31 March 2020</b>		
Unrestricted funds	747	
Restricted funds	10,610	
	<u>11,357</u>	

### 4 Support costs

	Support costs £	Governance costs £	2021 £	2020 £	Basis of allocation
Depreciation	-	-	-	11,207	
	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,207</u>	
Analysed between Charitable activities	-	-	-	11,207	
	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,207</u>	

### 5 Trustees

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

### 6 Employees

There were no employees during the year.

# PENRHYS PARTNERSHIP TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 7 Other

	Unrestricted funds	Total
	2021	2020
	£	£
Net loss on disposal of tangible fixed assets	244,164	-
	<u>244,164</u>	<u>-</u>

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

	2021	2020
	£	£
Amount due to Penrhys Partnership Limited	<u>14,499</u>	<u>24,499</u>

### 9 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2019	Resources expended	Balance at 1 April 2020	Transfers	Balance at 31 March 2021
	£	£	£	£	£
Arts Centre	<u>278,002</u>	<u>(10,610)</u>	<u>267,392</u>	<u>(267,392)</u>	<u>-</u>

#### Arts Centre

The restrictions relating to the Arts Centre have expired and therefore the balance has been transferred from Restricted Funds to Unrestricted Funds.

### 10 Analysis of net assets between funds

	Unrestricted 2021	Restricted 2021	Total 2021	Unrestricted 2020	Restricted 2020	Total 2020
	£	£	£	£	£	£
Fund balances at 31 March 2021 are represented by:						
Tangible assets	-	-	-	2,272	267,392	269,664
Current assets/ (liabilities)	<u>2,482</u>	<u>-</u>	<u>2,482</u>	<u>(22,898)</u>	<u>-</u>	<u>(22,898)</u>
	<u>2,482</u>	<u>-</u>	<u>2,482</u>	<u>(20,626)</u>	<u>267,392</u>	<u>246,766</u>

### 11 Related party transactions

# **PENRHYS PARTNERSHIP TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2021***

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### **11 Related party transactions**

**(Continued)**

The trustees of the Penrhys Partnership Trust are also directors of Penrhys Partnership Limited, a company limited by guarantee (registration number 2699701).

At the end of the year, Penrhys Partnership Trust owed £14,499 to Penrhys Partnership Limited (2020: £24,499).