

Charity Registration No. 1150422

Company Registration No. 07623914 (England and Wales)

**ACE-ACTION IN CAERAU AND ELY**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**



# ACE-ACTION IN CAERAU AND ELY

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# ACE-ACTION IN CAERAU AND ELY

## CHAIRMAN'S STATEMENT

**FOR THE YEAR ENDED 31 MARCH 2020**

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### Chair's report

Routine thanks to the staff, the volunteers and my fellow trustees won't cut it this year.

Despite all the worries and stress, and whether they are furloughed, self-isolating, struggling with Zoom, confined to the weirdness of home working, or untiringly delivering essential services on the front line, everyone has played the most extraordinary role. And they continue to do so as regulations change from month to month.

This year my admiration and thanks for their flexibility, skills and commitment, which have in the past often been buried at the bottom of my reports, must come at the top. It's not just that they have been vital for ACE; they've been vital for Ely and Caerau.

Many charities may report gloomily that 2020 was a year when nothing much happened because of the pandemic. ACE as ever, though, has refused to stand still. If anything the pace of change is accelerating.

As the government-funded Community First programme, on which ACE was founded, was drawing to a close in 2018 we were thinking we might need to shrink the staff down to a core of just five or six. This year we reached 35. The range and scope of our work is no less striking.

The list of activities has grown from training and a few community support roles to include food retailing, community arts, heritage development, fuel poverty support, mental health resources, volunteering development, management services for other organisations, a community advice consultancy, and even bereavement research. Meanwhile, a £300,000 renovation programme at the Dusty Forge has transformed workspaces and facilities for the public and staff.

Getting here has required a monumental fundraising effort by senior staff, and a quality harder to pin down – a reputation for high quality service delivery. Funders from charitable trusts to the NHS are resourcing ACE because they are confident we will change people's lives for the better.

Fundraising success augmented by trading income from training, consulting and contract work has gradually produced a healthy reserve fund. This is essential to protect the long-term future of our core charity. But it has also given us the confidence to create our first dedicated volunteer development post, reflecting our commitment to helping local people shape the services they receive. Another long-standing ambition was achieved in November – investing in property to house people who need support, by purchasing a house immediately next door to the Dusty Forge.

Despite all this success, the challenges remain significant. Money in future will be much harder to come by. So we must keep improving our financial management, stay focussed both on our key charitable priorities and on attracting earned income, and maintain the tricky balance between the two. An upgraded Strategic Plan will help with this.

Our greatest challenge, though, will be emotional as well as practical. Our Director and co-founder John Hallett is standing down next spring, and the months ahead will be dominated by efforts to safeguard his vision and replicate his very considerable management skills. On the other hand, I don't know a comparable organisation whose rock-solid foundations and endlessly resourceful staff are better prepared for such a task.



.....  
**Mel Witherden**

Chairman

Dated: 20-01-2021

# **ACE-ACTION IN CAERAU AND ELY**

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

### **FOR THE YEAR ENDED 31 MARCH 2020**

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The trustees present their report and accounts for the year ended 31 March 2020.

The financial statements have been prepared in accordance with the accounting policies set out in the notes 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**

ACE–Action in Caerau and Ely is a community organisation located in West Cardiff. We have over 1000 local members, many of whom are active contributors to local community development and regeneration efforts. We are very proud that over half our staff team live in Ely and Caerau and many projects and activities are run with or by volunteers. We manage three community buildings and deliver a range of community based activities that help people, many of which you will read about in this annual report.

This vision that shapes our annual activities remains to develop the capacity and skills of the members of the socially and economically disadvantaged communities of Cardiff in such a way that they are better able to identify, and help meet, their needs and to participate more fully in society, and the promotion for the public benefit of urban regeneration in areas of social and economic deprivation in the area of Cardiff. We do this by all or any of the following means:

1. the relief of poverty in such ways as may be thought fit;
2. the relief of unemployment in such ways as may be thought fit, including assistance to find employment;
3. the advancement of education, training or retraining, particularly among unemployed people, and providing unemployed people with work experience;
4. the provision of financial assistance, technical assistance, or business advice or consultancy in order to provide training and employment opportunities for unemployed people in cases of financial or other charitable need through help:
5. in setting up their own business,
6. the creation of training and employment opportunities by the provision of workspace, buildings and/or land for use on favourable terms;
7. the maintenance, improvement or provision of public amenities;
8. the provision or assistance in the provision of recreational facilities for the public at large and/ or those who, by reasons of their youth, age, infirmity or disablement, poverty or social and economic circumstances, have need of such facilities;
9. the provision of public health facilities and childcare;
10. such other means may from time to time be determined subject to the prior consent of the Charity Commissioners for England and Wales.

ACE will work with communities to achieve lasting positive change for an equal and just Cardiff by:

- Mobilising local people behind a shared vision
- Co-producing services and activities that make use of assets and meet needs
- Driving positive social change, making our communities fairer and more inclusive
- Securing income and maximising community assets for sustainability and community resilience
- Working closely with private, public and third sector organisations to secure the benefits of their resources for our communities

# **ACE-ACTION IN CAERAU AND ELY**

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

### **FOR THE YEAR ENDED 31 MARCH 2020**

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ACE will nurture and develop local assets and opportunities to meet needs through the following types of projects, activities and services:

- Community support, including crisis support and personal finance help
- Health and wellbeing work, including mental health support and training
- Training and support for the unemployed
- Work with children, young people and families
- Community-led activity
- Heritage, arts and culture activities
- Social enterprise and local economic development
- Community and citywide influencing and campaigning.

The strategies employed for continuity are:

- Building the capacity to deliver and develop: ACE has achieved an impressive track record for effective project delivery and innovation. It is also encouraging to see a significant increase in ACE's capacity and ability to deliver work, and to see the planned shift from Communities First being realised. We will capitalise on these strengths to create an ambitious programme to develop the charity, its activities, and our capacity for effective delivery
- Providing services directly: ACE has developed a strong range of services based on identified needs which support the communities it serves. Future work will build on these activities, and we will monitor and evaluate progress to further develop projects which address key needs.
- Continuing to diversify income streams: ACE's recent dependency on Communities First's single tightly controlled funding programme has inevitably created a legacy of financial vulnerability - although this weakness has been very significantly reduced since 2013 by diversifying activities and income sources. ACE will continue actively to broaden its income streams by pursuing opportunities for social enterprises, contracting and rental income, as well as direct grant funding.
- Optimising the use of existing buildings and space: ACE has successfully developed new uses for three redundant community buildings. Each building is an anchor for the delivery of planned projects and each will have distinct functions for different demographics in the community. ACE will closely monitor the current use of its buildings and will plan to optimise their future deployment for income generation and sustainability.
- Planning carefully and prudently: As it has grown ACE has made great progress in undertaking increasingly complex financial planning. We will continue to plan carefully with an annual costed budget and considered operation plans. These will aim to allow room to invest and develop whilst prudently delivering on set objectives and activities.
- Building partnerships: Partnership building and working collaboratively is one of our most important achievements. ACE will continue, within the scope of its resources, to deliver partnerships with other likeminded organisations.
- Utilising others' capacity and contributing to their services: Post-Communities First changes in public policies on poverty, employment and health are likely to alter the relationship between ACE and its former client base. ACE will work to establish itself as significant contributor alongside partner and competitor organisations which deliver services that ACE no longer has the capacity for. There will be a particular focus on employability, enabling ACE buildings to be a hub for service providers to engage participants and deliver their programmes from. This is essential for Ely and Caerau residents who are seeking employment and the continued success of ACE's social businesses.
- Maintaining our good name: The organisation has developed a strongly positive reputation across the city and is valued in communities, the third sector and the local authority. ACE will work to protect its good name by devoting appropriate resources to quality control and pro-active public relations.
- Mobilising ACE's reputation and influence: Our successful track record and high reputation give ACE the potential to have a positive impact elsewhere. ACE will work to maintain its relationships, influence policies in the voluntary and public sectors, and advocate for the communities it serves at respective levels.

# ACE-ACTION IN CAERAU AND ELY

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

### FOR THE YEAR ENDED 31 MARCH 2020

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The strategies employed for growth:

- Creating opportunities to develop new work: Freedom from Communities First potentially liberates ACE to undertake a wider range of activities. But it will not be easy to create income-generating initiatives to address the long-term threat posed by the inevitable funding gap. ACE will devote resources and effort to expanding promising projects such as ACE Training and to creating financially viable new enterprise and community projects.
- Expanding the area of operation: ACE's origins, history and goals are rooted deeply in the Ely and Caerau area of Cardiff. But our experience and our effective delivery of anti-poverty programmes here has attracted interest in our services elsewhere. While retaining its primary commitment to improving the quality of life of Ely and Caerau residents, ACE will seek service delivery and contracting opportunities in other areas of Cardiff and beyond with the aim of generating income and building long-term sustainability.
- Expanding volunteering: ACE has comprehensively demonstrated the many personal and community benefits of voluntary work. The end of Communities First creates the scope and heightens the need to expand volunteering activity. ACE will undertake a new programme of work, within its core values of community asset development and coproduction, to actively promote volunteering and attract, train and support volunteers to undertake work within ACE and in the wider community.
- Acquiring and developing new buildings: Developing property assets is a widely used mechanism for improving the sustainability of community initiatives. ACE will seek out fresh opportunities on an ongoing basis for acquiring and developing land and new and existing buildings. It will also continue to explore desirable new projects and potential partnerships where relevant. This could include joint ventures with the public sector (CCC or the Health Board), housing initiatives, and further community asset transfers.
- A new focus on monitoring and evaluation: Existing (Communities First) monitoring systems are inadequate. ACE will redefine how it monitors and evaluates its work, and develop a new manageable approach which can be applied flexible to the full range of its activities. While this is currently being addressed through the CAF Resilience work it will be important to review policies and practice as part of annual planning work.
- ACE Board of Trustees: Membership of the ACE Board is influenced by the conscious need to preserve a balance between local representation and the skills needed for the governance of a dynamic charity. But the value of Trustees with specialist knowledge is likely to grow as the charity's work and finances become more complex. ACE will maintain its policy requiring that at least half of its trustees should live or work in Ely and Caerau. But changing priorities and challenges will be kept continuously under review so that the board is prepared to attract and appoint new board members with relevant expertise when they are needed.

#### Criteria to measure success

It is crucial that we gather information that tells us whether or not our Theory of Change, Strategic Plan and day-to-day activities are effective in meeting our aims and objectives and fulfilling our vision. In the past, this 'monitoring and evaluation' work has been heavily influenced by the requirements of the Welsh Government. We have taken the opportunity to design a new approach that puts organisational learning at its heart. We want everyone involved in ACE – staff, volunteers, trustees, members, participants and partners – to be reflecting on our experiences together, to be identifying what works (and what doesn't!) and to be getting better at what we do. We will use the following approaches to put people's experiences at the heart of our learning:

- Online surveys, promoted through social media. These will seek basic information from a large and diverse group of people regarding their experiences of engagement with ACE. Did they feel welcome and valued? What changed for them as a result? Will they come back? Some of you may have responded to one of these already. If not, we'd encourage you to do so!
- The collection of 'Most Significant Change' stories. A handful of personal stories of change will be collected by trained story collectors. These will explore, in detail and in their own words, what has changed for people as a result of their involvement with ACE. These stories will be discussed amongst panels of participants, staff, volunteers and partners, allowing a collaborative approach to learning and to understanding the significance of each story for how ACE works and how we could work better. You will see some early examples of these transformational stories in the pages of this report.

# **ACE-ACTION IN CAERAU AND ELY**

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

### **FOR THE YEAR ENDED 31 MARCH 2020**

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- Project specific interviews and surveys. These will collect demographic information and feedback related to specific projects. They will be particularly useful in meeting the monitoring and evaluation requirements of project funders and will be designed specifically to meet these needs.

The collaborative learning from these approaches will be used to review and update the Theory of Change and Strategic plan and to make changes to our practice where necessary. We are looking forward to becoming an organisation with learning and development at its heart.

#### **Achievements and performance**

Following success in the 2017 Times Higher Education Awards ACE was named Thriving Charity of the year and runner up for Outstanding Charity of the Year at the 2019 Welsh Charity Awards.

ACE's work is used as a good practice case study by the Co-production Network Wales and is regularly used as a case study by the Welsh Government to illustrate their 'Prudent healthcare' policy. Our delivery of the Communities for Work programme was recently rated top out of all deliverers in Wales.

Throughout 2019-20 we have continued to build on work supported by the Charities Aid Foundation (CAF) under their Resilience programme. Specific work has included the completion of a new Strategic plan, outlining a clear vision for the future and articulating how work will be achieved. Reviewing our marketing and communication work, implementing change and investment to support ACE to grow carefully and reach participants, partners and customers. We have continued to diversify income, developing a number of new enterprise activities, broadening our training services offer and exploring longer term asset development opportunities.

This has helped us build on strong foundations to ensure our sustainability for a bright future.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'. ACE – Action in Caerau and Ely relies on grants and the income from fees and charges to cover its operating costs. Access to our activities is important to us and is reflected in our approach to project planning through 'Coproduction'; we endeavour to encourage all within our community to take part and shape our activities on an equal basis. The activities we provide is to be enjoyed by all from those attending local schools or the higher education colleges through to our work with particular appeal to our older residents.

How we choose to work is as important to us as what we actually do. We are committed to working with local people as full participants in the design and delivery of projects, services and activities. We experience and treat our community not primarily as a problem needing solving but as a vibrant network of communities that has many assets and opportunities which have been undervalued and ignored – these include skills, knowledge, experience, social networks, good will, buildings, land, resources, culture and heritage. These commitments mean we are strongly influenced by the theories and practices of 'Asset Based Community Development' and 'Co-production'.

# **ACE-ACTION IN CAERAU AND ELY**

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

### **FOR THE YEAR ENDED 31 MARCH 2020**

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#### **Financial review**

ACE's future is incredibly exciting, we are a community led charity which has a plan, purpose, and a fantastic group of volunteers, trustees and staff. During our first 5 years of operation ACE has added over £5 million to the local economy across Cardiff West, whilst a large proportion of this income was a result of the Welsh Government Communities First programme; over £2 million has been gained through social enterprise, grant applications and fundraising. ACE is now a charity standing in its own right, working with residents to see meaningful change across communities – this is a huge achievement which continues to address an unfair 'stigma' attached to Ely and Caerau, something residents of Ely and Caerau can be really proud of.

We have continued to build on a firm foundation of strong financial policy and effective financial management through 2019-20. Income in 2019-20 was spread across 24 projects, delivering in Ely and Caerau and other communities in Cardiff. ACE has been successfully following its strategic plan objective to diversify income streams to address the announcement of the ending of the Communities First programme in 2017. During 2019-20 ACE received £1,055,219 of income from various funders, with the biggest funder accounting for only 28% of ACE's total income for the year. ACE has also self-generated £115,357 via social enterprise such as rental, consultancy work and training, making good progress towards current and future plans.

ACE has also continued to run the community building (Dusty Forge) during 2019-20, whilst providing a significant contribution to delivery and making activities more accessible, it has been realised on a peppercorn rent with low overheads. Rental income has provided a source of reliable income which has enabled further investment in the facility and the development of increased community ownership.

ACE's financial performance and position going forward is healthy but still reliant on key areas of funding. Future work is likely to contract the charity's short term activities but an increasing reserve and diversification of funding and enterprise activities will ensure the charity's longer term operation.

#### **Transactions and Financial Position**

The Statement of Financial Activities shows a net unrestricted surplus for the year of £101 and our unrestricted reserves stand at £264,650.

#### **Tangible Fixed Assets for use by the charity**

Details of movements in fixed assets are set out in note 11 to the financial statements.

#### **Investment Policy and Returns**

The trustees have considered the most appropriate policy for investing funds and have found that placing monies on deposit with the Co-operative Bank is the most appropriate course of action to allow the necessary degree and flexibility.

#### **Reserves policy and going concern**

The term "Reserves" is used to describe that part of ACE's income funds that is freely available for its operating purposes not subject to commitments, planned expenditure and spending limits. Reserves do not include endowment funds, restricted funds and designated funds.

ACE has historically operated under a basic reserves policy which reflects 3-6 months of operating costs. Free reserves currently stand at £159,855. This has not taken into extent classification of ACE's activities, or to how events such as Covid-19 can impact work.



# **ACE-ACTION IN CAERAU AND ELY**

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

### **FOR THE YEAR ENDED 31 MARCH 2020**

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Future level of reserves will be set by the ACE Finance Sub group, the ACE board of Trustees will approve on an annual basis. Reserves will be set through:

- Analysis of cash flow
- Analysis of existing funds and reserves
- Review of future income streams with an assessment of their reliability;
- Review of committed expenditure and how far this is controllable;
- Examination of past trends;
- Examining the likely changes in the main source of income;
- Assessment of how your charity may cope with changes in the main source of income;
- Studying the likely effects on the beneficiaries;
- Assessment of the risks facing the charity, and how likely these are to materialise;
- Forecasting levels of income in future years (taking into account the reliability of each source of income, and the prospects for opening up new sources);
- Forecasting expenditure in future years on the basis of planned activities;
- Analysis of any future needs, opportunities, contingencies or risks; and assessment of the likelihood of each of those needs arising, and the potential consequences for your charity not being able to meet them.
- Retention of key skills in the organisation - succession planning etc.

#### **Plans for the future**

Looking forward, through careful planning, creative thinking and community based delivery we will build on this success. ACE will enable community action through the direct provision of services, the development of community assets and social enterprise. We will access funding to support our work, and will work with people, community groups, organisations and businesses, directing our resources in a sustainable and effective manner.

# **ACE-ACTION IN CAERAU AND ELY**

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

### **FOR THE YEAR ENDED 31 MARCH 2020**

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

##### **Governing Document**

ACE-Action in Caerau and Ely is a company limited by guarantee governed by its Memorandum and Articles of Association dated 8 April 2011. It is registered as a charity with the Charity Commission. Anyone over the age of 18 can become a member of the Company.

##### **Appointment of trustees**

All directors of the company are also trustees of the charity and there are no other trustees. The Trustees have the power to appoint additional trustees, as it considers fit to do so.

Directors/trustees are elected from the membership at an annual general meeting. Each year one third of the board of directors (those being the longest in office since their last election) stand down but are eligible for re-election without further nomination. The Memorandum and Articles of Association make allowances for an elected staff representative to sit as a full member of the board. Election takes place during the month following the AGM.

##### **Trustee induction and training**

All new directors/trustees receive a comprehensive induction session and an induction pack with essential information. In addition, they are offered monthly one-to-one catch up meetings with the ACE Development Manager.

##### **Organisation**

The board of trustees, which can have up to 12 members, administers the charity. The board normally meets monthly and there are sub-committees covering development and funding, HR, finance and audit, which normally meet monthly. The ACE Director is appointed by the trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Director has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and community related activity.

##### **Related parties and co-operation with other organisations**

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager of the charity, contractor, must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. In the current year no such related party transactions were reported.

##### **Pay policy for staff**

The directors consider the board of directors, who are the Trust's trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All directors give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 9 and 19 to the accounts.

The pay of the staff is appraised annually and normally increased in accordance with average earnings. In view of the nature of the charity, the directors benchmark against pay levels in other third sector organisations of a similar size run on a voluntary basis. The remuneration bench-mark is the mid-point of the range paid for similar roles adjusted for a weighting of up to 30% for any additional responsibilities.

# **ACE-ACTION IN CAERAU AND ELY**

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

### ***FOR THE YEAR ENDED 31 MARCH 2020***

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If recruitment has proven difficult in the recent past a market addition is also paid with the pay maximum no greater than the highest benchmarked salary for a comparable role.

#### **Risk management**

The trustees have a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that the charity faces;
- the establishment of policies, systems and procedures to mitigate those risks identified in
- the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on
- the charity should those risks materialise.

This work has identified that financial sustainability is the major financial risk for the charity. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due, regular liaison with the bank, and active management of trade debtors and creditors balances to ensure sufficient working capital by the charity.

Attention has also been focused on non-financial risks arising from fire, IT security, market volatility, health and safety of staff and volunteers, food hygiene. These risks are managed by ensuring accreditation is up to date, having robust policies and procedures in place, and regular awareness training for staff working in these operational areas.

# ACE-ACTION IN CAERAU AND ELY

## TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2020

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### Reference and administrative details

**Company number:**  
07623914

**Charity number:**  
1150422

**Registered office:**  
Our Place: Dusty Forge  
460 Cowbridge Road West  
Cardiff  
CF5 5BZ

**Trustees:**  
A O'Regan  
G Pierce - Resigned 28 November 2019  
G Yates - Resigned 28 November 2019  
T Davies - Resigned 28 February 2020  
J O'Keefe (Treasurer)  
M Dixey  
M Hulland  
C Meredith - Resigned 28 November 2019  
M Witherden (Chair)  
T Cazenave - Resigned 28 November 2019  
H McCarthy  
D King - Appointed 16 September 2020  
C Lannen - Appointed 17 September 2020  
L Smith - Appointed 28 April 2020  
J Roach - Appointed 5 January 2020  
O Scott - Appointed 5 January 2020  
D Wyatt - Appointed 16 January 2020

**Secretary:**  
D Horton

**Key management personnel:**  
J Hallett - Director  
D Horton - Development Manager

**Auditor:**  
Azets Audit Services  
Ty Derw  
Lime Tree Court  
Cardiff Gate Business Park  
Cardiff  
CF23 8AB

**Bankers:**  
The Co-operative Bank Cardiff  
16-17 High St  
Cardiff  
CF10 1AX

**Solicitors:**  
JMD Law Limited  
26-28 James Street  
Cardiff Bay  
Cardiff  
CF10 5EX

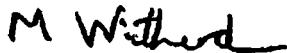
## ACE-ACTION IN CAERAU AND ELY

### TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2020

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#### Auditor

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

  
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M Witherden - Trustee

Dated: 30-01-2021

# **ACE-ACTION IN CAERAU AND ELY**

## **STATEMENT OF TRUSTEES RESPONSIBILITIES**

### **FOR THE YEAR ENDED 31 MARCH 2020**

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The trustees, who are also the directors of ACE-Action in Caerau and Ely 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# ACE-ACTION IN CAERAU AND ELY

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF ACE-ACTION IN CAERAU AND ELY

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#### Opinion

We have audited the financial statements of ACE-Action in Caerau and Ely (the 'charity') for the year ended 31 March 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# ACE-ACTION IN CAERAU AND ELY

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF ACE-ACTION IN CAERAU AND ELY

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#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the statement of trustees responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



# ACE-ACTION IN CAERAU AND ELY

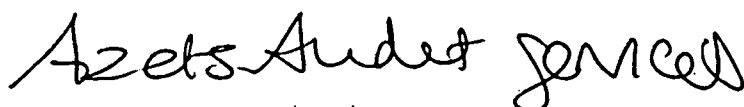
## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF ACE-ACTION IN CAERAU AND ELY

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#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Azets Audit Services**  
**Chartered Accountants**  
**Statutory Auditor**

27-01-2021

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

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

# ACE-ACTION IN CAERAU AND ELY

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2020

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
	Notes						
<b>Income from:</b>							
Donations and legacies	3	9,634	-	9,634	4,870	200,515	205,385
Charitable activities	4	4,091	1,053,466	1,057,557	76	492,390	492,466
Other trading activities	5	98,777	16,580	115,357	71,576	32,781	104,357
Investments	6	1,464	-	1,464	502	-	502
<b>Total income</b>		<b>113,966</b>	<b>1,070,046</b>	<b>1,184,012</b>	<b>77,024</b>	<b>725,686</b>	<b>802,710</b>
<b>Expenditure on:</b>							
Charitable activities	7	113,880	734,215	848,095	119,909	505,588	625,497
<b>Net incoming resources before transfers</b>		<b>86</b>	<b>335,831</b>	<b>335,917</b>	<b>(42,885)</b>	<b>220,098</b>	<b>177,213</b>
Gross transfers between funds		15	(15)	-	51,341	(51,341)	-
<b>Net income for the year/ Net movement in funds</b>		<b>101</b>	<b>335,816</b>	<b>335,917</b>	<b>8,456</b>	<b>168,757</b>	<b>177,213</b>
Fund balances at 1 April 2019		264,549	280,648	545,197	256,093	111,891	367,984
<b>Fund balances at 31 March 2020</b>		<b>264,650</b>	<b>616,464</b>	<b>881,114</b>	<b>264,549</b>	<b>280,648</b>	<b>545,197</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.

# ACE-ACTION IN CAERAU AND ELY

## BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	11	134,421		-	
Investments	12	10		10	
		<u>134,431</u>		<u>10</u>	
<b>Current assets</b>					
Debtors	13	153,860		18,996	
Cash at bank and in hand		597,517		530,885	
		<u>751,377</u>		<u>549,881</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(4,694)</u>		<u>(4,694)</u>	
Net current assets		746,683		545,187	
<b>Total assets less current liabilities</b>		<u>881,114</u>		<u>545,197</u>	
<b>Income funds</b>					
Restricted funds	16	616,464		280,648	
<u>Unrestricted funds</u>					
Designated funds	17	104,795		104,795	
General unrestricted funds		<u>159,855</u>		<u>159,754</u>	
		264,650		264,549	
		<u>881,114</u>		<u>545,197</u>	

# ACE-ACTION IN CAERAU AND ELY

## BALANCE SHEET (CONTINUED)

**AS AT 31 MARCH 2020**

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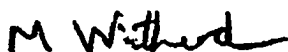
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2020, although an audit has been carried out under section 144 of the Charities Act 2011.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements 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 financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, 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 20-01-2021



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**M Witherden - Trustee**

**Company Registration No. 07623914**

# ACE-ACTION IN CAERAU AND ELY

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	22		199,962		143,470
<b>Investing activities</b>					
Purchase of tangible fixed assets		(134,794)		-	
Interest received		1,464		502	
<b>Net cash (used in)/generated from investing activities</b>			(133,330)		502
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			66,632		143,972
Cash and cash equivalents at beginning of year			530,885		386,913
<b>Cash and cash equivalents at end of year</b>			597,517		530,885

# ACE-ACTION IN CAERAU AND ELY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2020

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#### 1 Accounting policies

##### Charity information

ACE-Action in Caerau and Ely is a private company limited by guarantee incorporated in England and Wales. The registered office is c/o Our Place - Dusty Forge, 460 Cowbridge Road West, Ely, CARDIFF, CF5 5BZ, UK.

#### 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 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. 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.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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.

Income from grants, whether capital grants or revenue grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Capital grants are released to the SOFA in the year of receipt. Fixed assets relating to capital grants are capitalised, and depreciation charged is offset against the grant income, in a restricted fund.

# ACE-ACTION IN CAERAU AND ELY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

---

#### 1 Accounting policies

(Continued)

Rental and training income is invoiced and is recognised in the period to which the service was provided.

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

Income earned from interest is included in the accounts when receipt is probable and the amount receivable can be measured reliably.

#### 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.

Expenditure on charitable activities includes all costs relating to the furtherance of the charity's objectives as stated in the trustees report and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

#### 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:

Property improvements	5% per annum on cost
IT equipment	10% per annum on cost
Motor vehicles	20% per annum on cost

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 Fixed asset investments

Fixed asset investments are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in net income/(expenditure) for the year.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 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.

# ACE-ACTION IN CAERAU AND ELY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

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#### 1 Accounting policies

(Continued)

##### 1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **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.

##### **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.

##### 1.10 Taxation

As a registered charity, Ace-Action in Caerau and Ely is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.



# ACE-ACTION IN CAERAU AND ELY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

#### 1 Accounting policies

(Continued)

##### 1.11 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.

##### 1.12 Retirement benefits

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

##### 1.13 Leases

Rental charges are charged on a straight line basis over the term of the lease.

#### 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 Donations and legacies

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2020	2019	2019	2019
	£	£	£	£
Donations and gifts	9,634	4,870	200,515	205,385

Included in the 2019 total above is £200,000 received from Moondance Foundation towards the Caer Heritage Project.

# ACE-ACTION IN CAERAU AND ELY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 4 Charitable activities

	2020 £	2019 £
Grants	1,055,219	492,328
Sundry income	2,338	138
	<u>1,057,557</u>	<u>492,466</u>
Analysis by fund		
Unrestricted funds	4,091	76
Restricted funds	<u>1,053,466</u>	<u>492,390</u>
	<u>1,057,557</u>	<u>492,466</u>
<b>Grants</b>		
Arts Council of Wales	33,525	13,275
Cardiff Council	28,965	71,197
Cardiff University - Caer Heritage	12,500	25,115
Charities Aid Foundation	12,474	54,491
Children In Need	31,074	-
Cardiff and the Vale Wellbeing	330,890	71,499
University of South Wales - Caer Heritage	5,000	5,000
Care & Repair	8,375	4,375
The National Lottery Heritage Fund	137,063	78,287
Citizens Advice	11,000	13,800
NatWest	-	11,125
NEA Cosy Cymru	500	1,000
Scottish Power	-	3,500
GBS	-	3,000
Dusty Shed	5,648	13,120
Welsh Government - Legacy Fund	-	37,503
National Lottery Community Fund	140,685	71,263
Western Power	6,990	14,028
Food Sense	5,000	750
Asda	800	-
C3SC	4,036	-
Charities Trust	2,000	-
CSE	3,508	-
Invest Local Trust	15,355	-
Stewardship	328	-
Tesco Bags of Life	1,000	-
The Energy Saving	7,543	-
Viridor	960	-
Welsh Government - Community Facilities Programme	250,000	-
	<u>1,055,219</u>	<u>492,328</u>

# ACE-ACTION IN CAERAU AND ELY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 5 Other trading activities

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020 £	2020 £	2020 £	2019 £	2019 £	2019 £
Rental income	20,142	-	20,142	-	24,845	24,845
Training and consultancy income	78,635	16,580	95,215	71,576	7,936	79,512
Other trading activities	98,777	16,580	115,357	71,576	32,781	104,357

### 6 Investments

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
Interest receivable	1,464	502

# ACE-ACTION IN CAERAU AND ELY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 7 Charitable activities

	2020	2019
	£	£
Staff costs	506,311	356,316
Donations	1,200	1,200
Heat, light & insurance	11,334	11,702
IT costs & telephone	5,887	4,168
Consultancy fees, legal & professional	-	4
Licenses & subscriptions	-	10
Marketing, sundry & training	4,204	3,900
Motor costs	-	60
Printing, postage & stationery	1,710	2,339
Project costs	180,656	119,797
Rent, rates & relocation costs	1,560	-
Repairs & renewals	8,481	272
Equipment hire & room hire	250	250
Travel & subsistence	3,119	826
	<u>724,712</u>	<u>500,844</u>
Share of support costs (see note 8)	118,689	119,959
Share of governance costs (see note 8)	4,694	4,694
	<u>848,095</u>	<u>625,497</u>
<b>Analysis by fund</b>		
Unrestricted funds	113,880	119,909
Restricted funds	734,215	505,588
	<u>848,095</u>	<u>625,497</u>

# ACE-ACTION IN CAERAU AND ELY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 8 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Staff costs	73,506	-	73,506	61,763	-	61,763
Depreciation	373	-	373	1,438	-	1,438
Cleaning	8,566	-	8,566	9,182	-	9,182
Bank charges and bad debts	99	-	99	1,360	-	1,360
Management charges	9,249	-	9,249	5,136	-	5,136
Printing, postage & stationery	1,925	-	1,925	1,527	-	1,527
Motor costs	2,085	-	2,085	1,567	-	1,567
Repairs & renewals	17,882	-	17,882	34,573	-	34,573
Travel & subsistence	5,004	-	5,004	3,413	-	3,413
Audit fees	-	4,094	4,094	-	4,094	4,094
Accountancy	-	600	600	-	600	600
	<u>118,689</u>	<u>4,694</u>	<u>123,383</u>	<u>119,959</u>	<u>4,694</u>	<u>124,653</u>
Analysed between						
Charitable activities	<u>118,689</u>	<u>4,694</u>	<u>123,383</u>	<u>119,959</u>	<u>4,694</u>	<u>124,653</u>

### 9 Trustees

No trustees received remuneration or received any other benefits from an employment with the charity during the current or prior year.

No trustees were reimbursed for expenses during the current or prior year.

# ACE-ACTION IN CAERAU AND ELY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

#### 10 Employees

##### Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
	31	25
	<u>          </u>	<u>          </u>

##### Employment costs

	2020 £	2019 £
Wages and salaries	523,815	378,402
Social security costs	39,252	27,856
Other pension costs	16,750	11,821
	<u>579,817</u>	<u>418,079</u>

##### Key management personnel

The key management personnel of the charity are as detailed in the trustees report. The total employee benefits (including gross salary, employer's national insurance, employers pension contributions and benefits in kind) of the key management personnel of the charity were £78,808 (2019: £77,807).

##### Employees earning > £60,000

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

#### 11 Tangible fixed assets

	Property improvements £	IT equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 April 2019	-	3,630	9,594	13,224
Additions	134,794	-	-	134,794
	<u>134,794</u>	<u>3,630</u>	<u>9,594</u>	<u>148,018</u>
At 31 March 2020	134,794	3,630	9,594	148,018
<b>Depreciation and impairment</b>				
At 1 April 2019	-	3,630	9,594	13,224
Depreciation charged in the year	373	-	-	373
	<u>373</u>	<u>3,630</u>	<u>9,594</u>	<u>13,597</u>
At 31 March 2020	373	3,630	9,594	13,597
<b>Carrying amount</b>				
At 31 March 2020	<u>134,421</u>	<u>-</u>	<u>-</u>	<u>134,421</u>

# ACE-ACTION IN CAERAU AND ELY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

### 12 Fixed asset investments

	Other investments
<b>Cost or valuation</b>	
At 1 April 2019 & 31 March 2020	10
<b>Carrying amount</b>	
At 31 March 2020	10
At 31 March 2019	10

	Notes	2020 £	2019 £
Other investments comprise:			
Investments in subsidiaries	20	10	10

### 13 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Trade debtors	60,428	18,996
Other debtors	93,432	-
	153,860	18,996

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

	2020 £	2019 £
Amounts owed to subsidiary undertakings	10	10
Accruals and deferred income	4,684	4,684
	4,694	4,694

### 15 Retirement benefit schemes

#### Defined contribution schemes

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.

The charge to profit or loss in respect of defined contribution schemes was £16,750 (2019: £11,821). There were no amounts outstanding during the current or prior year.

## ACE-ACTION IN CAERAU AND ELY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

#### 16 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 2018	Incoming resources	Movement in funds		Balance at 1 April 2019	Incoming resources	Movement in funds		Balance at 31 March 2020
	£	£	Resources expended	Transfers	£	£	Resources expended	Transfers	£
Arts Council of Wales	-	13,275	6,076	-	7,199	36,475	30,009	-	13,665
ACE Health	9,874	51,536	50,410	-	11,000	134,087	108,142	-	36,945
ACE Community Support	46,144	50,828	70,723	1,712	27,961	53,514	49,212	-	32,263
Charities Aid Foundation	19,109	54,491	47,272	(16,629)	9,699	12,474	22,514	341	-
Cardif University - Arts tell story	3	-	-	(3)	-	-	-	-	-
Cardiff University - Caer Heritage	9,731	26,380	36,008	-	103	-	-	(103)	-
Children's First	744	-	-	(744)	-	-	-	-	-
Children In Need	-	-	-	-	-	31,074	8,544	-	22,530
Communities First Legacy	-	50,000	50,000	-	-	-	-	-	-
Creative Community Gardens	3,337	-	6,276	2,939	-	-	-	-	-
Dusty Forge	6,889	38,318	30,777	(14,430)	-	-	-	-	-
Dusty Shed	1,252	13,121	14,373	-	-	5,648	5,648	-	-
Fareshare	456	-	-	(456)	-	-	-	-	-
Food Co-operative	(136)	-	-	136	-	-	-	-	-
Handy People	114	5,244	5,244	(114)	-	-	-	-	-
The National Lottery Heritage Fund	3,894	83,287	69,181	(18,000)	-	155,854	108,536	-	47,318
Grapevine	229	-	320	91	-	-	-	-	-
Locality	-	42,280	42,280	-	-	-	-	-	-
Moondance Foundation	-	200,000	18,637	-	181,363	-	53,561	-	127,802
Pantry	-	10,403	1,455	-	8,948	12,191	21,136	(3)	-
Pentrebanne Fund	292	-	-	(292)	-	-	-	-	-
People Around Here - Breaking The Mold	2,939	-	-	(2,939)	-	-	-	-	-
	104,871	639,163	(449,032)	(48,729)	246,273	441,317	(407,302)	235	280,523



## ACE-ACTION IN CAERAU AND ELY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

#### 16 Restricted funds

(Continued)

	Movement in funds				Movement in funds				
	Balance at 1 April 2018	Incoming resources	Resources expended	Transfers	Balance at 1 April 2019	Incoming resources	Resources expended	Transfers	Balance at 31 March 2020
Postcode Lottery	4,627	-	4,378	-	250	-	-	(250)	-
Sports Cardiff	25	-	-	(25)	-	-	-	-	-
Tesco Bags for Life	589	-	-	(589)	-	-	-	-	-
Tier 0	-	-	-	-	-	200,839	188,082	-	12,757
Together Trust	-	-	-	-	-	15,355	76	-	15,279
Trelai Pavillion	1,779	6,526	5,094	(3,211)	-	-	-	-	-
Welsh Government - Communities Facilities Programme	-	-	-	-	-	261,647	373	-	261,274
Working Well	-	61,975	27,850	-	34,125	126,888	116,813	-	44,200
Workplace Youth Programme	-	1,351	2,670	1,319	-	-	-	-	-
Youth Innovation	-	16,670	16,565	(105)	-	24,000	21,569	-	2,431
	<u>111,891</u>	<u>725,685</u>	<u>505,589</u>	<u>51,340</u>	<u>280,648</u>	<u>1,070,046</u>	<u>734,215</u>	<u>15</u>	<u>616,464</u>

## ACE-ACTION IN CAERAU AND ELY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

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#### 16 Restricted funds

(Continued)

**Arts Council of Wales:** This money was used to fund a project to engage young people from 14-16, 16-18 and 16-24 age categories.

**ACE Health:** This money was for the development and delivery of health and wellbeing initiatives, including social prescribing, community development, participation and engagement work.

**ACE Community Support:** This money is to the support a programme to provide information, practical support and advice to vulnerable community members in Ely and Caerau.

**Charities Aid Foundation:** This money was used to deliver CAF resilience programme.

**Cardiff University - Arts Tell Story:** This was money used to work with a group of local young people to study First World War propaganda art and to design and create modern examples for display at an exhibition.

**Cardiff University - Caer Heritage:** This money was used to work with young people in danger of exclusion at Michaelston Sixth Form College. To identify and support a range of work/volunteering placement opportunities with partner organisations.

**Children's First :** This money was used to develop and deliver the Ely and Caerau locality project.

**Children In Need:** This money is to fund a project which uses local heritage and history as inspiration for experimental and exploratory STEM activities and projects.

**Communities First:** This money was used to tackle poverty in the community.

**Creative Community Gardens:** This money was used to help fund a community garden project.

**Dusty Forge:** This money was used to help fund a project specifically to remove barriers for people entering work based in the Dusty Forge building.

**Dusty Shed:** This money was used to support a Men's Shed project based at the Dusty Forge.

**Fareshare:** This money was used to fund a project that works with the Fareshare scheme to redistribute food that is surplus from the food industry to help feed community members in need.

**Food Co-operative:** This money was used to support the weekly fruit and veg co-op.

## ACE-ACTION IN CAERAU AND ELY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

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#### 16 Restricted funds

(Continued)

**Handy People:** This money was used to pay for the handyperson fees and materials of the community delivered Handypeople Project.

**The National Lottery Heritage Fund:** This money was used to deliver the CAER Heritage Project.

**Grapevine:** This money was used to develop and deliver a community newspaper.

**Locality:** This grant from Cardiff Council supports community/school activities and work, funded through the WG Communities First legacy grant, and is in partnership with Save the Children.

**Moondance Foundation:** This money is to fund the Caer Heritage Project.

**Pantry:** This money is to support the membership food club providing affordable food shop for members in food poverty / insecurity. The project includes running a community food shop and delivery service using surplus food supplied by Fareshare project to support struggling working families to get involved in the design and delivery of community projects tackling in work poverty.

**Pentrebane Fund:** This money was used to help develop and improve Petreban Community Centre.

**People Around Here - Breaking The Mould:** This was money used to employ sessional community artists to develop multi-media arts sessions with adults in the local community.

**Postcode Lottery:** This money is to support the development of the 'Diana Gardens' site, community activity on and around the site and community capacity-building with local volunteers.

**Sports Cardiff:** This money was used to fund a project to promote sporting activities within Cardiff.

**Tesco - Bag for life:** This money was used to support the development of the Diana Gardens site and project.

**Tier 0:** This money is to support a mental health service which provides psychological interventions through 1-1 guided self-help sessions and the delivery of psychoeducational courses.

**Together Trust:** This money is to deliver Building Communities Trust (BCT) invest local programme.

## ACE-ACTION IN CAERAU AND ELY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

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#### 16 Restricted funds

(Continued)

**Trelai Pavilion:** This money was used for Trelai Building renovations.

**Welsh Government:** This is a capital fund to support the refurbishment and renovation of community buildings.

**Working Well:** This is a partnership project with Tempo and Citizens Cymru to combine asset based community development with community organising approaches to enable sustainable solutions to in work poverty to be identified, piloted and developed.

**Workplace Youth Programme:** This is a bespoke employability programme incorporating activities in a workshop style setting incorporating learning and testing to offer practical qualifications for the workplace.

**Youth Innovation:** This money was used to support local groups, organise and support voluntary youth activities.

# ACE-ACTION IN CAERAU AND ELY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

#### 17 Designated funds

	Movement in funds		Movement in funds		
	Balance at 1 April 2018	Incoming resources	Balance at 1 April 2019	Incoming resources	Balance at 31 March 2020
	£	£	£	£	£
Running costs	9,788	-	9,788	-	9,788
Dusty Forge Redevelopment	95,007	-	95,007	-	95,007
	<u>104,795</u>	<u>-</u>	<u>104,795</u>	<u>-</u>	<u>104,795</u>

**Running costs:** Comprise those funds which ACE may at its discretion set aside funds for specific purposes which would otherwise form part of the general reserves of the organisation. The funds are set aside funds for the use, running costs, activities and events. This fund is for ongoing use with expenditure being credited to the account throughout the year.

**Dusty Forge Redevelopment:** Comprise those funds set aside for future redevelopment work at the Dusty Forge building.

#### 18 Analysis of net assets between funds

	Unrestricted 2020	Restricted 2020	Total 2020	Unrestricted 2019	Restricted 2019	Total 2019
	£	£	£	£	£	£
Fund balances at 31 March 2020 are represented by:						
Tangible assets	-	134,421	134,421	-	-	-
Investments	10	-	10	10	-	10
Current assets/ (liabilities)	<u>264,640</u>	<u>482,043</u>	<u>746,683</u>	<u>264,539</u>	<u>280,648</u>	<u>545,187</u>
	<u>264,650</u>	<u>616,464</u>	<u>881,114</u>	<u>264,549</u>	<u>280,648</u>	<u>545,197</u>

#### 19 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

# ACE-ACTION IN CAERAU AND ELY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

#### 20 Subsidiaries

The charity holds the entire issued shared capital of 1 ordinary share of £10 in ACE Community Enterprises Limited, a company incorporated in England and Wales.

The company was incorporated on 07 February 2014 and remains dormant, company Number 08881835, registered office, Dusty Forge, Cowbridge Road West, Cardiff, CF5 5BZ.

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
ACE Community Enterprises Limited	England and Wales	Dormant	Ordinary	100.00	

#### 21 Events after the reporting date

##### COVID-19

The impact of the pandemic during 2020 is described in the Trustees Report.

The trustees believe that the charity's reserves are sufficient to meet the demands of this exceptional situation.

##### Property

In August 2020 the charity had an offer totalling £137,500 accepted on the property next to Dusty Forge.

22 Cash generated from operations	2020	2019
	£	£
Surplus for the year	335,917	177,213
Adjustments for:		
Investment income recognised in statement of financial activities	(1,464)	(502)
Depreciation and impairment of tangible fixed assets	373	1,438
Movements in working capital:		
(Increase)/decrease in debtors	(134,864)	10,406
(Decrease) in creditors	-	(45,085)
<b>Cash generated from operations</b>	<b>199,962</b>	<b>143,470</b>

#### 23 Analysis of changes in net funds

The charity had no debt during the year.