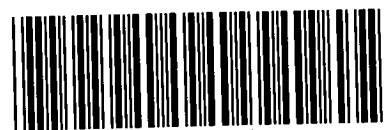


Charity registration number 1150422

Company registration number 07623914 (England and Wales)

ACE-ACTION IN CAERAU AND ELY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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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 2022

Chair's Report

Doubts about where next year's funding will come from may still keep senior staff awake at night. But after five consecutive years of expansion, in 2021-22 the breathless pace of growth itself became a feature of ACE's remarkable success story which also demanded our attention.

The staff has more than doubled from 15 to 37. Our recently refurbished base at the Dusty Forge is already beginning to feel overcrowded, and management of the charity – which funders are always less keen to fund than projects – is under constant strain.

ACE's reputation for effective projects has spread. Public bodies and national charities are keener than ever to work in partnership with us. In the past year our core activities in areas such as community development, health, youth work and community arts have been consolidated or expanded. It's particularly gratifying that we have been invited to extend our distinctive community-led partnership approach to new areas of work. The ACE Cares project with Cwmpas is exploring ways our community can support carers at a time when care services are hard-pressed/stretched thin. Shape your Future is helping people stuck in low paid jobs to advance their careers.

All this success was typified by the triumphant opening in September 2021 of the CAER Heritage Centre and playground - the culmination of 10 years of inspired work with Cardiff University on the Hidden Hillfort project. Then 10 months later we capped even that with our community archaeology Big Dig in Caerau, which amazingly revealed the site of an Iron Age roundhouse, the oldest house ever found in Cardiff.

The scope and reach of ACE's activities may seem unlimited. But it isn't.

We are confronted now with the race to respond to the needs of desperate families who have come through the ravages of Covid only to be plunged into a cost of living crisis and chronic food and fuel poverty. ACE has mustered an array of measures, including cheap food at the Pantry and Café Barr, weekly crisis advice "clinics", low-cost equipment hire at the Library of Things, big increases in the distribution of fuel vouchers for struggling households, and urgent planning for "warm bank" refuge in the coming winter.

Co-directors Dave Horton and Michelle Powell, who seamlessly took over from John Hallett in April 2021, reluctantly concede the shocking scale of this latest challenge. Even though senior staff share responsibilities for fundraising with brilliant results; our superbly flexible staff fit into new roles at the drop of a hat; our volunteers contribute massively; and finances are kept constantly under review, all our efforts and resources can never be enough.

Managing our many modestly resourced activities is like juggling with a dozen balls on a tightrope without a net while the lion tamer is on holiday. I'm in awe of what our staff and volunteers achieve, and I'm always grateful for the support they receive from my colleagues on our excellent Board.

Of course, some of the power to provide answers to the terrible times many community members are facing lie with politicians. But at least I'm confident that ACE will be doing everything possible to grow our capacity to help wherever we can, so our community can do more than survive - we can thrive together with dignity.

Mel Witherden

Mel Witherden

Chairman

Dated: 19.12.2022

ACE-ACTION IN CAERAU AND ELY

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

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

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

ACE–Action in Caerau and Ely is a community organisation located in West Cardiff. We have 37 staff, 85 volunteers and several thousand participants and beneficiaries, many of whom are active contributors to local community development and regeneration efforts. We are very proud that many of our staff team live in Ely and Caerau and many projects and activities are run with or by our volunteers. We manage two community buildings and a community garden and deliver a range of community based activities that help people, many of which you will read about in this annual report.

Our vision is to create vibrant, equal and resilient communities for all, where people find fulfilment in themselves, each other, and the place where they live. We do this by all or any of the following means (these are our charitable objectives):

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

- Community Support: Crisis support and financial capability.
- Training and support for the unemployed
- Health & Wellbeing work including mental health support and training

ACE-ACTION IN CAERAU AND ELY

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

- Work with Children, Young People and Families
- Community led activity
- Heritage, Arts and Culture projects
- Social enterprise and local economic development
- Community and citywide influencing and campaigning

During 2021-22 we have developed a number of new projects to respond to community need. These include:

- GRACE project – working with partners at Her Majesty's Prison and Probation Services (HMPPS) and Wales Restorative Approaches Partnership (WRAP) to provide community based approaches to support men on probation from Ely and Caerau and their families.
- Community led research – working with partners in Bevan Foundation to develop workshops and focus groups with local people that explore various aspects of the lived experience of poverty.
- Shape Youth Future – A project funded by a private donor that works with community members to remove barriers that prevent individuals from progressing to better paid employment and improved future career prospects.
- CAER Heritage Centre – In September 2021 we opened our brand new CAER Community Heritage Centre which quickly became a base for multiple projects and services including: Love our Hillfort conservation group, a community garden, Flying Start, ACE Youth and Curiosity STEM after schools clubs. A number of partners use the centre for meetings, supporting the financial sustainability of the centre.

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 that we continue to develop new opportunities for growth. We will continue to 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. Many of these are well established but we also maintain the flexibility to respond to changing circumstances by developing new services to meet new needs.
- Continuing to diversify income streams: The majority of income realised by ACE is through grants and contracts. Social enterprise activity was effected significantly by the covid pandemic but has been beginning to regain momentum. An increasing area of income generation this year has been in the form of (sometimes large) private donations. These support both core costs and delivery. We are working with some of these donors to increase our skills in attracting this kind of income.
- Strategies to ensure continuity: Building on our work to diversify income streams (outlined above) we continue to apply tried and tested methods towards income generation to enable continuity. Plans are under development to replace large grants that are coming to an end with new long term funded opportunities.
- Buildings and space: In September 2021 we opened our brand new CAER Community Heritage Centre which quickly became a base for multiple projects and services including: Love our Hillfort conservation group, a community garden, Flying Start, ACE Youth and Curiosity STEM after schools clubs. In addition, our Diana Garden community regeneration project has attracted increased resources over this period, allowing us to make major positive changes to the physical space but also to increase participation and community activity at the site.
- Building partnerships: ACE continues to work with dozens of partner organisations on a wide range of projects. New partnerships established this year include: Her Majesty's Prison and Probation Service (HMPPS), Wales Restorative Approaches Partnership (WRAP), Saint Vincent DePaul (SVP) Community Centre, Cwmpas, and Bevan Foundation.
- Utilising others' capacity and contributing to their services: A number of partner organisations have been providing essential services and activities alongside ACE or at ACE venues, including the following: Flying Start early years provision, Probation 1-2-1 sessions, into work drop-in advice sessions and 1-2-1 support for young people with mental health challenges.

ACE-ACTION IN CAERAU AND ELY

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

- 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.

The strategies employed for growth:

- Creating opportunities to develop new work: ACE will continue to create income-generating initiatives to address the long-term threat posed by the inevitable funding gap. ACE will continue to devote resources and effort to expanding promising enterprises such as ACE Training and ACE Housing and to creating financially viable new enterprise and community projects. Recent work in this area has produced a series of training modules that are bespoke to ACE, capturing the ACE Way in Asset Based Community Development, Co-Production and Community Organising.
- 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. ACE has over the period engaged with 80+ volunteers and has 25 volunteer role descriptions across the organisation. Volunteering within ACE is now fully embedded into our core values of community asset development and coproduction. We continue 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. In this period we opened the Caer Community Heritage Centre, formally the Gospel Hall on Church Road, Caerau.
- A new focus on monitoring and evaluation: ACE has redefined how it monitors and evaluates its work, and has developed a new manageable approach which can be applied flexibly to the full range of its activities.
- 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. The focus in this period has been to ensure there is a balance of business and community representation on the board. 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. As 2021-22 progressed ACE activities were able to resume, and the Dusty Forge opened up to the community, although still governed by Covid guidelines, which put limits on the number of people who could access an activity at any given time.

Our Strategic and Operational Plan lay out a range of specific criteria to measure success. ACE uses a number of approaches to provide evidence against these criteria, including surveys, focus groups, 1-1 conversations, video interviews etc. One of the most powerful tools we use is the Most Significant Change approach which uses personal stories of change to create learning conversations through panels of participants and staff. You will see a number of examples of these in the Annual Report attached.

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. The next Theory of Change takes place in 2023. We are looking forward to becoming an organisation with learning and development at its heart.

ACE-ACTION IN CAERAU AND ELY

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance

Better late than never, ACE was excited to resume to somewhat normal levels of activity towards the mid to latter part of 2021. We were able to return to applying our traditional approaches to coproduction and asset based community development and feel part of a vibrant community again. Some of what was achieved is outlined below:

- Through our advice and support work we have increased household income in the community by £106,434, supporting 525 households with fuel vouchers, grants and unclaimed benefits.
- Our community shop saw on average 100 people a week who accessed affordable or free, clothes, shoes, household and toiletry items.
- The volunteer fixers in our repair café have checked out almost over 300 items in 3 years. Most items were repaired, all our customers leave feeling they have received a personal and friendly welcome.
- The pantry received visits from over 100 visitors a week all of whom received £15 to £20 of food for their £5 membership.
- Over 300 customers have enjoyed affordable healthy food at Café Barr
- Our Tier 0 mental health service provided guided self-help to over 1,000 patients
- Our Yourspace wellbeing support project working in partnership with Cardiff Southwest Primary Care Cluster supported 412 to improve their wellbeing and self-confidence.
- Our Compassionate Communities Project facilitated 34 grief space peer support sessions for those experiencing grief and bereavement.
- Weekly gardening sessions have been run, with volunteers ensuring the ongoing development of the garden.
- We continue to work with partners Grow Cardiff to provide weekly therapeutic gardening sessions in the Dusty Forge Garden.
- In September 2021 we opened our new Caer Community Heritage Centre providing a new venue for a wide range of activities including youth groups, afterschool clubs, volunteer groups, adult education classes and Flying Start groups.
- Our parent wellbeing projects enabled over 40 families to enjoy our sessions and find a better sense of wellbeing.
- 60 young people accessed ACE youth activities every week.
- Between April 2021 and March 2022, 172 learners accessed ACE Training services. 91% of learners gained a qualification that will enable them to gain employment.

Financial review

ACE's future continues to be incredibly exciting; we are a community led charity which has a plan, purpose, and a fantastic group of volunteers, trustees and staff. Over our last 10 years of operation ACE has added over £11 million to the local economy across Cardiff West. In 2018 ACE became independent from previous large Government funding programmes and has continued to draw in income generated through social enterprise activities, grant applications, contracts, fundraising and donations and legacies.

ACE is 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 2021-22. Income in 2021-22 was spread across 40 projects, delivering in Ely and Caerau and other communities in Cardiff. ACE has been successful in following its strategic plan objective to diversify income streams. During 2021-22 ACE received £1,995,870 income from numerous funders, contracts and donations. This year saw our first significant private donation that supported ACE's core costs and not project delivery, this is something that we have not generated to such a degree previously. ACE also self-generated £74,223 via social enterprise such as rental, consultancy work and training.

ACE-ACTION IN CAERAU AND ELY

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

Whilst Covid did still impact our ability to generate income and deliver training at the beginning of the year we were able to increase income on the previous year by £728,359.

ACE's financial performance and position going forward continues to be very healthy, with 2022-23 forecast to show a small surplus. Future years are more challenging hence why it is so essential that ACE build sufficient reserves to be able meet any future liabilities. We will continue to regularly review the level of reserves and adjust accordingly. Interest rates have been close to zero throughout 2021-22 and thus we have generated very little income from our bank balances. However, with interest rates on the rise we will actively manage our cash balances, including the reserves, to take advantage of the increase while ensuring our funds are not put at risk. In terms of expenditure, we along with everyone else, have seen our costs increase due to inflation. We continue to look for the best deals and to save money wherever we can while at the same time offering services to help our community such as the Warm Space initiative.

Transactions and Financial Position

The Statement of Financial Activities shows a net unrestricted deficit for the year of £46,762 and our unrestricted reserves stand at £413,658.

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

We are continuing with the policy set in 2021 of setting aside a minimum of 18 months running costs of the organisation within our reserves. This has been achieved through the building of cash reserves, and now have free reserves of £152,280. During 2022-23 this policy and the figure required will be further reviewed.

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.

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.

ACE-ACTION IN CAERAU AND ELY

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

Trustee induction and training

All new directors/trustees receive a comprehensive induction session and an induction pack with essential information.

Organisation

The board of trustees, which can have up to 12 members, administers the charity. The board normally meets monthly and there are 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. 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.
- the impact of COVID on delivery of activities, projects and services.

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 2022

Reference and administrative details

Company number:
07623914

Charity number:
1150422

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

Trustees:
M Dixey
M Hulland
D King
C Lannen
H McCarthy
J O'Keefe (Treasurer) - resigned 7th July 2021
A O'Regan
J Roach
O Scott
L Smith
M Witherden (Chair)
D Wyatt

Secretary:
D Horton

Key management personnel:
D Horton - CEO
M Powell - CEO

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 2022

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.

Mal Witherden

M Witherden - Trustee

Dated: 19th December 2022

ACE-ACTION IN CAERAU AND ELY

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2022

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; 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

Opinion

We have audited the financial statements of ACE-Action in Caerau and Ely (the 'charity') for the year ended 31 March 2022 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 2022 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

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

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.

ACE-ACTION IN CAERAU AND ELY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF ACE-ACTION IN CAERAU AND ELY

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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

ACE-ACTION IN CAERAU AND ELY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF ACE-ACTION IN CAERAU AND ELY

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

21-12-2022

**Chartered Accountants
Statutory Auditor**

Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
United Kingdom
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 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 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Restricted funds 2021 £	Total 2021 £
<u>Income from:</u>						
Donations and legacies	3	52,225	29,505	81,730	179	33,262
Charitable activities	4	1,000	1,913,141	1,914,141	56,830	1,268,646
Other trading activities	5	49,486	24,737	74,223	32,044	39,271
Investments	6	308	-	308	864	864
Total income		103,019	1,967,383	2,070,402	89,917	1,342,043
<u>Expenditure on:</u>						
Charitable activities	7	149,781	1,059,111	1,208,892	3,342	1,020,241
Net (outgoing)/incoming resources before transfers		(46,762)	908,272	861,510	86,575	321,802
Gross transfers between funds		116,387	(116,387)	-	(7,192)	-
Net income for the year/ Net movement in funds		69,625	791,885	861,510	79,383	321,802
Fund balances at 1 April 2021		344,033	858,883	1,202,916	264,650	881,114
Fund balances at 31 March 2022		413,658	1,650,768	2,064,426	344,033	1,202,916

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 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	11	1,135,867		490,840	
Investment properties	12	144,441		144,441	
Investments	13	10		10	
		<u>1,280,318</u>		<u>635,291</u>	
Current assets					
Debtors	14	129,814		122,112	
Cash at bank and in hand		672,479		538,485	
		<u>802,293</u>		<u>660,597</u>	
Creditors: amounts falling due within one year	15	<u>(18,185)</u>		<u>(92,972)</u>	
Net current assets			784,108		567,625
Total assets less current liabilities			<u>2,064,426</u>		<u>1,202,916</u>
Income funds					
Restricted funds	17	1,650,768		858,883	
<u>Unrestricted funds</u>					
Designated funds	18	256,681		261,381	
General unrestricted funds		<u>156,977</u>		<u>82,652</u>	
			413,658		344,033
			<u>2,064,426</u>		<u>1,202,916</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

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 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 19-12-2022

Mel Witherdon

M Witherdon - Trustee

Company Registration No. 07623914

ACE-ACTION IN CAERAU AND ELY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	23		830,635		456,449
Investing activities					
Purchase of tangible fixed assets		(696,949)		(371,904)	
Purchase of investment property		-		(144,441)	
Investment income received		308		864	
Net cash used in investing activities			(696,641)		(515,481)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			133,994		(59,032)
Cash and cash equivalents at beginning of year			538,485		597,517
Cash and cash equivalents at end of year			672,479		538,485

ACE-ACTION IN CAERAU AND ELY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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, United Kingdom.

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 2022

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 the statement of financial activities.

1.7 Investment properties

1.8 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.

The investment property is currently valued at cost within the accounts due to the trustees being of the opinion that the purchase value is not materially different to its fair value at the year end.

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.

ACE-ACTION IN CAERAU AND ELY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.9 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.

1.10 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.

1.11 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 2022

1 Accounting policies

(Continued)

1.12 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.

1.13 Retirement benefits

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

1.14 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	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Donations and gifts	52,225	29,505	81,730	179	33,083	33,262

ACE-ACTION IN CAERAU AND ELY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

4 Charitable activities

	2022 £	2021 £
Grants	1,914,141	1,260,526
Sundry income	-	8,120
	<u>1,914,141</u>	<u>1,268,646</u>
Analysis by fund		
Unrestricted funds	1,000	56,830
Restricted funds	<u>1,913,141</u>	<u>1,211,816</u>
	<u>1,914,141</u>	<u>1,268,646</u>
Grants		
Arts Council of Wales	4,500	20,250
Cardiff Council	112,349	55,000
Cardiff University - Caer Heritage	2,500	-
Charities Aid Foundation	35,443	2,300
Children In Need	39,871	8,268
Cardiff and the Vale Wellbeing	355,103	376,390
University of South Wales - Caer Heritage	3,651	-
Care & Repair	9,000	9,000
The National Lottery Heritage Fund	752,256	96,226
Citizens Advice	8,000	13,000
Co-op	2,260	144
Dusty Shed	6,777	6,777
Neighbourly Community Fund	-	400
National Lottery Community Fund	101,515	161,198
Western Power	-	3,495
Food Sense	6,000	37,400
Arnold Clark	2,500	-
C3SC	71,826	16,378
Charities Trust	2,000	-
Child Friendly Cardiff	9,075	-
Invest Local Trust	49,245	168,630
Community Foundation in Wales	1,000	-
Glamorgan Voluntary Services	3,703	-
The Energy Saving	72,496	47,835
Groundwork UK	1,000	-
HMRC Coronavirus Job Retention Scheme	7,530	81,279
Hubbub	3,000	-
Macmillan	36,875	19,594
Mind	-	19,852
Moondance Foundation	19,255	22,658
Morrisons	-	5,500
Pet Supplies	-	117
	<u>1,718,730</u>	<u>1,171,691</u>

ACE-ACTION IN CAERAU AND ELY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

4 Charitable activities

(Continued)

	2022 £	2021 £
Public Health Wales	5,000	-
Soil Association	-	1,000
Wales & West Housing	70,000	-
Wales Centre for Public Policy	450	-
Wales Restorative Approaches Partnership	14,848	-
Waterloo Foundation	-	49,900
WCVA	93,408	37,935
Welsh Government - Community Facilities Programme	11,705	-
	<u>1,914,141</u>	<u>1,260,526</u>

5 Other trading activities

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Rental income	2,436	10,120	12,556	-	-	-
Training and consultancy income	47,050	14,617	61,667	32,044	7,227	39,271
Other trading activities	<u>49,486</u>	<u>24,737</u>	<u>74,223</u>	<u>32,044</u>	<u>7,227</u>	<u>39,271</u>

6 Investments

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Interest receivable	<u>308</u>	<u>864</u>

ACE-ACTION IN CAERAU AND ELY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

7 Charitable activities

	2022 £	2021 £
Staff costs	740,368	680,409
Bad debt	335	389
Donations	26,907	4,826
Heat, light & insurance	12,092	7,659
IT costs & telephone	8,489	12,963
Marketing, sundry & training	1,386	-
Printing, postage & stationery	-	2,463
Project costs	256,423	210,358
Rent, rates & relocation costs	2,378	546
Repairs & renewals	23,862	4,937
Equipment hire & room hire	139	383
Travel & subsistence	11,676	3,316
	<u>1,084,055</u>	<u>928,249</u>
Share of support costs (see note 8)	119,776	86,993
Share of governance costs (see note 8)	5,061	4,999
	<u>1,208,892</u>	<u>1,020,241</u>
Analysis by fund		
Unrestricted funds	149,781	3,342
Restricted funds	1,059,111	1,016,899
	<u>1,208,892</u>	<u>1,020,241</u>

ACE-ACTION IN CAERAU AND ELY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

8 Support costs

	Support costs	Governance costs	2022 Support costs	Governance costs	2021
	£	£	£	£	£
Staff costs	48,344	-	48,344	42,014	42,014
Depreciation	51,922	-	51,922	15,485	15,485
Cleaning	10,328	-	10,328	8,488	8,488
Bank charges and bad debts	125	-	125	122	122
Management charges	5,450	-	5,450	4,113	4,113
Printing, postage & stationery	2,806	-	2,806	1,434	1,434
Motor costs	801	-	801	7,701	7,701
Repairs & renewals	-	-	-	7,052	7,052
Travel & subsistence	-	-	-	584	584
Audit fees	-	4,461	4,461	-	4,399
Accountancy	-	600	600	-	600
	<u>119,776</u>	<u>5,061</u>	<u>124,837</u>	<u>86,993</u>	<u>91,992</u>
Analysed between Charitable activities	<u>119,776</u>	<u>5,061</u>	<u>124,837</u>	<u>86,993</u>	<u>91,992</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.

10 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	39	36
	<u>39</u>	<u>36</u>
Employment costs	2022 £	2021 £
Wages and salaries	714,349	656,572
Social security costs	50,252	45,170
Other pension costs	24,111	20,681
	<u>788,712</u>	<u>722,423</u>

ACE-ACTION IN CAERAU AND ELY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

10 Employees

(Continued)

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 £101,230 (2021: £122,952).

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

11 Tangible fixed assets

	Property improvements	IT equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2021	483,198	3,630	33,094	519,922
Additions	696,949	-	-	696,949
At 31 March 2022	1,180,147	3,630	33,094	1,216,871
Depreciation and impairment				
At 1 April 2021	14,291	3,630	11,161	29,082
Depreciation charged in the year	47,222	-	4,700	51,922
At 31 March 2022	61,513	3,630	15,861	81,004
Carrying amount				
At 31 March 2022	1,118,634	-	17,233	1,135,867
At 31 March 2021	468,907	-	21,933	490,840

12 Investment property

	2022 £
Fair value	
At 1 April 2021 and 31 March 2022	144,441

Investment property comprises a residential property purchased in October 2020 by the charity for rental appreciation. The fair value of the investment property has been arrived at on the basis of the price paid for the property when purchased. The trustees are of the opinion that there is no material difference between the cost price and the fair value price at the year end.

Contained in the above are amounts totalling £nil (2021: £nil) in relation to land.

13 Fixed asset investments

ACE-ACTION IN CAERAU AND ELY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

13 Fixed asset investments (Continued)

		Other investments
Cost or valuation		
At 1 April 2021 & 31 March 2022		10
Carrying amount		
At 31 March 2022		10
At 31 March 2021		10

	Notes	2022 £	2021 £
Other investments comprise:			
Investments in subsidiaries	21	10	10

14 Debtors	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	112,138	76,655
Other debtors	17,676	42,973
Prepayments and accrued income	-	2,484
	129,814	122,112

15 Creditors: amounts falling due within one year	2022 £	2021 £
Trade creditors	-	88,049
Amounts owed to subsidiary undertakings	12,524	10
Accruals and deferred income	5,661	4,913
	18,185	92,972

16 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 £24,111 (2021: £20,681). 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 2022

17 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:

	Movement in funds					Movement in funds				
	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Balance at 1 April 2021	Incoming resources	Resources expended	Transfers	Balance at 31 March 2022	
	£	£	£	£	£	£	£	£	£	£
Arts Council of Wales	13,665	20,250	(23,394)	-	10,521	4,500	(15,888)	867	-	
ACE Health	36,945	131,051	(139,137)	(270)	28,589	147,823	(148,566)	(11,604)	16,242	
ACE Community Support	32,263	50,718	(42,525)	(360)	40,096	34,348	(20,849)	(2,765)	50,830	
Tier 0	12,757	246,339	(185,195)	-	73,901	208,025	(207,348)	(17,544)	57,034	
Together Trust	15,279	168,630	(33,536)	(2,713)	147,660	49,245	(64,707)	(2,000)	130,198	
Children In Need	22,530	7,768	(25,551)	-	4,747	39,871	(40,368)	(4,250)	-	
Working Well	44,200	126,867	(107,842)	-	63,225	118,874	(106,112)	(10,586)	65,401	
Youth Innvoation	2,431	30,000	(24,881)	(90)	7,460	39,787	(29,776)	(4,310)	13,161	
ACE Giving	-	10,083	-	-	10,083	6,208	(5,576)	-	10,715	
Dusty Shed	-	6,777	(4,791)	-	1,986	6,777	(6,057)	-	2,706	
ACE Housing	-	-	(5,012)	5,012	-	7,364	(4,368)	-	2,996	
Caer Enterprises	-	24	-	-	24	5,058	(4,041)	1,030	2,071	
Food Support	-	62,928	(33,571)	-	29,357	24,206	(16,337)	(14,635)	22,591	
The National Lottery Heritage Fund	47,318	117,228	(82,719)	(90)	81,737	826,756	(100,736)	(23,981)	783,776	
Redress	-	24,729	(24,729)	-	-	94,996	(33,866)	(450)	60,680	
Macmillan	-	19,594	(19,594)	-	-	36,875	(31,007)	(5,172)	696	
Moondance Foundation	127,802	-	(59,900)	-	67,902	19,255	(29,271)	(9,519)	48,367	
Pantry	-	10,086	(15,789)	5,703	-	34,637	(19,085)	(3,445)	12,107	
MIND (Coronavirus Mental Health Response Fund: Wales)	-	19,852	(17,867)	-	1,985	-	-	-	1,985	
COVID Support	-	94,923	(72,988)	-	21,935	44,728	(44,466)	-	22,197	
HMRC Coronavirus Job Retention Scheme	-	81,279	(81,279)	-	-	7,530	(7,530)	-	-	
	355,190	1,229,126	(1,000,300)	7,192	591,208	1,756,863	(935,954)	(108,364)	1,303,753	

ACE-ACTION IN CAERAU AND ELY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

17 Restricted funds

(Continued)

	Movement in funds				Movement in funds				Balance at 31 March 2022
	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Balance at 1 April 2021	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£	£	£	£	£
Welsh Gov - Communities Facilities Programme	261,274	23,000	(16,599)	-	267,675	-	(7,073)	-	260,602
Benthyg	-	-	-	-	-	37,941	(13,700)	(1,999)	22,242
Bereavement support	-	-	-	-	-	11,705	(11,140)	(565)	-
Bevan Foundation	-	-	-	-	-	7,500	(4,358)	(1,100)	2,042
Cardiff Council Hardship Fund	-	-	-	-	-	41,500	(4,516)	-	36,984
Diana Gardens/Grapevine	-	-	-	-	-	12,299	(4,496)	-	7,803
Grace Project	-	-	-	-	-	14,848	(13,044)	(900)	904
Summer of Smiles	-	-	-	-	-	29,075	(22,761)	(487)	5,827
Voluntary Sector Recovery	-	-	-	-	-	25,675	(21,045)	(4,630)	-
WCVA	-	-	-	-	-	29,977	(19,365)	-	10,612
Workplace Youth	-	-	-	-	-	-	(1,659)	1,659	-
	<u>616,464</u>	<u>1,252,126</u>	<u>(1,016,899)</u>	<u>7,192</u>	<u>858,883</u>	<u>1,967,383</u>	<u>(1,059,111)</u>	<u>(116,386)</u>	<u>1,650,769</u>

ACE-ACTION IN CAERAU AND ELY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

17 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 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.

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.

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.

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

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.

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.

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

ACE Giving - An opportunity for individuals to make a financial contribution to ACE's charitable work through donations, sponsorship and fundraising activities.

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

ACE Housing: Provision of a high quality, affordable, well maintained rental home to a local family, with additional support through ACE services where necessary.

Caer Enterprises - Development of social enterprise and income generating activity related to ACE's CAER Heritage project, including sales of CAER T-shirts and art.

ACE-ACTION IN CAERAU AND ELY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

17 Restricted funds

(Continued)

Food Support-Budget for developing community food projects including Dusty Community Kitchen, Cafe Barr and Food for Life Get Togethers.

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

Redress Warm and Safe project - Affordable warmth advice and support for community members in / at risk of fuel poverty delivered through drop in / case work sessions.

Macmillan- A project exploring how community development approaches can be used to increase the range of supportive care available for people who are dying, those supporting someone who is dying and people who are facing or experiencing bereavement.

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.

MIND (Coronavirus Mental Health Response Fund: Wales) - A project to increase the capacity and reach of the Phone Friends project and to make it more accessible for people with a learning disability, working in partnership with Cardiff People First.

COVID Support- Misc income to help support projects during Covid 19.

HMRC Coronavirus Job Retention Scheme - Funding received to cover wage and salary costs during the pandemic.

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

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.

ACE-ACTION IN CAERAU AND ELY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

18 Designated funds

	Balance at 1 April 2020 £	Transfers £	Balance at 1 April 2021 £	Resources expended £	Balance at 31 March 2022 £
Running costs	9,788	(9,788)	-	-	-
Dusty Forge Redevelopment	95,007	-	95,007	-	95,007
Fixed asset fund	-	21,933	21,933	(4,700)	17,233
Investment property	-	144,441	144,441	-	144,441
	<u>104,795</u>	<u>156,586</u>	<u>261,381</u>	<u>(4,700)</u>	<u>256,681</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 was transferred to general free reserves in the year.

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

Fixed asset fund: relates to the net book value of the charity's unrestricted fixed assets.

Investment property: relates to the value of the property held for investment to generate unrestricted rental income for the charity.

ACE-ACTION IN CAERAU AND ELY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

19 Analysis of net assets between funds

	Unrestricted 2022 £	Designated 2022 £	Restricted 2022 £	Total 2022 £	Unrestricted 2021 £	Designated 2021 £	Restricted 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:								
Tangible assets	-	17,233	1,118,634	1,135,867	-	21,933	468,907	490,840
Investment properties	-	144,441	-	144,441	-	144,441	-	144,441
Investments	10	-	-	10	10	-	-	10
Current assets/(liabilities)	156,969	95,007	532,132	784,108	82,642	95,007	389,976	567,625
	<u>156,979</u>	<u>256,667</u>	<u>1,650,766</u>	<u>2,064,426</u>	<u>82,652</u>	<u>261,381</u>	<u>858,883</u>	<u>1,202,916</u>

ACE-ACTION IN CAERAU AND ELY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

20 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

21 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	

22 Charges

The National Heritage Memorial Fund have a registration of charge over the leasehold of Caerau Evangelical Church, Church Road, Caerau, Cardiff, CF5 5LQ.

23 Cash generated from operations	2022 £	2021 £
Surplus for the year	861,510	321,802
Adjustments for:		
Investment income recognised in statement of financial activities	(308)	(864)
Depreciation and impairment of tangible fixed assets	51,922	15,485
Movements in working capital:		
(Increase)/decrease in debtors	(7,702)	31,748
(Decrease)/increase in creditors	(74,787)	88,278
Cash generated from operations	830,635	456,449

24 Analysis of changes in net funds

The charity had no debt during the year.