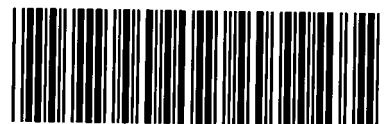


Charity registration number 1150422

Company registration number 07623914 (England and Wales)

ACE-ACTION IN CAERAU AND ELY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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ACE-ACTION IN CAERAU AND ELY

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ACE-ACTION IN CAERAU AND ELY

CHAIR'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

Chair's Report

Once again, ACE has managed to achieve another successful year.

As the world started to recover from the chaos of the Covid pandemic, the continuing war in Ukraine and international sanctions on Russia caused a global rise in fuel and food prices. The demand for the help that ACE could provide has increased dramatically, while our own running costs have spiralled. It has become much harder to cover these costs as some funders are reluctant to adequately factor this in.

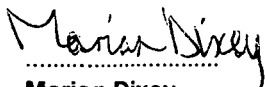
With this in mind, two part time development managers, Hazel Cryer and Sam Froud-Powell were appointed to oversee funding bids and secure core costs. This has allowed ACE to focus more on existing projects.

Two large funds, Working Well community fund and Heritage Lottery, ended in March 2023, along with the health contract which is out for tender. The focus has switched to consolidating the existing projects to support the community. ACE issued over 2,700 fuel vouchers in 2022-23, thanks to funding from Welsh Government, Cardiff Council, a private donor, and Redress, totalling almost £140,000. The demand for Your Local Pantry has soared, along with borrowing requests for items available from Bentyg Library of Things. New Community lottery funding has supported this.

Staff are still transitioning back to the office, having spent the pandemic coping with the pressure of working from home as well as home schooling.

At the beginning of 2023, Dave Horton gave notice that he was standing down as co-Director to pursue the development of ACE training. Michelle took over as Director in April, supported by 2 full-time operational development managers in Hazel and Sam.

Funding is getting harder to find, though our good reputation and track record has opened doors to apply for project money. The future could become even more challenging, but ACE staff have the determination to continue to help the community.



Marian Dixey

Chair

Dated: 22/11/2023

ACE-ACTION IN CAERAU AND ELY

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their report and financial statements for the year ended 31 March 2023.

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 had up to 40 staff over the period of 2022-23, 88 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.
- Work with Children, Young People and Families.
- Community led activity.

ACE-ACTION IN CAERAU AND ELY

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

- Heritage, Arts and Culture projects.
- Social enterprise and local economic development.
- Community and citywide influencing and campaigning.

During 2022-23 we have developed a number of new projects to respond to community need. These include:

- **Caer Learning partnership** - building on our successful Caer Heritage project, we are developing a new partnership project to develop an integrated programme of learning and training opportunities linked to our wider programmes of practical support. This work is supported by Cardiff University Civic Mission funding and is building links with a wider range of other learning providers including the Open University, Reaching Wider - University of South Wales, and Cardiff Council Adult Learning.
- **Ehangu** - Setting up an 'Early Learning Community' using a place-based systems change approach, we are working with Ely and Caerau Children's Centre, Save the Children Cymru and a network of community partners to provide direct support to families with young children and improve how the local early years system works in Ely and Caerau.
- **Pause to Play / Summer of Play** - working with Save the Children Cymru to provide integrated support parents with young children, combining for early years play sessions / resources, grants for essential household items and other wellbeing / financial support, and a programme of free activities for children over the summer holidays.
- **Shape Your Future** - building on last year's project, ACE are delivering support to people struggling with in-work poverty to help overcome barriers to progression in work or taking up self-employment opportunities. This project is now being delivered in partnership with Cardiff Council's Into Work Advice Services to provide integrated and holistic support for residents of Ely and Caerau.
- **Explore Collective** - A 2-year Arts Council Wales funded project beginning in March 2022. The project brings together a collective of artists, researchers, art organisations, Disability Arts Cymru and local people, culminating in a celebration event showcasing participants work at the Wales Millennium Centre. We aim to give creative opportunities to those who may struggle to access the arts, and to nurture well-being and confidence through exhibitions, weekly workshops and skills sharing within the partnership.
- **Creative Grow Well** - A 5-month partnership project with Grow Cardiff to bring the outdoors inside for those who may not be able to access the garden during the winter months with a creative program of ink drawing, felt making/and macramé inspired by nature.
- **Caer tapestry**: A series of needlecraft workshops run in the evenings aiming to revive traditional textiles skills and create work for our new Caer Community Heritage Centre
- **Young Arts For Change** - The Arts for Health and Wellbeing team at Cardiff & Vale Health Charity secured funding from an Arts Council of Wales and Baring Foundation initiative, Celf a'r Meddwl / Arts and Minds. The new funding initiative enabled the arts team to support a network of artists and health professionals to co-create and deliver innovative arts interventions and opportunities for young people in need of mental health support, building life-skills and a network of support within our communities, culminating in a youth arts Summer festival at the Grange Pavilion in partnership with Grange Pavilion, Breath Creative, Clear the Fog, Louise Jenson - Stwdio Arts Initiative & Four Winds.
- **Community-led care** - working with the communities of Ely and Caerau to explore local needs and opportunities in relation to social care and co-produce community-led approaches to care and support
- **Yourspace Cardiff North** - establishing a community development and social prescribing service within the Cardiff North Cluster area, working in partnership with the Health Board and Primary Care Cluster and using learning from the Cardiff South-West Yourspace service.

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.

ACE-ACTION IN CAERAU AND ELY

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

- Continuing to diversify income streams: The majority of income realised by ACE is through grants and contracts. We have had continuation funding from an existing donor and additional income from new donors, this supports both core costs and delivery. We continue to work 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. With the increase in bank interest rates, we are actively managing our cash reserves to maximise interest received.
- Buildings and space: The CAER Community Heritage Centre has continued to develop with the Love our Hillfort conservation group, a community garden, Flying Start, ACE Youth and Curiosity STEM after-schools clubs still actively being delivered, a new approach in partnership with Cardiff University will see the centre become a hub for learning. Diana Garden community regeneration project continues to attract funding to support its delivery and staff costs. We have worked with new partners HMPPS Probation Service allowing us to make further changes to the physical space, significantly removing overgrown brambles and so on, which continues to allow increased 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: Valleys Kids, Staeon Research, DACS Disability Arts Cymru (Suzie Larke photographer, Rachel Carney poet if we are including individuals), Cardiff and Vale UHB Arts For Health & Wellbeing, 4 Winds Mental Health Charity, Clear The Fog, Grow Cardiff, Grange Pavilion, Stwdio 3, Breath Creative, Cardiff University - not new partners but new projects, Cardiff Council - fuel voucher scheme, Shape Your Future and Caer learning, Open University Reaching Wider - University of South Wales, Save the Children - existing partner but new partnerships (Ehangu, Pause to Play, Summer of Play).
- 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, 1-2-1 support for young people with mental health challenges, family fitness activities, Welsh classes.
- 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, ACE Housing as well as 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.

ACE-ACTION IN CAERAU AND ELY

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023

- Expanding volunteering: ACE has comprehensively demonstrated the many personal and community benefits of voluntary work. ACE has, over the period, engaged with 88 volunteers and has 24 volunteer role descriptions across the organisation. ACE achieved the UK best practice award for volunteering - the 'Investing in Volunteers' award this year, showing our commitment and determination to make volunteering the most beneficial experience it can be. 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.
- 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 has been to maintain our established balance of business and community representation on the board. A number of trustees stepped down over this period but we are pleased to say we were able to appoint several new trustees in their place, each offering a wide range of skills.

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 2022-23 we were fully out of the Covid pandemic in terms of the delivery of activities and services. ACE continued to deliver our core work building on it across the course of the year. This growth can be seen in the number of people engaged with over the year, significantly increasing in comparison to 2021-22.

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, 1-2-1 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 core work of ACE as outlined in the 7 Objectives within our Strategic Plan. In 2023-24 we will carry out an in-depth review of our Operational Plan and will make changes to our practice where necessary and will inform the new Strategic Plan for 2023-2026.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

ACE-ACTION IN CAERAU AND ELY

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance

2022-23 has been a busy year for ACE with all services delivering at full capacity. With the pandemic behind us our communities were hit with the cost-of-living crisis, which saw ACE diversifying activity and introducing new services such as the Fuel Voucher Scheme to try to alleviate some of the difficulties many of our community members were facing. Some of what was achieved is outlined below:

- Through our advice and support work we have increased household income in the community by £136,756 supporting 2,312 households with 2,674 fuel vouchers issued, grants and unclaimed benefits.
 - Our community shop saw on average 630 people a week who accessed affordable or free, clothes, shoes, household and toiletry items.
 - ACE Bentyg has a total of 258 items available to hire with more items added daily. There are 614 members with 313 subscribed members, with 275 'borrows' over the year.
 - The volunteer fixers in our repair café have checked out almost over 479 items in 4 years. Most items were repaired, all our customers leave feeling they have received a personal and friendly welcome.
 - The pantry received visits from over 150 visitors a week all of whom received £15 to £20 of food for their £5 membership.
 - Our Grand Avenues project supported 38 men on probation to claim a total of £51,558 in benefits, supported into work and able to access vital GP support on release from prison.
 - Our Yourspace wellbeing support project working in partnership with Cardiff South-West Primary Care Cluster supported 649 people to improve their wellbeing and self-confidence.
 - Our Compassionate Communities Project facilitated 27 grief space peer support sessions for those experiencing grief and bereavement, 125 wellbeing boxes were delivered as well as 5 back home boxes and 125 kindness cards were made by local children and distributed locally.
-
- 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.
 - The Caer Community Heritage Centre provided a venue for a wide range of activities including heritage exhibitions, youth groups, afterschool clubs, volunteer groups, adult education classes and Flying Start groups.
 - ACE Arts delivered its Explore Collective project engaged with 40 regular participants.
 - Over the course of the year 512 young people access have accessed ACE club and attended 9 different activities including Ice Skating and a visit to Drayton Manor.
 - 209 learners accessed ACE Training services. 89% of learners gained a qualification that will enable them to gain employment.

ACE-ACTION IN CAERAU AND ELY

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

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 11 years of operation ACE has added over £11 million to the local economy across Cardiff West. From 2018-23 income generated through direct ACE activities such as social enterprise activities, grant applications, contracts, fundraising and donations and legacies totals approximately £6.6 million.

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 2022-23. Income in 2022-23 was spread across 43 projects which is greater than that of the previous year, despite our income in this year being significantly lower than the year before due to the Caer Heritage Project having been completed. ACE has been successful in following its strategic plan objective to diversify income streams. During 2022-23 ACE received £1,198,348 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 £93,069 via social enterprise such as rental, consultancy work and training.

ACE's financial performance and position going forward continues to be very healthy, with 2023-23 forecast to show a surplus. As with this year, future years are still going to be 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 2022-23 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.

Transactions and Financial Position

The Statement of Financial Activities shows a net unrestricted surplus for the year of £113,611 and our unrestricted reserves stand at £527,269.

Tangible Fixed Assets for use by the charity

Details of movements in fixed assets are set out in note 14 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 investment property and the building of cash reserves, which now stand at an overall total of £527,269. During 2023-24 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.

ACE-ACTION IN CAERAU AND ELY

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023

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.

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 10 and 24 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 benchmark 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.

ACE-ACTION IN CAERAU AND ELY

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

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 2023

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 (Chair from 1/4/23)
E Elliot - appointed 1/3/23
N Hayes - appointed 1/3/23
C Lannen
A O'Regan
J Refalo - appointed 1/3/23
J Roach
O Scott
L Smith
M Witherden (Chair to 1/4/23)
M Hulland - resigned 1/8/23
D King - resigned 15/10/23
H McCarthy - resigned 31/8/22
P Smith - appointed 1/3/23 / resigned 1/8/23
D Wyatt - resigned 1/8/23

Secretary:

S Froud - appointed 1/10/23
D Horton - resigned 5/10/23

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:

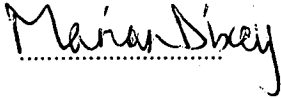
JMD Law Limited
26-28 James Street
Cardiff Bay
Cardiff
CF10 5EX

ACE-ACTION IN CAERAU AND ELY

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023

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.



M Dixey - Trustee
Dated: 22/11/2023

ACE-ACTION IN CAERAU AND ELY

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2023

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 2023 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 2023 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.

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 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 auditor's 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

Azets Audit Services

5-12-2023

**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 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from:							
Donations and legacies	3	1,938	13,544	15,482	52,225	29,505	81,730
Charitable activities	4	13,740	1,074,029	1,087,769	1,000	1,913,141	1,914,141
Other trading activities	5	86,638	7,118	93,756	49,486	24,737	74,223
Investments	6	1,341	-	1,341	308	-	308
Total income		103,657	1,094,691	1,198,348	103,019	1,967,383	2,070,402
Expenditure on:							
Charitable activities	7	238,926	1,238,070	1,476,996	149,781	1,059,111	1,208,892
Other	12	-	72,548	72,548	-	-	-
Total expenditure		238,926	1,310,618	1,549,544	149,781	1,059,111	1,208,892
Net gains/(losses) on investments	13	75,559	-	75,559	-	-	-
Net (outgoing)/incoming resources before transfers		(59,710)	(215,927)	(275,637)	(46,762)	908,272	861,510
Gross transfers between funds		173,321	(173,321)	-	116,387	(116,387)	-
Net income/(expenditure) for the year/							
Net movement in funds		113,611	(389,248)	(275,637)	69,625	791,885	861,510
Fund balances at 1 April 2022		413,658	1,650,768	2,064,426	344,033	858,883	1,202,916
Fund balances at 31 March 2023		527,269	1,261,520	1,788,789	413,658	1,650,768	2,064,426

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 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	14	1,030,541		1,135,867	
Investment properties	15	220,000		144,441	
Investments	16	10		10	
		<u>1,250,551</u>		<u>1,280,318</u>	
Current assets					
Debtors	17	175,368		129,814	
Cash at bank and in hand		411,667		672,479	
		<u>587,035</u>		<u>802,293</u>	
Creditors: amounts falling due within one year	18	<u>(48,797)</u>		<u>(18,185)</u>	
Net current assets		538,238		784,108	
Total assets less current liabilities		<u>1,788,789</u>		<u>2,064,426</u>	
Income funds					
Restricted funds	20	1,261,520		1,650,768	
<u>Unrestricted funds</u>					
Designated funds	21	409,386		256,681	
General unrestricted funds		117,883		156,977	
		<u>527,269</u>		<u>413,658</u>	
		<u>1,788,789</u>		<u>2,064,426</u>	

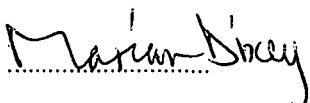
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

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 22/11/2023



M Dixey - Trustee

Company Registration No. 07623914

ACE-ACTION IN CAERAU AND ELY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	26		(230,026)		830,635
Investing activities					
Purchase of tangible fixed assets		(32,127)		(696,949)	
Investment income received		1,341		308	
Net cash used in investing activities			(30,786)		(696,641)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(260,812)		133,994
Cash and cash equivalents at beginning of year			672,479		538,485
Cash and cash equivalents at end of year			411,667		672,479

ACE-ACTION IN CAERAU AND ELY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

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 Our Place: Dusty Forge, 460 Cowbridge Road West, 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, modified to include investment properties at fair value. 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 2023

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

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

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.

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 2023

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 2023

1 Accounting policies

(Continued)

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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.

ACE-ACTION IN CAERAU AND ELY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £
Donations and gifts	<u>1,938</u>	<u>13,544</u>	<u>15,482</u>	<u>52,225</u>	<u>29,505</u>	<u>81,730</u>

ACE-ACTION IN CAERAU AND ELY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

4 Charitable activities

	2023 £	2022 £
Grants	1,087,148	1,914,141
Sundry income	621	-
	<u>1,087,769</u>	<u>1,914,141</u>
Analysis by fund		
Unrestricted funds	13,740	1,000
Restricted funds	<u>1,074,029</u>	<u>1,913,141</u>
	<u>1,087,769</u>	<u>1,914,141</u>

ACE-ACTION IN CAERAU AND ELY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

4 Charitable activities		(Continued)
Arts Council of Wales	-	4,500
Arnold Clark	-	2,500
Asda	200	-
Bevan Foundation	23,964	-
C3SC	12,951	101,515
Cardiff and Vale University Health Board	269,092	355,103
Cardiff Council	154,500	112,349
Cardiff People First	750	-
Cardiff University	28,993	2,500
Care & Repair	9,000	9,000
Charities Aid Foundation	62,221	35,443
Charities Trust	-	2,000
Child Friendly Cardiff	-	9,075
Children in Need	40,987	39,871
Church Action Poverty	168	-
Citizens Advice	7,250	8,000
Community Foundation Wales	-	1,000
Co-Op	-	2,260
Cwmpas	27,655	-
Dusty Shed	8,148	6,777
DWP	4,286	-
Ely and Caerau Children's Centre	200	-
Energy Saving Trust	1,286	72,496
Food Sense Wales	10,844	6,000
Glamorgan Voluntary Services	4,890	3,703
Groundwork UK	500	1,000
Grow Cardiff	5,900	-
Heritage Lottery Fund	113,031	752,256
HMRC Coronavirus Job Retention Scheme	-	7,503
Hubbub	-	3,000
Independent Age	20,000	-
Invest Local Trust*	(25,139)	49,245
Macmillan	26,142	36,875
Making a Difference Locally	1,000	-
Moondance Foundation	-	19,255
ProMo-Cymru	625	-
Public Health Wales	-	5,000
National Lottery Community Fund	201,174	101,515
Save the Children	2,400	-
School of History	2,500	-
The D'oyly Carte Charitable Trust	3,000	-
University of South Wales	2,000	3,651
Wales and West Housing	-	70,000
Wales Centre for Public Policy	-	450
Wales Restorative Approaches Partnership	31,015	14,848
WCVA	-	93,408
Welsh Government	35,515	11,705
Whitfield Pantry	100	11,705
	<u>1,087,148</u>	<u>1,914,141</u>

ACE-ACTION IN CAERAU AND ELY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

4 Charitable activities

(Continued)

*Relates to income received during the year totalling £15,750 and grant repayments due to project underspends of £40,889.

5 Other trading activities

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Rental income	14,615	5,753	20,368	2,436	10,120	12,556
Generated income	72,023	1,365	73,388	47,050	14,617	61,667
Other trading activities	86,638	7,118	93,756	49,486	24,737	74,223

6 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Interest receivable	1,341	308

ACE-ACTION IN CAERAU AND ELY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

7 Charitable activities

	2023 £	2022 £
Staff costs	690,567	740,368
Depreciation and impairment	51,924	-
Bad debt	-	335
Heat, light & insurance	21,531	12,092
IT costs & telephone	8,477	8,489
Marketing, sundry & training	1,477	1,386
Printing, postage & stationery	3,178	-
Project costs	279,459	256,423
Rent, rates & relocation costs	2,201	2,378
Repairs & renewals	25,132	23,862
Equipment hire & room hire	5,514	139
Travel & subsistence	1,453	11,676
	<u>1,090,913</u>	<u>1,057,148</u>
Grant funding of activities (see note 8)	199,491	26,907
Share of support costs (see note 9)	180,652	119,776
Share of governance costs (see note 9)	5,940	5,061
	<u>1,476,996</u>	<u>1,208,892</u>
Analysis by fund		
Unrestricted funds	238,926	149,781
Restricted funds	1,238,070	1,059,111
	<u>1,476,996</u>	<u>1,208,892</u>

ACE-ACTION IN CAERAU AND ELY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

8 Grants payable

	2023 £	2022 £
Grants to institutions:		
10th Ely Rainbows	250	250
Cardiff Imperial	250	-
Ecsopa	20,672	500
Hope Trust	25,015	22,317
Ely and Caerau Litter Pickers	76	-
Caerau and Ely Mini and Juniors Rugby Club	500	-
Commonwealth Theatre	1,000	-
Family Fund Business Services	130,000	-
The Healthy Horse Project Pony Club	2,500	-
Reflect Community Church and Centre	450	-
St Mellons Clean Up Group	650	-
Tempo Time Credits	18,128	-
Amy Evans	-	175
Bethania Church	-	500
Cotr Garden Group	-	500
Caer Scholarship	-	470
Hafod Housing	-	430
Katie Browne	-	165
Scott Bees	-	350
St Mellons Gymnastics	-	1,000
Trelai Primary School	-	250
	<u>199,491</u>	<u>26,907</u>

ACE-ACTION IN CAERAU AND ELY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

9 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Staff costs	121,865	-	121,865	48,344	-	48,344
Depreciation	12,981	-	12,981	51,922	-	51,922
Cleaning	14,373	-	14,373	10,328	-	10,328
Heat, light and insurance	5,383	-	5,383	-	-	-
Bank charges and bad debts	183	-	183	125	-	125
IT costs and telephone	10,389	-	10,389	-	-	-
Professional fees	5,486	-	5,486	5,450	-	5,450
Printing, postage and stationery	5,153	-	5,153	2,806	-	2,806
Rent, rates, repairs and renewals	3,255	-	3,255	-	-	-
Motor costs	873	-	873	801	-	801
Travel and subsistence	711	-	711	-	-	-
Audit fees	-	5,290	5,290	-	4,461	4,461
Accountancy	-	650	650	-	600	600
	<u>180,652</u>	<u>5,940</u>	<u>186,592</u>	<u>119,776</u>	<u>5,061</u>	<u>124,837</u>
Analysed between						
Charitable activities	<u>180,652</u>	<u>5,940</u>	<u>186,592</u>	<u>119,776</u>	<u>5,061</u>	<u>124,837</u>

10 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 2023

11 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	39	39
	<u> </u>	<u> </u>
Employment costs	2023	2022
	£	£
Wages and salaries	738,560	714,349
Social security costs	51,726	50,252
Other pension costs	22,146	24,111
	<u> </u>	<u> </u>
	812,432	788,712
	<u> </u>	<u> </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 £97,766 (2022: £101,230).

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

12 Other

	Restricted funds	Total
	2023	2022
	£	£
Net loss on disposal of tangible fixed assets	72,548	-
	<u> </u>	<u> </u>
	72,548	-
	<u> </u>	<u> </u>

The above relates to the transfer of the playground equipment to the Cardiff Council on 31st March 2023.

13 Net gains/(losses) on investments

	Unrestricted funds	Total
	2023	2022
	£	£
Revaluation of investment properties	75,559	-
	<u> </u>	<u> </u>

ACE-ACTION IN CAERAU AND ELY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

14 Tangible fixed assets

	Property improvements	IT equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2022	1,180,147	3,630	33,094	1,216,871
Additions	32,127	-	-	32,127
Disposals	(79,931)	-	-	(79,931)
At 31 March 2023	1,132,343	3,630	33,094	1,169,067
Depreciation and impairment				
At 1 April 2022	61,513	3,630	15,861	81,004
Depreciation charged in the year	60,205	-	4,700	64,905
Eliminated in respect of disposals	(7,383)	-	-	(7,383)
At 31 March 2023	114,335	3,630	20,561	138,526
Carrying amount				
At 31 March 2023	1,018,008	-	12,533	1,030,541
At 31 March 2022	1,118,634	-	17,233	1,135,867

15 Investment property

	2023 £
Fair value	
At 1 April 2022	144,441
Net gains or losses through fair value adjustments	75,559
At 31 March 2023	220,000

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 based on the valuation of a local estate agent in March 2023.

Contained in the above are amounts totalling £nil (2022: £nil) in relation to land.

ACE-ACTION IN CAERAU AND ELY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

16 Fixed asset investments

		Other investments
Cost or valuation		
At 1 April 2022 & 31 March 2023		10
Carrying amount		
At 31 March 2023		10
At 31 March 2022		10

	Notes	2023 £	2022 £
Other investments comprise:			
Investments in subsidiaries	24	10	10

17 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	85,433	112,138
Prepayments and accrued income	89,935	17,676
	175,368	129,814

18 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	-	12,514
Amounts owed to subsidiary undertakings	10	10
Accruals and deferred income	48,787	5,661
	48,797	18,185

19 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 £22,146 (2022: £24,111). 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 2023

20 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 2021	Incoming resources	Resources expended	Transfers	Balance at 1 April 2022	Incoming resources	Resources expended	Transfers	Balance at 31 March 2023	
	£	£	£	£	£	£	£	£	£	£
Arts Council of Wales	10,521	4,500	(15,888)	867	-	85,321	(54,930)	(1,664)	28,727	
ACE Cares	-	-	-	-	-	27,655	(23,143)	(4,512)	-	
ACE Community Support	40,096	34,348	(20,849)	(2,765)	50,830	38,426	(44,783)	(7,004)	37,469	
ACE Food	29,357	24,206	(16,337)	(14,635)	22,591	9,504	(13,841)	(4,449)	13,805	
ACE Giving	10,083	6,208	(5,576)	-	10,715	12,073	(7,968)	(800)	14,020	
ACE Health	28,589	147,823	(148,566)	(11,604)	16,242	194,757	(142,733)	(14,497)	53,769	
ACE Housing	-	7,364	(4,368)	-	2,996	-	(2,996)	-	-	
Benthyg	-	37,941	(13,700)	(1,999)	22,242	878	(23,421)	2,666	2,365	
Bereavement support	-	11,705	(11,140)	(565)	-	50,997	(47,991)	(3,006)	-	
Bevan Foundation	-	7,500	(4,358)	(1,100)	2,042	22,949	(8,509)	(4,525)	11,957	
Caer Enterprises	24	5,058	(4,041)	1,030	2,071	6,578	(11,794)	9,497	6,352	
Children In Need	4,747	39,871	(40,368)	(4,250)	-	40,987	(31,235)	(3,424)	6,328	
COVID Support	21,935	44,728	(44,466)	-	22,197	-	(22,197)	-	-	
Creative Grow	-	-	-	-	-	2,900	(1,894)	-	1,006	
Diana Gardens/Grapevine	-	12,299	(4,496)	-	7,803	3,049	(7,514)	-	3,338	
Dusty Shed	1,986	6,777	(6,057)	-	2,706	8,148	(6,984)	-	3,870	
Grace Project	-	14,848	(13,044)	(900)	904	31,015	(28,954)	(1,268)	1,697	
Heritage Lottery Fund	81,737	826,756	(100,736)	(23,981)	783,776	133,542	(212,201)	(6,760)	698,357	
HMRC Coronavirus Job Retention Scheme	-	7,530	(7,530)	-	-	-	-	-	-	
Independent Age	-	-	-	-	-	20,000	(27)	(1,578)	18,395	
	229,075	1,239,462	461,520	(59,902)	947,115	688,779	693,115	(41,324)	901,455	

ACE-ACTION IN CAERAU AND ELY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

20 Restricted funds

(Continued)

	Movement in funds				Movement in funds				Balance at 31 March 2023
	Balance at 1 April 2021	Incoming resources	Resources expended	Transfers	Balance at 1 April 2022	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£	£	£	£	£
Macmillan	-	36,875	31,007	5,172	696	26,142	26,668	170	-
Memorial Garden	-	-	-	-	-	3,000	200	-	2,800
Mind	1,985	-	-	-	1,985	-	-	1,985	-
Moondance Foundation	67,902	19,255	29,271	9,519	48,367	-	43,609	-	4,758
Pantry	-	34,637	19,085	3,445	12,107	-	12,107	-	-
Redress and Cardiff Council Hardship Fund	-	136,496	38,382	450	97,664	100,000	189,724	7,940	-
Save the Children	-	-	-	-	-	2,400	-	-	2,400
Shape Your Future	-	-	-	-	-	50,000	46,013	3,987	-
Summer of Smiles	-	29,075	22,761	487	5,827	5,540	4,357	508	6,502
Tier 0	73,901	208,025	207,348	17,544	57,034	64,446	44,980	76,500	-
Together Trust	147,660	49,245	64,707	2,000	130,198	25,139	88,894	16,165	-
Voluntary Sector Recovery	-	25,675	21,045	4,630	-	-	-	-	-
WCVA	-	29,977	19,365	-	10,612	-	10,612	-	-
Welsh Gov - Communities Facilities Programme	267,675	-	7,073	-	260,602	-	7,073	-	253,529
Western Power	-	-	-	-	-	9,921	7,331	(2,590)	-
Working Well and Helping Working Families	63,225	118,874	106,112	(10,586)	65,401	119,603	92,997	(13,035)	78,972
Workplace Youth	-	-	(1,659)	1,659	-	-	390	(2,617)	(3,007)
Youth Innovation	7,460	39,787	(29,776)	(4,310)	13,160	49,999	42,548	(6,500)	14,111
	<u>858,883</u>	<u>1,967,383</u>	<u>(1,059,111)</u>	<u>(116,386)</u>	<u>1,650,768</u>	<u>1,094,691</u>	<u>(1,310,618)</u>	<u>(173,321)</u>	<u>1,261,520</u>

ACE-ACTION IN CAERAU AND ELY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

20 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 Cares: This national lottery funding pays for community development activity aimed at exploring the community's role in supporting people with care and support needs and unpaid carers within the Ely and Caerau communities.

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.

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

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

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

Benthyg: WCVA Landfill Trust this funding supported the developement of a new library of things project (ACE Benthyg), offering a range of household items for community members to borrow at low cost.

Bereavement support: This grant pays for a multi-partner project with ACE, CCAWS and Cardiff People First, delivering a mix of direct counselling, bereavement courses and development of peer support approaches, aimed at engaging groups who have been traditionally under-represented in mainstream bereavement support services.

Bevan Foundation: This funded 1 day a week staff time to bring about systems change through community engagement contributing to varios consultations to inform policy change.

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.

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

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

Creative Grow: This money was used Delivery of indoor art/garden sessions, room hire & materials.

ACE-ACTION IN CAERAU AND ELY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

20 Restricted funds

(Continued)

Diana Gardens/ Grapevine: 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.

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

Grace Project: This project supports men in the community who are involved with the criminal justice system. The Grand Avenues project is a partnership between HMPPS, SVP and ACE. Funding was used to fund a staff member for 3 days a week, a staff member 1/2 day a week, project costs and management costs to support the men on the project address issues around health, income and housing.

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

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

Independent Age: This project supports older people in the community to stay warm in their homes, through income maximisation and energy support. This income has funded a full time Older Persons Caseworker.

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

Memorial Garden: This project is developing a new community garden to support activities that bring people together and support community connection and wellbeing.

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.

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.

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

Save the Children: This was used to fund a series of art workshops over the summer holidays for children and young people living in Ely and Caerau. If Ehangu to work with community partners to develop new initiatives that support early years projects in Ely and Caerau.

ACE-ACTION IN CAERAU AND ELY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

20 Restricted funds

(Continued)

Summer of Smiles: Income was used to provide a range of inclusive activities for children and young people across the communities of Ely and Caerau.

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.

Voluntary Sector Recovery: This project supported volunteers to re-engage with ACE after the Pandemic disruption, providing staff time to run reintegration sessions and follow up support, training and update our volunteer processes to help volunteers with overcome barriers to contributing to projects.

WCVA: This funding was to diversify the income of ACE Training through the development of a website to increase sales and promote to a wider audience, particularly targeting the private sector. It also funded consultants to conduct market research and develop a training package bespoke to ACE underlining ACE's approaches in Asset Based Community Development, Community Organising and Co-production. The training is now being offered to the public, statutory and third sector who wish their teams to learn about the afore mentioned principles and how to put them into practice as it relates to their work.

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

Western Power: This funds our advice provision supporting those in fuel poverty/fuel crisis.

Working Well and Helping Working Families: 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: This funding through Waterloo Foundation was used to engage with young people aged 16 to 25yrs in a series of woodwork sessions, and Level 1 Health and Safety in a Construction Environment Training. The aim of the funding was to support young people into work.

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

Transfers: Relates to capital spend where the conditions of the grant has been fulfilled, management charge overhead allocation and internal project recharges. Where projects have incurred an overspend the board have agreed for unrestricted funds to cover the deficits.

ACE-ACTION IN CAERAU AND ELY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

21 Designated funds

	Balance at 1 April 2021 £	Resources expended £	Balance at 1 April 2022 £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Dusty Forge Redevelopment	95,007	-	95,007	-	-	95,007
Fixed asset fund	21,933	(4,700)	17,233	(4,700)	81,846	94,379
Investment property	144,441	-	144,441	-	75,559	220,000
	<u>261,381</u>	<u>(4,700)</u>	<u>256,681</u>	<u>(4,700)</u>	<u>157,405</u>	<u>409,386</u>

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 2023

22 Analysis of net assets between funds

	Unrestricted 2023 £	Designated 2023 £	Restricted 2023 £	Total 2023 £	Unrestricted 2022 £	Designated 2022 £	Restricted 2022 £	Total 2022 £
Fund balances at 31 March 2023 are represented by:								
Tangible assets	-	94,379	936,162	1,030,541	-	17,233	1,118,634	1,135,867
Investment properties	-	220,000	-	220,000	-	144,441	-	144,441
Investments	10	-	-	10	10	-	-	10
Current assets/(liabilities)	117,873	95,007	325,358	538,238	156,969	95,007	532,132	784,108
	<u>117,883</u>	<u>409,386</u>	<u>1,261,520</u>	<u>1,788,789</u>	<u>156,979</u>	<u>256,681</u>	<u>1,650,766</u>	<u>2,064,426</u>

ACE-ACTION IN CAERAU AND ELY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

23 Related party transactions

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

24 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	

25 Charges

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

Cash generated from operations	2023 £	2022 £
(Deficit)/surplus for the year	(275,637)	861,510
Adjustments for:		
Investment income recognised in statement of financial activities	(1,341)	(308)
Loss on disposal of tangible fixed assets	72,548	-
Fair value gains and losses on investment properties	(75,559)	-
Depreciation and impairment of tangible fixed assets	64,905	51,922
Movements in working capital:		
(Increase) in debtors	(45,554)	(7,702)
Increase/(decrease) in creditors	30,612	(74,787)
Cash (absorbed by)/generated from operations	(230,026)	830,635

27 Analysis of changes in net funds

The charity had no debt during the year.