

# **3G's Development Trust**

## **Financial Statements**

**for the year ended 31st March 2004**

**Company Registration Number**

**3831737**

**Registered Charity**

**1100265**



A10  
COMPANIES HOUSE

\*A8J102X2\*

0168  
04/11/04

# **3G's Development Trust**

## **Financial Statements for the year ended 31st March 2004**

### **CONTENTS**

	Page
Administrative and Legal Information	2
Report of the Directors	3
Report of the Auditors	5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	8

# **3G's Development Trust**

**Administrative and legal information  
for the year ended 31st March 2004**

## **Directors/Trustees**

Are as set out on page 3

### **CHAIRMAN**

Mr Gareth Adams

### **LEAD OFFICER**

Mr Robert Cornwall

### **SECRETARY**

Mr Martin Jones

### **PRINCIPAL OFFICE**

Gurnos Health and Resource Centre  
Chestnut Way  
Gurnos Estate  
Merthyr Tydfil  
CF47 9SB

### **COMPANY REGISTRATION NUMBER**

3831737

### **REGISTERED CHARITY**

1100265

### **ACCOUNTANTS**

Btp Associates  
84-86 High St  
Merthyr Tydfil  
CF47 8UG

# **3G's Development Trust**

## **The Directors Report for the**

### **for the year ended 31st March 2004**

The Directors of the charitable company present their annual report and the statements of account for the year ended 31-March-2004

#### **Directors**

Who are trustees of the charity and who served on the management board during the year were:

Mr Trevor Lloyd

Mrs Margaret Hannigan-Popp

Mr Gareth Adams

Mrs Ann Mahoney

Mrs June Jones

Mr Brian Collins

Mr Terry Bence

Resigned 30-Mar-04

Mrs Rhonda Braithwaite

Resigned 14-Jul-03

Mr Albert Heany

Ms Pam Clutton

Mrs Lynette Rees

The board consists of a maximum of 3 Association Directors, 1 of each nominated by the respective tenant and resident boards, a maximum of 6 Community Directors, a maximum of 4 Professional Agency Directors and a maximum of 2 Special Directors.

The directors all retire at the AGM and are re-elected/elected in accordance with nominations received prior to the date of the AGM. In the case of Community Directors if more than 6 nominations are received the appointment is decided by ballot.

#### **Officers and Advisers**

The officers and advisers are as stated on page 2.

#### **Directors responsibility for the financial statements**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements the directors are required to:

- \* select suitable accounting policies and apply them consistently;
- \* make adjustments and estimates that are reasonable and prudent;
- \* prepare the financial statements on the going concern basis unless it is inappropriate to presume the company will continue to operate.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Risk management**

The board review all plans and forecasts, during this process risks related to the project are identified and the appropriate action built into the plans.

The systems of the company are reviewed regularly to ensure that appropriate controls are in place to safeguard its assets and to facilitate its effective management.

#### **Reserves**

The directors have identified that the company needs to accumulate free reserves equivalent to three months operating expenditure. This amount is necessary to ensure the continuity of the operations and the maintenance of efficient systems of administration and management.

At the current level of activity this equates to a required balance of free reserves of approximately £219,653; the current level of free reserves is £43,478.

The policy of the company is to generate income relating to the delivery of its charitable objectives which will allow it to accumulate free reserves until the target level has been achieved.

#### **Current year and financial position**

The directors consider the performance of the company to be satisfactory.

# **3G's Development Trust**

## **The Directors Report for the for the year ended 31st March 2004**

### **Future developments**

This has been an eventful year for the Trust aided by the securing of funding from the Welsh Assembly Governments Communities First Fund. This funding will allow the 3 G's to put its plans into action and already some of the benefits of this action are evident. This year has seen the opening of the Forsythia and the 3 G's Information Centre, both venues being extremely popular and well used by the community.

There is much to do and now, with a fully staffed team the Trust will be able to build on its work to date and further develop its links with the community. The coming year will see the improvement of the Cinema Club and the introduction of a community newspaper. There are many other projects planned including a re-cycling and clean up task force scheme.

The future looks bright, supported by the Welsh Assembly Government there are the resources to carry out much needed improvement to our communities. The success of this work is dependant upon the continued support of the community.

### **Principal activity, objects and organisation of work**

The company is a non profit making organisation whose liability is limited by guarantee and a Registered Charity, as such it is governed by its Memorandum and Articles of Association.

The 3 G's Development Trust principal activity is that of community regeneration within the areas of the Old Gurnos, New Gurnos, Galon Uchaf and Penydarren.

Full details of activities during the year are given in the annual report; copies of which are available from the principal office.

The company is organised so that the directors meet regularly to manage its affairs. The Lead Officer has a central administration team which controls the day to day operation of the company. The remaining staff are directly employed in the delivery of the charitable projects.

### **Related parties**

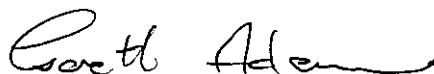
Many partner organisations and agencies work in the £G's area bringing their professional expertise on a range of issues. The 3G's works closely with all the community associations in the area including New Gurnos Residents Board, Galon Uchaf Residents Board, Old Gurnos Tenants and Residents Board, Natures Angels and New Gurnos Fundraising Group. Merthyr Tydfil County Borough Council is the lead co-ordinator of Communities First Funding from the Welsh Assembly Government. Other partners/organisations include Groundwork Merthyr & RCT, Safer Merthyr Tydfil, NSPCC, North Glamorgan NHS Trust, South Wales Police, Barnados, Community Education, Job Centre Plus, Goetre Family Project, Triangle Project, Family Support Group, Citizens Advice Bureau, citizens Advice Bureau, Neighbourhood Watch Association, Credit Union Gurnos Community Workshops & Neighbourhood Learning Centre, WEA, Working Links, Career Wales, Sanctuary, Venture Wales, Local Health Group, and Voluntary Action Merthyr Tydfil.

### **Audit**

A resolution to re-appoint the auditors will be proposed at the Annual General Meeting.

This directors' report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies, the Financial Reporting Standard for Small Entities and the SORP 2000 "Accounting and Reporting for Charities".

Approved by the Board of Directors



Dated 27/10/04

# **Auditors Report TO THE MEMBERS OF 3G's Development Trust**

We have audited the financial statements on pages 6 to 11 which have been prepared under the historical cost convention and the accounting policies set out on pages 8.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters which 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 company and the company's members as a body for our audit work, for this audit report or for the opinions we have formed

## **Respective responsibilities of directors and auditors**

As described on page 3 the company's directors (who also act as trustees for the charity) are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

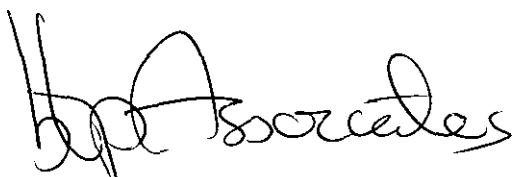
## **Basis of Opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes the examination, on a test basis, of evidence relevant to the amounts and disclosures of the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## **Opinion**

In our opinion the financial statements give a true and fair view of the charitable company's state of affairs as at 31st March 2004 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.



**btp Associates**

**CHARTERED ACCOUNTANTS  
& REGISTERED AUDITORS  
27-October-2004**

**84-86. High Street,  
Merthyr Tydfil.  
CF47 8UG.**

**3G's Development Trust**  
**Statement of Financial Activities**  
for the year ended 31st March 2004

	Notes	Unrestricted Funds	Restricted Funds	2004 Totals	2003 Totals
		£	£	£	£
<b>INCOME AND EXPENDITURE</b>					
<b>Incoming Resources</b>					
Grants & Donations			997,216	997,216	240,431
Movement in deferred income					
Activities in furtherance of the charitable objects of the company.		18,593		18,593	15,474
Interest		1,761		1,761	40
<b>Total Incoming Resources</b>	<b>2</b>	<b>20,354</b>	<b>997,216</b>	<b>1,017,570</b>	<b>255,945</b>
<b>Resources Expended</b>					
Direct project expenditure			822,218	822,218	160,279
Cost of activities in furtherance of the charitable objects of the company.		5,081		5,081	6,809
Office and Administration			45,137	45,137	33,597
Publicity and Communications			6,176	6,176	6,140
<b>Total Resources Expended</b>	<b>6</b>	<b>5,081</b>	<b>873,531</b>	<b>878,612</b>	<b>206,825</b>
<b>Net Incoming Resources before transfers</b>		<b>15,273</b>	<b>123,685</b>	<b>138,958</b>	<b>49,120</b>
Transfers between funds		19,500	(19,500)		
<b>Net Incoming Resources</b>	<b>3</b>	<b>34,773</b>	<b>104,185</b>	<b>138,958</b>	<b>49,120</b>
Balances brought forward		8,705	107,743	116,448	67,328
<b>Balances carried forward 31-March-2004</b>	<b>7</b>	<b>£ 43,478</b>	<b>£ 211,928</b>	<b>£ 255,406</b>	<b>£ 116,448</b>

The notes on pages 8 to 11 form an integral part of these accounts.

# 3G's Development Trust

## Balance Sheet

as at 31-March-2004

	Notes	£	2004 £	2003 £
<b>Fixed Assets</b>				
Tangible Assets	8		94,824	43,544
<b>Current Assets</b>				
Stock		850		850
Debtors	10	192,221		2,125
Cash at bank & in hand		100,860		78,697
		293,931		81,672
<b>Creditors: amounts falling due within one year</b>	4	133,349		8,768
<b>Net Current Assets(Liabilities)</b>			160,582	72,904
<b>Total Assets Less Current Liabilities</b>			<u>£ 255,406</u>	<u>£ 116,448</u>
<b>Funds</b>				
Unrestricted	7		43,478	8,705
Restricted	7		211,928	107,743
			<u>£ 255,406</u>	<u>£ 116,448</u>

*These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Small Entities and the SORP "Accounting for Charities"*



Approved by the Board of Directors

Dated 27/10/04

The notes on pages 8 to 11 form an integral part of these accounts.



# 3G's Development Trust

## Notes to the Accounts

for the year ended 31st March 2004

### 1. Principal Accounting Policies

**Basis of Accounting.** These financial statements have been prepared under the historical cost convention as modified to incorporate the revaluation of certain assets, in accordance with the Financial Reporting Standards, the relevant provisions of the Charities Act 1993 and the Statement of Practice "Accounting and Reporting by Charities" (SORP 2000).

**Status.** The 3G's Development Trust is a company limited by guarantee and a Registered Charity. It is a non-profit making organisation funded by grants for specific restricted objectives. As such it is governed by its Memorandum and Articles of Association in achieving its specific charitable objectives.

**Fund Balances.** The balances held are separated between restricted and unrestricted funds. Balances on restricted funds are subject to specific restrictive conditions imposed from the funding source. Unrestricted funds are available to be utilised by the trustees in the furtherance of the general objectives of the organisation.

**Tangible Fixed Assets** are capitalised and written off over their expected useful life in accordance with the guidelines laid down by the charities SORP. Assets are capitalised when they have an expected useful life to the charity in excess of one year and are in excess of the de-minimis limit of £100.

**Leased Assets.** Fixed assets acquired under finance leases are included in the balance sheet at historic cost less accumulated depreciation. The present value of future rentals is shown as a liability. Interest payable in each period is charged as an expended resource in proportion to the amount outstanding under the lease. Operating lease rentals are charged as expended resources as incurred.

**Depreciation.** The company provides for depreciation on tangible fixed assets at the following annual rates in order to write off each asset over its estimated useful life:

Equipment	25% on cost
Freehold Land & Buildings	2% on cost
Leasehold improvements	Over the life of the lease

**Stock** is included in the balance sheet at the lower of cost or net realisable value, provisions being made as appropriate against any obsolete or slow moving items. Where stock is held for a specific restricted purpose the relevant incoming resources are held as balances on restricted funds.

**Deferred Income.** Income or grants received in advance are held as deferred income and carried forward to future accounting periods to be released when the defined purposes of the work or project have been completed, approved or certified.

**Gifts in Kind** are included in the income and expenditure account, where they are applied in carrying out the organisations activities, where the company would otherwise have to purchase the donated facility and the benefit is both quantifiable and material. The quantifiable benefit is shown as both incoming and expended resources within the appropriate funds and full details of the gifts are disclosed in note 9.

**Unrestricted Incoming Resources** are received in the furtherance of the non-profit making objects of the company and relate to contributions made by participants to activities, miscellaneous rentals which contribute towards running costs and new deal payments which help support the related costs.

# 3G's Development Trust

## Notes to the Accounts

for the year ended 31st March 2004

	2004 £	2003 £
<b>2. Total Incoming Resources</b>		
National Assembly for Wales	893,479	234,000
W.C.V.A.	35,605	
National Lottery Community Fund	31,548	
MTCBC	17,178	3,432
Millennium Trust	5,771	
Other Sources	5,635	2,999
AFA Wales	5,000	
Creative Vision	3,000	
Rental Activities	18,593	15,474
Interest	1,761	40
Total Incoming Resources	<u>£ 1,017,570</u>	<u>£ 255,945</u>

## 3. Net Incoming Resources

is stated after charging:

Staff costs		
Wages & salaries	233,254	121,904
Social security costs	20,162	10,025
	<u>£ 253,416</u>	<u>£ 131,929</u>
Gifts in Kind (note 9)	<u>£ 18,548</u>	<u>£ 11,307</u>
Depreciation on: tangible owned fixed assets	12,607	4,776
Audit & Accounting services	4,350	2,585

## Average No of employees

Full time	12.0	
Part-time	2.3	
	<u>14.3</u>	<u>7</u>

Employees are stated as full-time equivalents

No employee earned £40,000 or more during the period.

The trustees did not receive any emoluments or any reimbursement of expenses during the period.

## 4. Creditors: Amounts falling due within one year

Trade creditors & accruals	133,349	5,336
Taxes and social security		3,432
	<u>£ 133,349</u>	<u>£ 8,768</u>

# 3G's Development Trust

## Notes to the Accounts

for the year ended 31st March 2004

	2004 £	2003 £
<b>5. Obligations under operating leases</b>		
Amounts payable in the next year under leases which expire:		
in less than one year		
in two to five years		
in more than five years	<u>502</u>	<u>550</u>

## 6. Resources Expended

Core Project	298,392	129,594
Office, administration and publicity	51,312	39,737
Forsythia Centre	24,743	
Film Club	13,600	
Goetre Project	399,429	
After School Club	3,000	
Feasibility Study	18,574	
Community Safety Wardens	44,386	
Creche facility	13,465	
Other Project Costs	6,630	30,685
Costs re rental profits (recovered)	<u>5,081</u>	<u>6,809</u>
	<u>£878,612</u>	<u>£206,825</u>

Other project costs include, the creche and various miscellaneous activities.

## 7. Fund Balances

Unrestricted Funds - All Free Reserves	43,478	8,705
Restricted Funds	<u>211,928</u>	<u>107,743</u>
	<u>£ 255,406</u>	<u>£ 116,448</u>

Restricted funds are represented by:

	Fixed Assets	Liquid Funds	
Core Project	42,854	34,157	77,011
Office, administration and publicity			
Forsythia Centre	41,012	17,346	58,358
Film Club	10,958	14,389	25,347
Goetre Project		21,332	21,332
Feasibility Study		11,427	11,427
Other Project Costs		18,453	18,453
	<u>£ 94,824</u>	<u>£ 117,104</u>	<u>£ 211,928</u>

Restricted funds represents the un-depreciated balances on owned fixed assets and funds carried forward for specific purposes as specified by the funder. The organisations restricted funds are generated from grants for specific projects.

# 3G's Development Trust

Notes to the Accounts  
for the year ended 31st March 2004

## 8. Fixed Assets

	Land & Buildings £	Office Equip £	Motor Vehicles £	TOTAL £
Cost B/f	36,849	22,454		59,303
Acquired in the period	30,000	23,699	10,188	63,887
Cost C/f	66,849	46,153	10,188	123,190
Depreciation B/f	1,474	14,285		15,759
Depreciation charged	1,937	8,123	2,547	12,607
Depreciation C/f	3,411	22,408	2,547	28,366
Net Book Value 31-Mar-03	35,375	8,169		43,544
Net Book Value 31-Mar-04	63,438	23,745	7,641	94,824

Fixed assets include assets with a net book value of £ NIL (2003£NIL) held under finance leases.

## 9. Gifts in Kind

The following facilities and support were given as gifts in kind during the period.

	2004 £	2003 £
M.T.C.B.C. Office Rental Honeysuckle Close		3,432
M.T.C.B.C. Forsythia Close	10,192	
M.T.C.B.C. Office Rental Chestnut Way	2,600	
M.T.C.B.C. Community House Rental Crab-apple Clos	2,756	
Creative Vision Video matched funding	3,000	
Nth Glamorgan N.H.S. Trust Clinic Rental		7,875

## 10. Debtors

Grants Receivable	189,796	
Rent and Service Charges	2,425	2,125
	192,221	2,125

No debtors are due in more than one year.