

The 3G's Development Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the year ended
31-March-2015

Company Registered No
3831737

Charity Registered No
1100265

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The 3G's Development Trust

Annual Report and Financial Statements for the year ended 31-March-2015

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The 3G's Development Trust

**Administrative and legal information
for the year ended
31-March-2015**

MEMBERS

Are the Trustees as set out on page 3

CHAIRPERSON

Aeronwen Sneddon

ORGANISATION MANAGER

Lesley Dobson

PRINCIPAL OFFICE

15 Chestnut Way
Gurnos
Merthyr Tydfil
CF47 9SB

REGISTRATION NUMBER

Company Registered No
3831737
Charity Registered No
1100265

INDEPENDENT EXAMINER

Btp Associates
Orbit Business Centre
Rhydycar
Merthyr Tydfil
CF47 1DL

BANKERS

HSBC
127 - 128 High Street
Merthyr Tydfil
CF47 8DN

The 3G's Development Trust

Trustees Report

The Trustees present their annual report and the audited financial statements for the year ended 31st March 2015

Directors and Trustees

The directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The trustees who served during the year are as follows:

Terry Bence – Chair- resigned at AGM – March 2015
Rita Smith
Suzanne Foley
Donna Wallage
Aeronwen Sneddon – Chair –appointed at AGM 2015
Christopher Davies – Resigned during the year
Brian Lewis – Resigned during the year
Lyndon Humphries
Alan Evans
James Sneddon
Tracey Williams
Neil Hussey

The Board consists of a maximum of 4 Association Directors, 1 of each nominated by the respective tenant and resident boards, a maximum of 7 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 7 nominations are received the appointment is decided by ballot.

Structure governance and management.

The 3Gs Development Trust Limited is a Registered Charity and Company Limited by Guarantee. The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

New Trustees are encouraged to come forward throughout the year but the official appointment takes place during the Annual General Meeting when all trustees who have served the year resign and are able to seek re-election if they wish.

The structure of the board has been set out above.

New trustees appointed at the AGM receive an induction with the company secretary and chair and training is provided for new trustees as required.

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

Objectives and Activities

We are a community development trust, company limited by guarantee (3831737) and a registered charity (1100265). Our aim is to enable people in the 3Gs area to live a better quality of life and make the 3Gs area a happy, safe environment where people work together and are proud to belong to our community. We seek to help all residents of one of the most economically and socially deprived communities, population of approximately 11000.

We have submitted a Community Action Plan as part of the Welsh Assembly's Communities First Programme which focuses on three main priorities:

- 1) Working with our schools and agencies concerned with the education and well-being of our children to ensure that the children of today do not grow up to be the socially excluded of tomorrow.
- 2) Working with the adults of today to develop their capacity to become the informed, self-reliant, self-assured, enterprising, active and co-responsible citizens that they now need to become if they are to escape social exclusion.
- 3) Working with agencies that provide programmes and services to residents to ensure that they develop an understanding and capacity to meet the underlying needs of residents as well as being pro-active in equipping residents to become informed and assertive customers.

We actively recruit and train volunteers to develop their skills to empower others and to feel confident themselves to establish new projects to benefit their community.

Public Benefit

The Trustees are aware that the Charity has a responsibility under the Charities Act to demonstrate that it has charitable aims that meet the public benefit requirement and are therefore charitable. The Trustees confirm that they have had regard to the Charity Commission's guidance on public benefit when considering, planning and implementing the activities of the charity. As Trustees, we believe that the aims of our organisation are charitable and for the public benefit. Furthermore in our view, no detriment or harm arises from our charity carrying out its work and we are not aware of any widespread views among others that such detriment or harm might arise.

3Gs Development Trust Limited is a community owned organisation set up to enable community members to have a say in what goes on in their area. We are the Local Delivery Body for the North Merthyr Communities First Cluster which has parts of the communities of Gurnos, Galon Uchaf, Penydarren, Dowlais and Pant in our service area. We continue to provide a varied programme of support in all the above communities to ensure that public benefit is at the forefront of everything we do.

Details of the work we have undertaken during the year ended 31st March 2015 to achieve and fulfil the aims of the charity are detailed below in the Achievements and Performance section.

Achievements and Performance

The 3Gs Development Trust and North Merthyr CF Cluster Annual Report for 2014/2015 details the activities of the various teams within the organisation and provides a summary of the key achievements during the year.

Financial Review

The trustees have identified that the charity needs to accumulate free reserves equivalent to three months operating expenditure. This amount is necessary to ensure the uninterrupted delivery of service by the charity and maintenance of efficient systems of administration and management. At the current level of activity this equates to a required balance of free reserves of £217,882, the current level of free reserves is a deficit of £36,499, (see notes)

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.

The principal funding sources of the 3Gs Development Trust is grant based with income received from: Welsh Assembly Communities First Programme via MTCBC, WCVA Engagement Gateway Funding, Merthyr Valleys Homes, Arts Council Wales, other miscellaneous grants and rental income received from a variety of partnership organisations hiring our training and meeting rooms.

Plans for future

In our role as the Local Delivery Body for the North Merthyr CF Cluster we currently have Communities First funding until 31st March 2016. This will enable us to continue to work across the 5 communities detailed above with particular emphasis on the 3 key themes set out in Welsh Government's CF plans. We await confirmation of continued CF funding from April 2016 and a firm decision on this will be known early in January 2016.

The long-term aim for the Trust is to become less reliant on grant funding and we continue to develop our business plan to help us towards this goal.

In the past few years we have witnessed an increase in the number of agencies and partner / training organisations hiring the facilities housed in our main community building. The availability of more services at this and other 3Gs buildings has benefited the local community by providing more training / learning opportunities and the increased income will help to improve the sustainability of our organisation.

We are in the process of refurbishing the old Gurnos Resource Centre (Clinic) building into a new fully equipped Creative Industries Training Centre. Funding has been sourced through Merthyr Valleys Homes, MTCBC (Ffos-y-Fran Funding) and Welsh Government Communities Facilities Programme, it is hoped that this new facility will be ready for use by the end of March 2016.

We have also agreed to work with the University of Bristol on their Isolation and Loneliness in Older People project and have been granted £50k of funding to carry out this work beginning in May 2015.

Independent Examiners

This report has been prepared in accordance with the small company reporting regime (S419 (2) of the Companies Act 2006, and with the Statement of Recommended Practice "Accounting and Reporting for Charities" (SORP 2005).

Signed

AR Sneddon.

Aeronwen Sneddon

Chair.

Dated 23/3/16

Independent examiner's report
TO THE TRUSTEES OF
The 3G's Development Trust
for the year ended 31-March-2015

I report on the accounts of the Charity for the year ended 31-March-2015

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of F.C.C.A

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 145(5)(b) of the 2011 Act), and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the accounts and our report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in, any material respect, the requirements
- to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006; and

- to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met;

2. These accounts have been prepared on a going concern basis, but your attention is drawn to Note 13 of the accounts which contains further information on the going concern status of the Charity.

Richard I. Knoyle

F.C.C.A

Btp Associates Ltd

Chartered Accountants

Orbit Business Centre

Merthyr Tydfil CF48 1DL

Dated: 29/3/16

The 3G's Development Trust

Statement of Financial Activities

(Incorporating the Income and Expenditure account)
for the year ended 31-March-2015

	Notes	Unrestricted Funds £	Restricted Funds £	Totals 2015 £	Totals 2014 £
Incoming resources from generated funds					
Voluntary Income					
Grants & Donations		419		419	1,097
Gifts in Kind			29,484	29,484	39,312
Activities for generating funds					
Rents Received		9,466	3,462	12,928	11,630
Generated income		5,761	10,046	15,807	21,866
Investment Income		39		39	114
Incoming Resources from Charitable activities					
Fund Holding for Community Development					
Learning and Community Development			717,638	717,638	815,945
Busy Bee Family Centre			14,250	14,250	5,500
Bridges in to Work					
Youth Development			74,397	74,397	80,855
Zero Waste Project					72,765
Other Incoming Resources					
Total Incoming Resources	2	15,685	849,277	864,962	1,049,084
Resources Expended					
Cost of generating funds					
Cost of Raising Voluntary Income			1,948	1,948	
Charitable Activities					
Fund Holding for Community Development					
Learning and Community Development		11,597	735,933	747,530	843,921
Cinema Club					
Bridges in to Work					
Busy Bee Family Centre			44,379	44,379	65,077
Youth Development			74,850	74,850	71,109
Zero Waste Project					309,170
Governance					
			2,820	2,820	4,470
Total resources expended	4	11,597	859,930	871,527	1,293,747
Net movement in resources before transfers		4,088	(10,653)	(6,565)	(244,663)
Gross transfer between funds		(28,360)	28,360		
Net Incoming Resources before other recognised gains (Net income(expenditure))		(24,272)	17,707	(6,565)	(244,663)
Net Movement in funds	3	(24,272)	17,707	(6,565)	(244,663)
Reconciliation of funds					
Balances brought forward					
1st April 2014		(12,225)	106,023	93,798	338,461
Balances carried forward					
31st March 2014		£(36,497)	£ 123,730	£ 87,233	£ 93,798
Analysis of Reserves					
Amounts set aside to writedown fixed assets			122,827	122,827	66,226
Other designated and restricted funds			903	903	39,797
Free Reserves		(36,497)		(36,497)	(12,225)
		£(36,497)	£ 123,730	£ 87,233	£ 93,798

The statement of financial activities includes all gains and losses arising in the year.
All incoming resources and resources expended derive from continuing activities.

The attached notes form an integral part of these accounts

The 3G⁹s Development Trust

Balance Sheet

as at 31-March-2015

	Notes	£	2015 £	2014 £
Fixed Assets				
Tangible assets	5		122,827	66,226
Current Assets				
Debtors	6	175,907		40,065
Cash at bank & in hand		20,037		55,698
		<u>195,944</u>		<u>95,763</u>
Creditors: Amounts falling due within one year	7	<u>(231,538)</u>		<u>(68,191)</u>
Net current assets(liabilities)			<u>(35,594)</u>	<u>27,572</u>
Total assets less current Liabilities			<u>87,233</u>	<u>93,798</u>
NET ASSETS			<u>£ 87,233</u>	<u>£ 93,798</u>
Represented by:	8			
Restricted income funds			123,730	106,023
Unrestricted income funds			(36,497)	(12,225)
TOTAL FUNDS			<u>£ 87,233</u>	<u>£ 93,798</u>

The charitable company is entitled to exemption from audit under section 477 of the Companies Act 2006 for the year ended 31st March 2015.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31st March 2015 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

(a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

A. Sneddon

Approved for and on behalf of the board of trustees

A. Sneddon

Dated: 23/3/16

The 3G's Development Trust

Notes to the Accounts

for the year ended 31-March-2015

1 Principal Accounting Policies

Preparation of Financial Statements. In common with many other charities of our size and nature we use our auditors to assist with the preparation of the financial statements, provide reports to funders and to prepare and report as required to the tax authorities.

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 For Smaller Entities (effective April 2008), and the requirements of the Statement of Recommended Practice, Accounting and reporting by Charities (2005).

Exemption from preparing a cash flow statement

Exemption has been taken from preparing a cash flow statement on the grounds that the charitable company qualifies as a small charitable company.

Organisational Status.

The organisation is a company limited by guarantee and a registered charity. The directors are the trustees and are set out on page 3, they form a board of trustees which is the executive body of the charity, the aims and objectives and rules for governance are set out in the charitable company's Memorandum and Articles of Association.

Fund Balances. The balances held by the charity 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 charity. Designated funds are those unrestricted funds set aside for a specific purpose by the Board.

Tangible Fixed Assets are included in the balance sheet at historic cost less accumulated depreciation. Grant receipts which fund fixed asset acquisitions are taken to restricted funds and the appropriate depreciation charge is made against those funds over the expected useful life of the asset.

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 is provided on tangible fixed assets at the following annual rates in order to write off each asset over its estimated useful life:

Buildings	2% On Cost
Improvements to buildings	10% On Cost
Plant & machinery	25% On Cost

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.

Taxation The charity is exempt from corporation tax on its charitable activities.

The 3G's Development Trust

Notes to the Accounts

for the year ended 31-March-2015

Incoming Resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

The following specific policies are applied:

Voluntary income received by way of grants, gifts or donation is included in full on receipt unless it is subject to a condition when it is treated as deferred income.

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 charitable 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. Where the gift is an asset it is treated as income and taken to stock or fixed assets as appropriate.

The value of services provided by volunteers is not quantified.

Investment income is included when receivable.

Trading Income is recognised when earned.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered.

Costs of generating funds include the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes the costs that can be attributed directly to those activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees, costs relating to the strategic management of the charity, management of assets and organisational administration.

All expenditure is allocated between the categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned between categories on a basis that fairly reflects their usage.

Pension Costs. Contributions are made to the employees own personal pension schemes. The pension cost charge represents those contributions payable to the individual schemes.

The 3G's Development Trust

Notes to the Accounts

for the year ended 31-March-2015

2 Total Incoming Resources

	2015	2014
	£	£
Merthyr Tydfil County Borough Council	730,467	706,679
Merthyr Valleys Homes	10,000	47,500
South Wales Police		2,400
WG - Family Centre		21,866
Arts Council	6,096	
Royal Bank of Scotland		3,455
Rent Received	12,928	11,630
Hedfan	1,500	
Street Games	2,000	
WCVA	18,910	69,220
Donations & Gifts In Kind	29,484	40,409
Miscellaneous Income	18,908	12,596
Community Chest	2,890	
Cylch		70,765
WG - Life Support		8,000
Bristol University		
Management Fees	28,240	32,500
European Social Fund	3,500	
Lloyds TSB		6,950
ARA		15,000
	<u>864,923</u>	<u>1,048,970</u>
Interest received	39	114
Total Incoming Resources	<u>£ 864,962</u>	<u>£ 1,049,084</u>

3 Net Incoming Resources

	2015	2014
is stated after charging:	£	£
Pension Contributions	36,716	48,661
Depreciation :-tangible owned fixed assets	10,915	16,105
	<u></u>	<u></u>
Governance Costs		
Auditors Remuneration		1,650
Independent Examiner Fees	2,820	2,820
	<u>£ 2,820</u>	<u>£ 4,470</u>

Costs of Raising Voluntary Income

Grant claim certification		
Central Wages & administration	1,948	1,575
	<u>£ 1,948</u>	<u>£ 1,575</u>

The 3G's Development Trust

Notes to the Accounts

for the year ended 31-March-2015

4 Total Resources Expended

Restricted Fund	Activity	Staff Costs £	Other Costs £	Total 2015 £	Total 2014 £
Core & Non Core Funding	Learning and Community Development	509,180	205,188	714,368	728,939
Forsythia Centre	Youth Development		3,729	3,729	8,166
Cinema Club	Cinema Club				
Busy Bee Family Centre	Busy Bee Family Centre	6,177	38,202	44,379	65,077
Miscellaneous Projects	Youth Development	11,987	52,176	64,163	53,776
Galon Uchaf	Youth Development	1,884	5,073	6,957	9,667
Bridges in to Work	Fund Holding for Community Development				
Life Support	Learning and Community Development				40,229
Zero Waste	Learning and Community Development				309,170
Communities @ One	Learning and Community Development				
Sports Development Worker	Learning and Community Development				
Engagement Gateway	Learning and Community Development	25,445	888	26,333	62,255
		£ 554,673		£ 859,929	£ 1,277,279
Unrestricted Funds		£ 418	£ 11,180	£ 11,598	£ 16,468
Total Resources Expended		<u>£ 555,091</u>	<u>£ 11,180</u>	<u>£ 871,527</u>	<u>£ 1,293,747</u>

Staff Costs:	Wages & Salaries	480,275	616,403
	Social security costs	38,100	49,609
	Pension costs	36,716	48,661
		<u>£ 555,091</u>	<u>£ 714,673</u>

Pension Costs

The charity contributes to employees' own personal pension schemes. The pension cost charge represents contributions paid by the Company to the individual schemes:

The 3G's Development Trust

Notes to the Accounts

for the year ended 31-March-2015

Average No of employees

Learning & Community Development	14	17
Zero Waste Project		5
Youth Development	4	4
	<u>18</u>	<u>26</u>

No employees received emoluments in excess of £60,000

The trustees did not receive any emoluments; out of pocket expenses were reimbursed of:

2015 £NIL	2014 £NIL
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The value of payments to, or transactions with trustees or persons connected with the trustees was:

2015 £NIL	2014 £NIL
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Support costs

Support costs are allocated against the activities of the organisation as follows:

Allocation Basis	HR Resources Expended	Management Resources Expended	Finance Resources Expended	TOTAL
Activities				
Learning and Community Development	1,948	14,610	14,610	31,168
Busy Bee Family Centre	156	1,169	1,169	2,494
Youth Development	312	2,338	2,338	4,988
	<u>£ 2,416</u>	<u>£ 18,117</u>	<u>£ 18,117</u>	<u>£ 38,650</u>

5 Tangible Fixed Assets

Cost	Land & Buildings	Plant & machinery	TOTAL
31-Mar-14	91,359	146,361	237,720
Additions	67,516		67,516
Disposals			
31-Mar-15	<u>£ 158,875</u>	<u>£ 146,361</u>	<u>£ 305,236</u>
Depreciation			
31-Mar-14	27,673	143,821	171,494
On disposals			
Charged	8,375	2,540	10,915
31-Mar-15	<u>£ 36,048</u>	<u>£ 146,361</u>	<u>£ 182,409</u>
Net book value (NBV)			
31-Mar-14	<u>£ 63,686</u>	<u>£ 2,540</u>	<u>£ 66,226</u>
31-Mar-15	<u>£ 122,827</u>		<u>£ 122,827</u>

The 3G's Development Trust

Notes to the Accounts

for the year ended 31-March-2015

6 Debtors

	2015	2014
	£	£
Other Debtors	2,490	11,851
Grants Receivable	171,304	25,499
Prepayments & Acc Income	2,113	2,715
	<u>£ 175,907</u>	<u>£ 40,065</u>

7 Creditors: Amounts falling due within one year

	2015	2014
	£	£
Accruals	11,955	22,116
Bank Overdraft	34,079	22,754
Grants Repayable		17,321
Deferred Income	185,504	6,000
	<u>£ 231,538</u>	<u>£ 68,191</u>

Deferred Income	2015	2014
	£	£
Opening Balance	6,000	
Movement in the period	179,504	6,000
	<u>£ 185,504</u>	<u>£ 6,000</u>

Deferred income represents income received from contributing agencies where the contribution was restricted to a fixed time period project which extends beyond the current financial year.

Income is deferred on the basis that the contribution was to the project as a whole, the time period of the project was fully disclosed to the contributing agencies and that time period is certain.

The deferred income carried forward is analysed as follows:

	2015	2014
	£	£
MTCBC	160,504	
University of Bristol	25,000	
Merthyr Valleys Homes		6,000
	<u>185,504</u>	<u>6,000</u>

The 3G's Development Trust

Notes to the Accounts

for the year ended 31-March-2015

8 Fund Balances

	Balance 31-March 2014	Incoming Resources	Resources Expended	Transfers	Balance 31-March 2015
General Fund	(12,225)	15,684	(11,598)	(28,360)	(36,499)
FREE RESERVES	(12,225)	15,684	(11,598)	(28,360)	(36,499)
Designated funds					
UNRESTRICTED FUNDS	(12,225)	15,684	(11,598)	(28,360)	(36,499)
Core & Non Core Funding	27,861	694,742	(714,368)	(8,235)	
Core & Non Core Funding Asset Fund				26,532	26,532
Forsythia Centre	10,439		(3,729)		6,710
Cinema Club					
Busy Bee Family Centre		44,034	(44,379)	345	
Miscellaneous Projects	63,465	83,079	(64,163)	(82,381)	
Miscellaneous Projects Asset Fund				89,695	89,695
Galon Uchaf		5,010	(6,957)	1,947	
Bridges in to Work					
Life Support	(2,707)	3,500			793
Zero Waste					
Engagement Gateway	6,965	18,911	(26,333)	457	
RESTRICTED FUNDS	106,023	849,276	(859,929)	28,360	123,730
TOTAL FUNDS	£ 93,798	£ 864,960	£(871,527)		£ 87,231

Transfers between funds arise where unrestricted funds have been used to fund shortfalls in restricted projects.

The free reserves are available to provide funds to cashflow projects funded on a retrospective basis and are available with the approval of the trustees to fund any expenditure on projects or expenses which fall within the organisations general aims and objectives. They are accumulated in accordance with the reserve policy as stated in the trustees report.

Analysis of Designated funds

	2015 £	2014 £
Unamortised fixed assets		3,027
Designated funds		£ 3,027

Designated funds represent amounts put aside to fund project costs in the period of transition between funders, to provide for future shortfalls on project funding and for the write down of fixed assets held against unrestricted funds.

The 3G's Development Trust

Notes to the Accounts

for the year ended 31-March-2015

Designated funds represent the amounts set aside to write down the remaining net book value of fixed assets held against unrestricted funds.

Asset analysis of Fund balances

The balances on restricted funds are represented by the following underlying assets:

	Fixed Assets	Net Current Assets / (Liabilities)	31-March 2015 £	31-March 2014 £
Core & Non Core Funding				27,861
Core & Non Core Funding Asset Fund	26,532		26,532	
Forsythia Centre	6,600	110	6,710	10,439
Engagement Gateway				6,965
Busy Bee Family Centre				
Miscellaneous Projects				63,465
Miscellaneous Projects Asset Fund	89,695		89,695	
Life Support		793	793	(2,707)
Zero Waste				
Sports Development Worker				
Galon Uchaf				
	<u>£ 122,827</u>	<u>£ 903</u>	<u>£ 123,730</u>	<u>£ 106,023</u>

Restricted funds represents balances held to fund future projects where the resources have been received and are required by the donors to fund a specific project.

Where balances on restricted funds are designated as fixed assets this is the amount within the fund set aside for the future depreciation of those assets.

The remaining balances on restricted funds represent amounts where funds have been received or are receivable and where the expenditure is restricted to specific purposes by the donor.

Activities undertaken within each major restricted fund

The restricted funds of the charity have been applied during the year or are held for future expenditure in the following areas:

The Core Project

This represents the activities and funding which support the infrastructure and central running costs of the trust.

Forsythia Centre

These funds relate to the running costs of the forsythia youth drop-in centre.

Galon Uchaf

This fund relates to the running costs of the Galon Uchaf community centre.

Busy Bee Family centre

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This facility is dedicated to the New Gurnos area and provides after school clubs and adult learning opportunities.

Miscellaneous Projects

This is made up of a number of projects with small or limited time funding received. This includes the Future Jobs Fund income which is a DWP scheme offering unemployed people 6 months paid work experience.

9 Gifts in kind

	2015	2014
	£	£
The following gifts in kind were received during the period:		
Donor	Nature of gift	
Merthyr Tydfil County Borough Council	Rent - Forsythia	10,192
Merthyr Tydfil County Borough Council	Rent - 55 Honeysuckle Close	29,120
	<u>£ 29,484</u>	<u>£ 39,312</u>
And were allocated as follows:		
	Busy Bee Family Centre	39,312
	<u>£ 29,484</u>	<u>£ 39,312</u>

Volunteer Time

The value of volunteer time is not quantified in terms of money but the time contributed by volunteers is an invaluable resource in terms of the outstanding contribution made by them.

The number of hours contributed by volunteers in the year was:	<u>4,500</u>	<u>5,000</u>
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10 Financial Commitments

Operating Leases

At the Balance Sheet date the organisation was committed to making the following payments during the next year in respect of operating leases:

	2015	2014
	£	£
Leases which expire :		
Plant & Machinery		
Within one year	8,010	5,904
Within two to five years	<u>£ 8,010</u>	<u>£ 5,904</u>
Land & Buildings		
Within one year	1,040	1,040
In more than five years	<u>£ 1,040</u>	<u>£ 1,040</u>

11 Control

The entity is controlled by the Directors/Trustees.

12 Related Party Disclosures

During the year the charity paid £nil (2014: £40) to Voluntary Action Merthyr Tydfil (VAMT) for training costs for Mr Brian Lewis a Trustee of 3G's and who is also Chair of the VAMT Charity.

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13 Going Concern

These accounts have been prepared on a going concern basis, however at the period end, the charity had negative free reserves of £36,497, and had incurred a deficit on unrestricted funds of £24,272 during the year to 31st March 2015. The projected deficit during the year was exacerbated by unforeseen non-recurring staff costs.

The trustees have taken action to address the current unsatisfactory financial position, and have identified a number of additional income streams. A number of loss making activities have also ceased, which will reduce unfunded expenditure.

Management information for the year ended 31st March 2016, indicates that a small surplus of £15,000 will be achieved, and forecasts for the year ended 31st March 2017 suggest that a surplus of £23,000 is achievable. These forecast surpluses will go a long way to clearing the negative reserve position.

The charity is heavily reliant on Communities First funding from the Welsh Government to carry out its activities. This funding has currently been agreed until 31st March 2017.