

The 3G's Development Trust

(A company limited by guarantee)

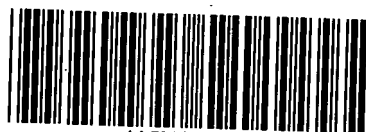
Annual Report and Financial Statements

for the year ended
31-March-2016

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-2016**

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The 3G's Development Trust

**Administrative and legal information
for the year ended
31-March-2016**

DIRECTORS

Are the Trustees as set out on page 3

CHAIRPERSON

Aeronwen Sneddon

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 who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2016. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The report of the trustees includes the directors' report as required by company law.

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:

Rita Smith
Suzanne Foley
Donna Wallage
Aeronwen Sneddon - Chair
Lyndon Humphries
Alan Evans
James Sneddon
Tracey Williams
Neil Hussey

Day to day Management

Aeronwen Sneddon, Melvyn Jones and Donna Wallage.

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.

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 and that they comply with S17 Charities Act 2011 in respect of having due regard to 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 2016 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 2015/2016 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 one month's 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 £67,664, the current level of free reserves is a deficit of £49,792 (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. However, it should be noted that as 90% of the 3G's entire operating expenditure is linked directly to the delivery of the Communities First Programme, the Welsh Government has confirmed that in the event of any 'phase-out' of Communities First, the Welsh Government will grant-aid all associated and eligible costs incurred by the 'phase-out' thereby significantly reducing the financial obligations on the 3G's Development Trust.

The principal funding sources of the 3Gs Development Trust is grant based with income received from: Welsh Assembly Communities First Programme via MTCBC, University of Bristol, Welsh Government Facilities Programme, 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 2017. 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.

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.

In October 2016, the Welsh Government announced it was 'minded' to 'Phase-out' the Communities First provisionally by December 2017. As Communities First has been the major programme/funding for 3G's over the last 15 years, plans are being drawn up to mitigate for the removal of the CF Programme. Also, the Welsh Government have not ruled out future 'follow-on' programmes/funding. As such, the 3G's are working closely with our local Council and the Welsh Government to best adapt to future developments which could include retention of the main operating base of the 3G's and to capitalise on the opportunities presented through the 'Old Clinic' – now the 'Creative Industries' Training Centre. 'Creative Industries' is officially recognised as the 'fastest growing economic sector in Wales' (Welsh Government). 2017-2018 is certainly a year of change for the 3G's.

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 October 2016.

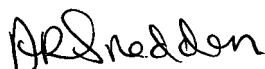
We have also agreed to work with the University of Bristol on their Isolation and Loneliness in Older People project and have been granted £50k of funding to carry out this work beginning in May 2015.

This report has been prepared with the special provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Small Companies exemption in the Companies Act 2006 'Financial Reporting Standard for Smaller Entities' (effective January 2015).

Approved by order of the board of trustees on 21/12/2016 And signed on its behalf by:

Aeronwen Sneddon

Trustee & Chair



Independent Examiner's Report to the Trustees of The 3G's Development Trust

I report on the accounts of the company for the year ended 31st March 2016 which are set out on pages 8 to 19.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The 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 needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ACA & FCCA.

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;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. 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 you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair view" and the 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 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 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 Your attention is drawn to the Going Concern disclosures within the Accounting Policies, and also in Note 13 to the financial statements. These notes explain that the accounts have been prepared on a Going Concern basis, when ongoing funding has not yet been agreed post 31st March 2017.

RICHARD KNOYLE
ACA & FCCA
Btp Associates
Chartered Accountants
Orbit Business Centre
Merthyr Tydfil
CF48 1DL

Date: 21/12/16

The 3G's Development Trust

Statement of Financial Activities

(Incorporating the Income and Expenditure account)

for the year ended 31-March-2016

	Notes	Unrestricted Funds £	Restricted Funds £	Totals 2016 £	Totals 2015 £
INCOME AND ENDOWMENTS FROM					
Donations and legacies					
Grants & Donations		17,045		17,045	419
Gifts in Kind			10,192	10,192	29,484
Other trading activities					
Rents Received		19,195	8,043	27,238	12,928
Generated income		1,705	8,308	10,013	15,807
Investment Income		40		40	39
Charitable activities					
Learning and Community Development			889,256	889,256	717,638
Busy Bee Family Centre					14,250
Youth Development			31,419	31,419	74,397
Total income	2	37,985	947,218	985,203	864,962
EXPENDITURE ON					
Raising Funds					
Cost of Raising Voluntary Income			1,588	1,588	1,948
Charitable Activities					
Learning and Community Development		10,958	735,851	746,809	750,350
Busy Bee Family Centre			10,313	10,313	44,379
Youth Development			53,262	53,262	74,850
Total expenditure	4	10,958	801,014	811,972	871,527
Net income / (expenditure)		27,027	146,204	173,231	(6,565)
Gross transfer between funds		(40,322)	40,322		
Net Movement in funds	3	(13,295)	186,526	173,231	(6,565)
Reconciliation of funds					
Total Funds brought forward					
1st April 2015		(36,497)	123,730	87,233	93,798
TOTAL FUNDS CARRIED FORWARD					
31st March 2016		£(49,792)	£ 310,256	£ 260,464	£ 87,233

The 3G's Development Trust

Balance Sheet

as at 31-March-2016

	Notes	£	2016 £	2015 £
FIXED ASSETS				
Tangible assets	5		161,347	122,827
CURRENT ASSETS				
Debtors	6	14,213		175,907
Cash at bank & in hand		120,076		20,037
		<u>134,289</u>		<u>195,944</u>
CREDITORS				
Amounts falling due within one year	7	<u>(35,172)</u>		<u>(231,538)</u>
NET CURRENT ASSETS/(LIABILITIES)			<u>99,117</u>	<u>(35,594)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>260,464</u>	<u>87,233</u>
NET ASSETS			<u>£ 260,464</u>	<u>£ 87,233</u>
FUNDS	8			
Restricted income funds			310,256	123,730
Unrestricted income funds			<u>(49,792)</u>	<u>(36,497)</u>
TOTAL FUNDS			<u>£ 260,464</u>	<u>£ 87,233</u>

The charitable company is entitled to exemption from audit under section 477 of the Companies Act 2006 for the year ended 31st March 2016.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31st March 2016 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 January 2015).

Approved for and on behalf of the board of trustees

A. Sneddon

Dated:

21/12/16

ARSneddon

The 3G's Development Trust

Notes to the Accounts

for the year ended 31-March-2016

1 Principal Accounting Policies

Organisational Status

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP 2015) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006.

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 sets the strategic direction of the charity and monitors the performance of the organisation against its goals. The aims and objectives and rules for governance are set out in the charitable company's Memorandum and Articles of Association.

Income

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.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources.

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.

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.

The 3G's Development Trust

Notes to the Accounts

for the year ended 31-March-2016

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

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

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

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.

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.

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.

Debtors and creditors receivable/payable within one year. Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price.

Going Concern. These accounts have been prepared on the Going Concern basis, although funding beyond 31st March 2017 has not yet been agreed.

The charity is heavily reliant upon CF Funding from WG to support its activities, however, WG have indicated that they are considering the future of the CF post April 2017. Should CF Funding not continue, this is likely to have a significant negative impact on the future viability of the charity.

The 3G's Development Trust

Notes to the Accounts

for the year ended 31-March-2016

2 Total Incoming Resources

	2016	2015
	£	£
Merthyr Tydfil County Borough Council	642,017	730,467
MTCBC - Rent and Sundry Income	19,580	
Merthyr Valleys Homes		10,000
SWP Trust	3,000	
Save the Children	3,100	
Sports Lot Grant	1,480	
Arts Council	10,688	6,096
Trecatti Trust	1,000	
Rent Received	16,238	12,928
Hedfan		1,500
Street Games		2,000
WCVA		18,910
Donations & Gifts In Kind	10,192	29,484
Miscellaneous Income	12,226	18,908
Community Chest		2,890
Youth Cymru	2,900	
Welsh Government	186,508	
Bristol University	53,000	
Management Fees	19,550	28,240
European Social Fund		3,500
Walking & Literacy Grant	3,684	
	<u>985,163</u>	<u>864,923</u>
Interest received	40	39
Total Incoming Resources	<u>£ 985,203</u>	<u>£ 864,962</u>

3 Net Incoming Resources

	2016	2015
is stated after charging:	£	£
Depreciation :-tangible owned fixed assets	5,100	10,915
Fees payable to charity's Independent Examiners for the independent examination of the charity's financial statements	3,180	2,820
	<u></u>	<u></u>

The 3G's Development Trust

Notes to the Accounts

for the year ended 31-March-2016

4 Total Resources Expended

Restricted Fund	Activity	Staff Costs £	Other Costs £	Total 2016 £	Total 2015 £
Core & Non Core Funding	Learning and Community Development	512,816	179,441	692,257	714,368
Forsythia Centre	Youth Development	480	11,215	11,695	3,729
Busy Bee Family Centre	Busy Bee Family Centre		10,313	10,313	44,379
Miscellaneous Projects	Youth Development	390	34,900	35,290	64,163
Galon Uchaf	Youth Development	998	5,279	6,277	6,957
University of Bristol	Fund Holding for Community Development	16,865	24,034	40,899	
CITC Project	Learning and Community Development		4,283	4,283	
Engagement Gateway	Learning and Community Development				26,333
		£ 531,549	£ 269,465	£ 801,014	£ 859,929
Unrestricted Funds			£ 10,956	£ 10,956	£ 11,598
Total Resources Expended		£ 531,549	£ 280,421	£ 811,970	£ 871,527
Staff Costs:	Wages & Salaries			457,087	480,275
	Social security costs			37,272	38,100
	Pension costs			37,190	36,716
				£ 531,549	£ 555,091

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:

Average No of employees

Learning & Community Development	15	14
Youth Development	15	4
	30	18

No employees received emoluments in excess of £60,000

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

2016 £NIL **2015** £NIL

The value of payments to, or transactions with trustees or persons connected with the trustees was:

2016 £NIL **2015** £NIL

The 3G's Development Trust

Notes to the Accounts

for the year ended 31-March-2016

Charitable activity costs

	Direct costs £	Support costs (see note) £	Totals £
Learning & Community Development	715,998	30,811	746,809
Youth Development	49,132	4,130	53,262
Busy Bee	10,313	-	10,313
	<u>775,443</u>	<u>34,941</u>	<u>810,384</u>

Support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities.

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

Allocation Basis	HR Resources Expended	Management Resources Expended	Finance Resources Expended	Governance Resources Expended	TOTAL
Activities					
Learning and Community Development	2,223	12,704	12,704	3,180	30,811
Youth Development	318	1,906	1,906		4,130
	<u>£ 2,541</u>	<u>£ 14,610</u>	<u>£ 14,610</u>	<u>£ 3,180</u>	<u>£ 34,941</u>

5 Tangible Fixed Assets

Cost	Land & Buildings	Plant & machinery	TOTAL
31-Mar-15	158,875	146,361	305,236
Additions	43,620		43,620
Disposals			
31-Mar-16	<u>£ 202,495</u>	<u>£ 146,361</u>	<u>£ 348,856</u>
Depreciation			
31-Mar-15	36,048	146,361	182,409
On disposals			
Charged	5,100		5,100
31-Mar-16	<u>£ 41,148</u>	<u>£ 146,361</u>	<u>£ 187,509</u>
Net book value (NBV)			
31-Mar-15	<u>£ 122,827</u>		<u>£ 122,827</u>
31-Mar-16	<u>£ 161,347</u>		<u>£ 161,347</u>

The 3G's Development Trust

Notes to the Accounts

for the year ended 31-March-2016

6 Debtors

	2016	2015
	£	£
Other Debtors	1,798	2,490
Grants Receivable	11,300	171,304
Prepayments & Acc Income	1,115	2,113
	<u>£ 14,213</u>	<u>£ 175,907</u>

7 Creditors: Amounts falling due within one year

	2016	2015
	£	£
Accruals	5,510	11,955
Bank Overdraft	19,662	34,079
Deferred Income	10,000	185,504
	<u>£ 35,172</u>	<u>£ 231,538</u>

Deferred Income	2016	2015
	£	£
Opening Balance	185,504	6,000
Movement in the period	(175,504)	179,504
	<u>£ 10,000</u>	<u>£ 185,504</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:

	2016	2015
	£	£
MTCBC	4,000	160,504
University of Bristol		25,000
Arts Council of Wales	6,000	
	<u>10,000</u>	<u>185,504</u>

The 3G's Development Trust

Notes to the Accounts

for the year ended 31-March-2016

8 Fund Balances

	Balance 31-March 2015	Incoming Resources	Resources Expended	Transfers	Balance 31-March 2016
General Fund	(36,499)	37,985	(10,956)	(40,322)	(49,792)
FREE RESERVES	(36,499)	37,985	(10,956)	(40,322)	(49,792)
UNRESTRICTED FUNDS	(36,499)	37,985	(10,956)	(40,322)	(49,792)
Core & Non Core Funding		656,821	(692,257)	35,436	
Core & Non Core Funding Asset Fund	26,532			(737)	25,795
Forsythia Centre	6,712	7,229	(11,695)	(2,246)	
Forsythia Centre Asset Fund				3,600	3,600
Busy Bee Family Centre		10,192	(10,313)	121	
Miscellaneous Projects		35,907	(35,290)	490	1,107
Miscellaneous Projects Asset Fund	89,695			(490)	89,205
Galon Uchaf		2,126	(6,277)	4,151	
Bristol University		57,195	(40,899)		16,296
Life Support	793	(790)		(3)	
CITC Project		178,538	(4,283)	(42,747)	131,508
CITC Project Assets Fund				42,747	42,747
RESTRICTED FUNDS	123,732	947,218	(801,014)	40,322	310,258
TOTAL FUNDS	£ 87,233	£ 985,203	£(811,970)		£ 260,466

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.

The 3G's Development Trust

Notes to the Accounts

for the year ended 31-March-2016

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 2016 £	31-March 2015 £
Core & Non Core Funding				26,532
Core & Non Core Funding Asset Fund	25,795		25,795	6,710
Forsythia Centre				
Forsythia Centre Asset Fund	3,600		3,600	
Busy Bee Family Centre				
Miscellaneous Projects		1,107	1,107	
Miscellaneous Projects Asset Fund	89,205		89,205	89,695
Life Support				793
Galon Uchaf				
Bristol University		16,296	16,296	
CITC Project		131,508	131,508	
CITC Project Asset Fund	42,747		42,747	
	<u>£ 161,347</u>	<u>£ 148,911</u>	<u>£ 310,258</u>	<u>£ 123,730</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

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.

Bristol University Project

This is a research project funded by the University which is examining the issues of Isolation and Loneliness in Older People (ILOP) and has been carrying out research in the Merthyr Tydfil areas assisted by the CF Team.

The 3G's Development Trust

Notes to the Accounts

for the year ended 31-March-2016

CITC (Clinic)

This is the refurbishment of the old clinic, which 3G's owns. It is being developed into a Creative Industry Training Centre and this will focus on training in the media, arts and music fields. This project is being funded by the Welsh Assembly Government.

9 Gifts in kind

		2016	2015
		£	£
The following gifts in kind were received during the period:			
Donor	Nature of gift		
Merthyr Tydfil County Borough Council	Rent - Forsythia	10,192	7,644
Merthyr Tydfil County Borough Council	Rent - 55 Honeysuckle Close		21,840
		<u>£ 10,192</u>	<u>£ 29,484</u>
And were allocated as follows:			
	Busy Bee Family Centre	10,192	29,484

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>4,900</u>	<u>4,500</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:

	2016	2015
	£	£
Leases which expire :		
Plant & Machinery		
Within one year	20,838	8,010
Within two to five years		
	<u>£ 20,838</u>	<u>£ 8,010</u>
Land & Buildings		
Within one year		
In more than five years	1,040	1,040
	<u>£ 1,040</u>	<u>£ 1,040</u>

11 Control

The entity is controlled by the Directors/Trustees.

12 Related Party Disclosures

There are no related party transactions that require disclosure.

The 3G's Development Trust

Notes to the Accounts

for the year ended 31-March-2016

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 £49,792, and had incurred a deficit on unrestricted funds of £13,295 during the year to 31st March 2016.

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 period ended 31st October 2016, indicates that a surplus of £15,000 has been generated. Should this improvement not continue it is likely that the organisation will experience cash flow difficulties.

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. The Welsh Government has indicated that it is considering the future of the Communities First project post April 2017. Should this funding not continue, the future viability of the charity would be in doubt.