

The 3G's Development Trust

(A company limited by guarantee)

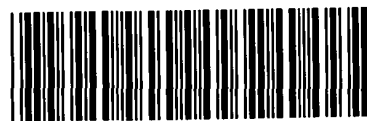
Annual Report and Financial Statements

for the year ended
31-March-2017

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-2017**

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The 3G's Development Trust

**Administrative and legal information
for the year ended
31-March-2017**

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 (Registered Number 3831737)

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 2017. 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 applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

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

Organisational Structure, Governance and Management

The 3Gs Development Trust Limited is a Registered Charity (1100265) and Company Limited by Guarantee (3831737).

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
Alan Evans – resigned 30.08.17
James Sneddon
Tracey Williams – resigned 30.08.17
Neil Hussey – resigned 27.04.16
Lyndon Humphries – resigned 27.04.16

The Board of Directors' Structure consists of a maximum of 4 Association Directors, 1 of each nominated by the respective eligible 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.

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

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

The Board of Directors 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.

Operational Management

The Board of Directors have assigned certain delegated operational management functions to the 3Gs Finance and Management Sub Group. This Group reports directly to the Board of Trustees. The Group Membership is as follows;

Aeronwen Sneddon (Chairperson)
Donna Wallage (Vice Chairperson)
Melvyn Jones (Contracts Manager)

The Finance and Management Sub Group are responsible for the day-to-day operations of the 3Gs Development Trust.

Organisational Aims, Objectives and Activities.

The 3Gs strategic aim is to enable people in the area to live a better quality of life and make the area a happy, safe environment where people work together and are proud to belong to their community.

Operation objectives and activities 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 (CF) 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 2017 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 2016/2017 (separate document) details the activities, results and outcomes of the community programmes delivered by the Trust and provides a summary of the key achievements during the year. These include;

- Improvements in the health and well-being of the community
- Improvements in the financial well-being of the community
- Improvements in community-learning and personal development

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 £60,032. The current level of free reserves is £Nil. (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.

In late 2016, the Welsh Government confirmed that they intended to phase-out the Communities First Programme during 2017-18.

The principal funding sources of the 3Gs Development Trust is grant based with income received from mainly from Welsh Assembly Communities First Programme, and to a lesser extent, University of Bristol, Welsh Government Facilities Programme, Arts Council Wales, other miscellaneous grants and some rental income received from a variety of partnership organisations hiring our training and meeting rooms.

Plans for future

The Welsh Government has confirmed that Communities First funding will continue, at a reduced level until March 2018. They have also indicated that a significantly reduced 'Legacy Fund' will be available (to Local Authorities) from April 2018. Local Authorities will decide how and where this Fund will be allocated. The 3Gs are working in partnership with the Local Authority to ensure it is well-placed to receive an allocation from this Fund.

The medium to 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.

3Gs will need to adapt to the closure of the CF Programme, which has been its principal source of funding for the last 13-14 years. Future developments include 3G's retention of their main operating base to run community services in partnership with Merthyr Valleys Homes and Merthyr Tydfil Council.

3Gs also plans to further capitalise on the opportunities presented through the redevelopment and re-purposing of the 'Old Gurnos Clinic' – now called the 'Creative Industries' Training Centre which will provide Arts, Culture and Media Programmes to the local community and agencies including training facilities 'Creative Industries' is recognised as the 'fastest growing economic sector in Wales' (Welsh Government Stats).

We have also secured further work in 2017-18 with the Universities of Cardiff and Bristol, who continue to partner with us on their Social and Community Research Programmes and Projects.

2017-2018 will certainly a year of change for the 3G's.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors,

on.....22/12/17..... and signed on the board's behalf by:

.....AR Sneddon.....
Aeronwen Sneddon
Trustee & Chair

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE 3G's DEVELOPMENT TRUST

I report on the accounts for the year ended 31 March 2017 set out on pages eight to twenty.

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

Basis of the 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 statements below.

Independent examiner's statement

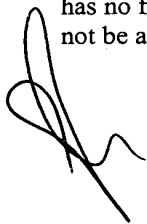
In connection with my examination, no matter has come to my attention:

- (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 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 2015)

have not been met; or

- (2) Your attention is drawn to the disclosures within the accounting policies with regards to Going Concern. These notes explain that the accounts have been prepared on a Going Concern basis. As the charity currently has no free reserves, and its main source of income will cease from March 2018, this basis of accounting may not be appropriate.



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

Date: 22/12/17

The 3G's Development Trust

Statement of Financial Activities

(Incorporating the Income and Expenditure account)

for the year ended 31-March-2017

	Notes	Unrestricted Funds £	Restricted Funds £	Totals 2017 £	Totals 2016 £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2				
Grants & Donations		2,162		2,162	17,045
Gifts in Kind			10,192	10,192	10,192
Other trading activities	2				
Rents Received		24,102	12,781	36,883	27,238
Generated income		5,382	23,824	29,206	10,013
Investment Income	2	36		36	40
Charitable activities	2				
Learning and Community Development			567,731	567,731	889,256
Busy Bee Family Centre					
Youth Development			30,303	30,303	31,419
Other income	2	4,675	5,570	10,245	
Total income	2	36,357	650,401	686,758	985,203
EXPENDITURE ON					
Raising Funds					
Cost of Raising Voluntary Income			1,622	1,622	1,588
Charitable Activities	4				
Learning and Community Development		1,630	651,993	653,623	746,809
Busy Bee Family Centre					10,313
Youth Development			65,147	65,147	53,262
Total expenditure	4	1,630	718,762	720,392	811,972
Net income / (expenditure)		34,727	(68,362)	(33,635)	173,231
Gross transfer between funds		(50,264)	50,264		
Net Movement in funds	3	(15,537)	(18,098)	(33,635)	173,231
Reconciliation of funds					
Total Funds brought forward					
1st April 2016		(49,792)	310,256	260,464	87,233
TOTAL FUNDS CARRIED FORWARD					
31st March 2017		£(65,329)	£ 292,159	£ 226,830	£ 260,464

The 3G's Development Trust

Balance Sheet

as at 31-March-2017

	Notes	£	2017 £	2016 £
FIXED ASSETS				
Tangible assets	5		209,851	161,347
CURRENT ASSETS				
Debtors	6	16,755		14,213
Cash at bank & in hand		73,539		120,076
		<u>90,294</u>		<u>134,289</u>
CREDITORS				
Amounts falling due within one year	7	<u>(44,274)</u>		<u>(35,172)</u>
NET CURRENT ASSETS/(LIABILITIES)			<u>46,020</u>	<u>99,117</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			255,871	260,464
PROVISIONS FOR LIABILITIES	7		<u>(29,041)</u>	
NET ASSETS			<u>£ 226,830</u>	<u>£ 260,464</u>
FUNDS	8			
Restricted income funds			292,159	310,256
Unrestricted income funds			<u>(65,329)</u>	<u>(49,792)</u>
TOTAL FUNDS			<u>£ 226,830</u>	<u>£ 260,464</u>

The charitable company is entitled to exemption from audit under section 477 of the Companies Act 2006 for the year ended 31st March 2017.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31st March 2017 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.

AR Sneddon

Approved for and on behalf of the board of trustees

A. Sneddon - Trustee

Dated:

22/12/17

The 3G's Development Trust

Cash Flow Statement

as at 31-March-2017

	Note	2017 £	2016 £
Cash flows from operating activities:			
Cash generated from operations	1	11,905	143,619
Net cash provided by (used in) operating activities		<u>11,905</u>	<u>143,619</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(58,478)	(43,620)
Interest received		36	40
Net cash provided by (used in) investing activities		<u>(58,442)</u>	<u>(43,580)</u>
Change in cash and cash equivalents in the reporting period		<u>(46,537)</u>	<u>100,039</u>
Cash and cash equivalents at the beginning of the reporting period		120,076	20,037
Cash and cash equivalents at the end of the reporting period		<u><u>73,539</u></u>	<u><u>120,076</u></u>

The 3G's Development Trust

Cash Flow Statement

as at 31-March-2017

	2017	2016
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(33,635)	173,231
Adjustments for:		
Depreciation charges	9,974	5,100
Interest received	(36)	(40)
(Increase)/decrease in debtors	(2,542)	161,694
Increase/(decrease) in creditors	38,144	(196,366)
Net cash provided by (used in) operating activities	<u>11,905</u>	<u>143,619</u>

The 3G's Development Trust

Notes to the Accounts

for the year ended 31-March-2017

1 Principal Accounting Policies

Organisational Status

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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.

First year adoption - transition to FRS 102

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparatives was required. No restatement was required. The transition date was 1st April 2015.

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.

Government Grant Income comprises specific project related direct support. See Incoming Resources for amounts.

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.

The 3G's Development Trust

Notes to the Accounts

for the year ended 31-March-2017

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, together with contributions made to the employees government work place pension scheme. 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.

The charity is reliant upon CF Funding from WG to support its activities, however, WG have issued notice that the scheme will not continue past March 2018. The loss of the main source of funding puts the future of the charity in doubt and consequently the majority of the Charities staff have been made redundant post year end. Despite the current precarious financial position of the charity, the trustees are hopeful that the charity will continue some of its activities in a much reduced level, as detailed in the Trustees Report.

The charity is also currently subject to a claim for Breach of Employment Contract, as detailed in note 7 to the accounts. The outcome of this claim could further damage the charity financially.

These accounts indicate that the charity had £Nil free reserves at 31st March 2017.

The Trustees are hopeful that the charity can overcome its difficulties, and have therefore prepared the accounts on a going concern basis.

The 3G's Development Trust

Notes to the Accounts

for the year ended 31-March-2017

2 Total Incoming Resources

	2017	2016
	£	£
Merthyr Tydfil County Borough Council	560,581	642,017
SWP Trust		3,000
Save the Children		3,100
Sports Lot Grant		1,480
Arts Council	19,500	10,688
Trecatti Trust		1,000
Rent Received	36,883	27,238
UK Youth Grant	550	
Big Music Grant	1,735	
Tesco Men's Project Grant	9,000	
Groundworks Grant	1,000	
University of South Wales	2,000	
CSE Grant	1,000	
Gifts in Kind	10,192	10,192
Miscellaneous Income	29,206	20,806
Youth Cymru	868	2,900
Welsh Government		186,508
Bristol University	3,962	53,000
Management Fees	10,245	19,550
Walking & Literacy Grant		3,684
	<u>686,722</u>	<u>985,163</u>
Interest received	36	40
Total Incoming Resources	<u>£ 686,758</u>	<u>£ 985,203</u>

Included in the above are the following:

Donations and legacies:

	2017	2016
Gifts in Kind	10,192	10,192
Grants	<u>2,162</u>	<u>17,045</u>
	<u>12,354</u>	<u>27,237</u>

The income from donations and legacies was £12,354 (2016: £27,237) of which £2,162 (2016: £17,045) related to unrestricted funds and £10,192 (2016: £10,192) related to restricted funds.

Other trading activities:

	2017	2016
Rent received	36,883	27,238
Generated income	<u>29,206</u>	<u>10,013</u>
	<u>66,089</u>	<u>37,251</u>

The income from trading activities was £66,089 (2016: £37,251) of which £29,484 (2016: £20,900) related to unrestricted funds and £36,605 (2016: £16,351) related to restricted funds.

Investment income:

	2017	2016
Deposit Account Interest	36	40
	<u>36</u>	<u>40</u>

The income from investments was £36 (2016: £40) of which £36 (2016: £40) related to unrestricted funds.

The 3G's Development Trust

Notes to the Accounts

for the year ended 31-March-2017

Charitable activity income:	2017	2016
Learning & Community Development	567,731	889,256
Youth Development	30,303	31,419
	<u>598,034</u>	<u>920,675</u>

The income from charitable activities was £598,034 (2016: £920,675) of which £598,034 (2016: £920,675) related to restricted funds.

Other income:	2017	2016
Management Fees	10,245	Nil
	<u>10,245</u>	<u>Nil</u>

The income from other incoming resources was £10,245 (2016: £Nil) of which £10,245 (2016: £Nil) related to unrestricted funds.

In previous years management fees were included within charitable activities and amounted to £19,550. £5,550 related to unrestricted funds and £14,000 related to restricted funds.

3 Net Incoming Resources

is stated after charging:	2017	2016
	£	£
Depreciation : -tangible owned fixed assets	9,974	5,100
Fees payable to charity's Independent Examiners for the independent examination of the charity's financial statements	3,180	3,180
	<u>13,154</u>	<u>8,280</u>

Amounts payable to Independent Examiners in relation to payroll, pension administration and other services provided to the charity amounted to £2,755 (2016: £Nil).

4 Resources expended

Resources expended include the following:

Staff costs:

Staff Costs:	2017	2016
Wages & Salaries	429,326	457,087
Social security costs	32,362	37,272
Pension costs	36,199	37,190
Unpaid pension provision	29,041	
	<u>£ 526,928</u>	<u>£ 531,549</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:

Average No of employees

Learning & Community Development	21	15
Youth Development	2	15
	<u>23</u>	<u>30</u>
		15

The 3G's Development Trust

Notes to the Accounts

for the year ended 31-March-2017

No employees received emoluments in excess of £60,000.

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

2017 £NIL	2016 £NIL
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The value of payments to, or transactions with trustees or persons connected with the trustees was:

2017 £NIL	2016 £NIL
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The key management of the charity comprises two Executive Officers. Total benefits of the key management personnel of the charity was £34,065.

Charitable activity costs:

	Direct costs £	Support costs (see note) £	Totals £
Learning & Community Development	622,216	31,407	653,623
Youth Development	60,929	4,218	65,147
	<u>683,145</u>	<u>35,625</u>	<u>718,770</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	2,271	12,978	12,978	3,180	31,407
Youth Development	324	1,947	1,947		4,218
	<u>£ 2,595</u>	<u>£ 14,925</u>	<u>£ 14,925</u>	<u>£ 3,180</u>	<u>£ 35,625</u>

5 Tangible Fixed Assets

	Land & Buildings	Plant & machinery	TOTAL
Cost			
31-Mar-16	202,495	146,361	348,856
Additions	48,244	10,234	58,478
31-Mar-17	<u>£ 250,739</u>	<u>£ 156,595</u>	<u>£ 407,334</u>
Depreciation			
31-Mar-16	41,148	146,361	187,509
On disposals	7,411	2,563	9,974
Charged			
31-Mar-17	<u>£ 48,559</u>	<u>£ 148,924</u>	<u>£ 197,483</u>
Net book value (NBV)			
31-Mar-16	<u>£ 161,347</u>		<u>£ 161,347</u>
31-Mar-17	<u>£ 202,180</u>	<u>£ 7,671</u>	<u>£ 209,851</u>

The 3G's Development Trust

Notes to the Accounts

for the year ended 31-March-2017

6 Debtors

	2017	2016
	£	£
Other Debtors	16,417	1,798
Grants Receivable		11,300
Prepayments & Acc Income	338	1,115
	<u>£ 16,755</u>	<u>£ 14,213</u>

7 Creditors: Amounts falling due within one year

	2017	2016
	£	£
Accruals	14,655	5,510
Other Creditors	13,629	
Bank Overdraft		19,662
Other Taxes and National Insurance	7,457	
Deferred Income	8,533	10,000
	<u>£ 44,274</u>	<u>£ 35,172</u>

Deferred Income

	2017	2016
	£	£
Opening Balance	10,000	185,504
Movement in the period	(1,467)	(175,504)
	<u>£ 8,533</u>	<u>£ 10,000</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:

	2017	2016
	£	£
MTCBC	7,667	4,000
University of Bristol		
Arts Council of Wales	866	6,000
	<u>8,533</u>	<u>4,000</u>

Provisions for liabilities

	2017	2016
	£	£
Unpaid pension provision	<u>29,041</u>	

The charity is subject to a claim for Breach of Employment Contract due to non payment of pension contributions. The sum of £50,000 is being sought by the complainants. Provision has been made to the value of contributions made.

The 3G's Development Trust

Notes to the Accounts

for the year ended 31-March-2017

8 Fund Balances

	Balance 31-March 2016	Incoming Resources	Resources Expended	Transfers	Balance 31-March 2017
General Fund	(49,792)	36,357	(1,630)	(50,264)	(65,329)
FREE RESERVES	(49,792)	36,357	(1,630)	(50,264)	(65,329)
UNRESTRICTED FUNDS	(49,792)	36,357	(1,630)	(50,264)	(65,329)
Core & Non Core Funding		570,262	(621,177)	50,915	
Core & Non Core Funding Asset Fund	25,795			(737)	25,058
Forsythia Centre		22,275	(22,755)	3,000	2,520
Forsythia Centre Asset Fund	3,600			(3,000)	600
Big Music Fund		1,735	(700)		1,035
Miscellaneous Projects	1,107	45,053	(39,882)	1,841	8,119
Miscellaneous Projects Asset Fund	89,205			(1,841)	87,364
Galon Uchaf		1,726	(1,812)	86	
Bristol University	16,296	5,800	(12,746)		9,350
CITC Project	131,508	3,550	(19,690)	(54,082)	61,286
CITC Project Assets Fund	42,747			54,082	96,829
RESTRICTED FUNDS	310,258	650,401	(718,762)	50,264	292,161
TOTAL FUNDS	£ 260,466	£ 686,758	£(720,392)		£ 226,832

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.

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 2017 £	31-March 2016 £
Core & Non Core Funding				
Core & Non Core Funding Asset Fund	25,058		25,058	25,795
Forsythia Centre		2,520	2,520	
Forsythia Centre Asset Fund	600		600	3,600
Big Music Fund		1,035	1,035	
Miscellaneous Projects		8,119	8,119	1,107
Miscellaneous Projects Asset Fund	87,364		87,364	89,205
Bristol University		9,350	9,350	16,296
CITC Project		61,286	61,286	131,508
CITC Project Asset Fund	96,829		96,829	42,747
	£ 209,851	£ 82,310	£ 292,161	£ 310,258

The 3G's Development Trust

Notes to the Accounts

for the year ended 31-March-2017

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.

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.

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

		2017	2016
		£	£
The following gifts in kind were received during the period:			
Donor	Nature of gift		
Merthyr Tydfil County Borough Council	Rent - Forsythia	10,192	10,192
		<u>£ 10,192</u>	<u>£ 10,192</u>
And were allocated as follows:			
	Forsythia Youth Centre	10,192	10,192

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>4,900</u>
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The 3G's Development Trust

Notes to the Accounts

for the year ended 31-March-2017

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:

	2017 £	2016 £
Leases which expire :		
Plant & Machinery		
Within one year	13,853	20,838
Within two to five years		
	<u>£ 13,853</u>	<u>£ 20,838</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.

13 Going Concern

We draw your attention to Note 1, Accounting Policies, where Going Concern is discussed.

14 Pension Commitments

During the year the charity was committed to pay £36,199 to employees pension schemes.

At the year end £244 of contributions were unpaid.