



COMPANY NUMBER : 3045325
REGISTERED CHARITY NUMBER : 1046097

VISION 21 (CYFLE CYMRU)
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

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YEAR ENDED 31 MARCH 2011

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LEGAL AND ADMINISTRATIVE INFORMATION

YEAR ENDED 31 MARCH 2011

Directors and Trustees

Alan Pursell (Chair)
Clare Cooze (Treasurer)
Robert Cooper
Nigel Davies
Sally Evans
Michael Winter
Michael Clark
Constantino Dumangane (resigned 17 May 2010)

Secretary

Barry Shiers MBE

Chief Executive Officer

Barry Shiers MBE

Registered Office

Unit 12 Fieldway
Maes-y-coed Road
Heath
Cardiff
CF14 4HY

Company Number

3045325

Registered Charity Number

1046097

Auditors

Haines Watts Wales LLP
7 Neptune Court
Vanguard Way
Cardiff
CF24 5PJ

Bankers

Lloyds TSB PLC
City Branch
45 Newport Road
Cardiff
CF24 0TW

REPORT OF THE TRUSTEES AND DIRECTORS

TO THE MEMBERS OF VISION 21 (CYFLE CYMRU)

YEAR ENDED 31 MARCH 2011

The Trustees present their report and audited financial statements for the year ended 31 March 2011.

Reference and administrative information

These details can be found on page 1 of these financial statements.

Structure, Governance and Management

The organisation is a charitable company limited by guarantee and established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

Objectives and Activities

The charity's objectives and principle activities are:

- To advance the education of disabled persons and those with learning needs in particular, by providing environments in which they may be trained in vocational skills with a view to finding employment, so that they may play a full part in the community.
- To provide within and across all projects, existing and new, services designed to meet the individual needs of people with a disability.
- To provide innovative, community based training and employment opportunities for those with learning difficulties.
- To provide stimulating, interesting and enjoyable small community training and work environments to encourage social and relationship skills to assist inclusive citizenship.

Recruitment and Appointment of Management Committee

The Directors of the company are also charity Trustees for the purpose of charity law.

All Management Committee positions are subject to receipt of satisfactory references,

CRB checks and compliance with our declaration of eligibility.

The committee member selection process includes the requirement to complete a written application and attend an interview; successful candidates are initially offered observer status for a period of three months prior to being co-opted to the committee.

Trustees Induction and Training

Trustees receive induction training covering background information and the work of the current Management Committee. Informal meetings and attendance at a committee meeting are encouraged followed by a formal process of application and selection. Additional training is offered from time to time, which contributes to the effectiveness and skills of our Management Committee.

Committee members are encouraged at any time to seek further information on relevant matters from the Chair or the senior management team members.

Risk Management

The Trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining reserves, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The Trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate significant risks.

Organisational Structure

The charity is organised so that the Trustees meet regularly to manage its affairs. Meetings take place nine times a year.

The Trustees delegate the day to day running of the charity and its medium term strategic development to a senior management team of four employees chaired by the Chief Executive.

REPORT OF THE TRUSTEES AND DIRECTORS

TO THE MEMBERS OF VISION 21 (CYFLE CYMRU)

YEAR ENDED 31 MARCH 2011

Our Staff

We believe that our staff are our most valuable asset and we currently employ the equivalent of 48 full time employees across the organisation. We aim to encourage and support them to realise their full potential and their dedication and commitment to Vision 21 (Cyfle Cymru) is exceptional.

Volunteers

Vision 21 (Cyfle Cymru) is fortunate to have a dedicated team of volunteers. Most will work directly with students by assisting in their training, others will offer other support such as administrative input. 32 new

volunteers were recruited through the year, and 67 volunteers have supported the organisation in total during the year.

We are now in a position to apply for the Investors in Volunteering Quality Standard and we offer excellent support and a range of required training to every volunteer within Vision 21 (Cyfle Cymru).

We acknowledge that their contribution is highly valued by the organisation and the additional benefits to our students are immeasurable. Volunteers provided 14,000 hours of their time during the year. This has a value to the organisation in excess of £83,000.

Achievements and Performance

In last year's financial statements we set the following priorities for the forthcoming period:

Priority	Outcome
Securing the long term future of the Oaks Nursery site.	Negotiations are still ongoing with Cardiff Council Planning Department. However the site has been secured and will be extended. There are practical issues to be resolved such as access, long term lease arrangements or freehold tenure over the site.
Developing our partnership with United Welsh Housing Association and signing the contract to deliver an exciting new service at Pen Rhos in Caerphilly.	This has been a great success with our first catering enterprise launched in an Extra Care scheme in November 2010 in real partnership with United Welsh Housing Association.
Offering support worker services to local authorities to improve the consistency and quality of service.	We are in detailed negotiations with one local authority and we hope to sign contracts before the end of the next financial year.
Delivering over 17,000 training places.	We delivered over 18,300 training places in the year.
Registering Vision 21 (Cyfle Cymru) as an essential skills provider.	We are now a registered provider. Staff have attended the appropriate training courses to roll this programme out across the organisation. A priority for 2011/12.
Completing the restructuring of our Performance Management Team.	The Performance Management Team is now operating very effectively within the organisation and has taken on the day-to-day operational functions of Vision 21 (Cyfle Cymru). This is new for our organisation and will evolve with time while offering very practical solutions to everyday working issues.

REPORT OF THE TRUSTEES AND DIRECTORS

TO THE MEMBERS OF VISION 21 (CYFLE CYMRU)

YEAR ENDED 31 MARCH 2011

Developing progress for students through partners such as those funded by the Development for Work and Pensions and other agencies.	Creating opportunities for our students through the development of partnership working has been an ongoing process with some successes and a few disappointments. For example funding through the Department of Work and Pensions has gone to large companies while new tranches of European monies has been difficult to access. However we continue to build improved links with various authorities and other like-minded organisations.
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We set the following longer term priorities:

Priority	Outcome
Developing partnerships with Housing Associations to provide catering and other services in future extra care schemes.	Following the success of our first project a second scheme is planned in Nantyglo to open in August 2011.
Continuing to seek and secure sufficient funding to start the Field development at Leckwith, Cardiff.	A Community Asset Funding bid was completed in May 2011. We are constantly seeking funding and support to ensure that this development will happen, possibly by the beginning of 2012. It is anticipated that the project will now not proceed initially on the same scale or to the same specifications as originally planned.
Developing another vocational horticultural provision.	There are still a few opportunities for the future development of another horticultural project. One option could be at the Leckwith site.
Further developing provision in the Vale of Glamorgan and other authorities.	This is a long term goal and we have built up and maintained strong working relationships with new colleagues in the Vale of Glamorgan and feel positive for the future.
Introducing a performance related reward scheme.	This long term goal has been difficult to implement given the recent financial restraints on all sectors.
Making Vision 21 (Cyfle Cymru) fully accessible across all sites.	There have been some improvements but this is an ongoing process and one also governed by financial and practical restraints.
Considering a “hub” model where we can support and encourage other like minded organisations by sharing expertise and capacity.	This is an ongoing process and one that will link well with the Field development and the facilities that will be available.

This financial year has been a real turning point for Vision 21 (Cyfle Cymru). We have experienced a significant deficit that had been anticipated due to the lack of European

funding since 2008. Protracted negotiations have been ongoing with the Local Authority to agree on a more realistic daily fee for each vocational training placement. This has been

REPORT OF THE TRUSTEES AND DIRECTORS

TO THE MEMBERS OF VISION 21 (CYFLE CYMRU)

YEAR ENDED 31 MARCH 2011

achieved and will have a very positive impact on our financial position in future years.

Vision 21 (Cyfle Cymru) has once again met the challenge full on with regard to developing innovative and responsive vocational training. We have encouraged other like-minded organisations and local authorities to develop the social enterprise model and continue to lead by example. We have continued to share 'best practise' and have established exciting partnerships with others while offering practical support and advice to many emerging social enterprises across Wales and beyond.

We have continued to develop our expertise in funding submissions and income generation. This will enable Vision 21 (Cyfle Cymru) to plan strategically in order to remain at the leading edge of quality vocational training provision for those who may have previously experienced inequality of opportunity.

We have continued to promote our environmental influence across the organisation, supporting the green agenda, energy saving and water conserving initiatives. We have established strong links with partner organisations such as Environment Wales, Cylch and Community Farms and Gardens.

Financial Review

The net movement in funds for the year amounted to a reduction of £169,346 (2010-£130,095).

During the year Vision 21 (Cyfle Cymru) received grants of £444,799 (2010-£447,476). Overall incoming resources rose by £82,993 (2010 – £46,778 fall) from £1,337,647 to £1,420,640. The proportion of incoming resources from sustainable sources (comprising student fees, primary purpose trading and rental income) rose to 68% in 2011 from 66% in 2010 (£962,865 in 2011 and £876,644 in 2010).

The charity continued to receive support from Cardiff City Council towards its core operating costs and specific training projects. Income from a sponsorship arrangement with Coleg Glan Hafren provided £187,214 (2010-£186,968) of funding to support the training of students enrolled with that college.

Expenditure during the period principally supported the training of students and the development of the training offered.

Reserves Policy

It is the policy of the charity to maintain unrestricted funds, which are free reserves of the charity, at a level which equates to approximately six months unrestricted expenditure (£726,000) (2010-£644,000).

The charity maintains reserves:

- in order to maintain sufficient cash to enable the charity to pay liabilities as they become due
- in case a major source of funding is lost. Our reserves would enable the charity to continue operating in the short term whilst new funding was sought
- to meet any unexpected contingencies
- to allow the charity to be managed efficiently
- to allow the charity to respond to opportunities that arise.

Free reserves are defined as the unrestricted funds of the charity less any income funds that could only be realised by disposing of fixed assets held for charity use. As at 31 March 2011 free reserves of the charity were £321,000 (2010-£446,000).

As set out in note 17 the balance of certain restricted funds were transferred to unrestricted funds during the year. As a consequence depreciation of £33,000 previously charged to restricted funds has been charged to unrestricted funds this year. The level of reserves required under the

REPORT OF THE TRUSTEES AND DIRECTORS

TO THE MEMBERS OF VISION 21 (CYFLE CYMRU)

YEAR ENDED 31 MARCH 2011

policy, which is defined in terms of unrestricted expenditure has therefore increased even though, in respect of these assets, there has been no change overall.

In line with the policy set out above our reserves have been used to partly fund our activities whilst we sought alternative funding to the European Structural Fund grants that provided income over a number of years. Due to the successful negotiation of a higher daily fee from Cardiff Council this income has now effectively been replaced.

Vision 21 (Cyfle Cymru) will increase the levels of free reserves to those set out in the policy by seeking alternative grant funding and by retaining a proportion of the higher daily fee that has been negotiated. This is expected to take at least five years.

Investment Policy

The Trustees have considered the most appropriate policy for investing funds and have found that placing monies on deposit with UK based institutions is the most appropriate course of action to allow the necessary degree of security and flexibility.

Plans for Future Periods

We must continue to improve our monitoring and evaluation of student achievements and progress. We have introduced systems through soft skill accreditations and Vision 21(Cyfle Cymru) is registered as an essential skills provider.

Our emphasis will always remain on individual student training and developing a further range of opportunities to meet identified need.

Our immediate priorities for the next year include:

- Deliver over 19,000 training places.
- Secure the long term future of the Oaks Garden Nursery site.

- Offer catering training to students from Blaenau Gwent through a second partnership project with United Welsh Housing Association delivering catering within an extra care scheme.
- Finalise agreement to offer support worker services to local authorities to improve consistency and quality of service.
- Develop communication with students, staff and volunteers by introducing consultation meetings, Senior Management Team project visits and through better use of new technology and social networking.
- Improve our student recruitment marketing strategy to ensure that the widest range of people who would benefit from our services and those that commission services on their behalf know what we do and how to access our services.
- Develop the Health and Wellbeing programme for our staff and volunteers.
- Start delivering Essential Skills training throughout Vision 21 (Cyfle Cymru).

Our longer term priorities include

- Continuing to seek and secure funding to start the Field development at Leckwith, offering an inclusive community resource that offers improved facilities for students.
- Developing another vocational horticultural provision that could be accessible for students from the Vale of Glamorgan.
- Further developing provision in the Vale of Glamorgan and other authorities. These must be student focused and based on demand for alternative provision in partnership with Local Authorities.

REPORT OF THE TRUSTEES AND DIRECTORS

TO THE MEMBERS OF VISION 21 (CYFLE CYMRU)

YEAR ENDED 31 MARCH 2011

- Introducing a performance related reward scheme linked to Key Performance Indicators and competencies.
- Making Vision 21 (Cyfle Cymru) fully accessible across all sites.

Public Benefit Statement

In addition to over 250 students who are trained each week across our 17 social enterprises the wider benefits to the general public are more apparent each year. We have been able to offer a number of bursaries to students with borderline learning difficulties. The Summer scheme is available to those pupils still in school who can make informed choices about their futures.

With an emphasis on community and locally based training there is obviously a wider educational implication in that the community at large very much embrace the work of Vision 21 (Cyfle Cymru). In return, the local communities benefit from our training and our social ethos. For example we provide training for Social Work students, trainee Police Officers, Occupational Therapy students, Nursing students, Genetic Counselling students, PGCE students, Design students and Health and Social Care students. The Sbectrwm development as a community resource attracted over 51,000 visits in the year ended 31 March 2011. Vision 21 (Cyfle Cymru) prides itself on inclusivity and community engagement and education working in a very ordinary but essential way.

The trustees feel they have complied with their duties to have due regard to the guidance on public benefit. This has always formed a major guiding principle for the organisation as we strive to be inclusive, engaging and educational in the broadest sense.

Responsibilities of the Management Committee

Company law requires the Management Committee to prepare financial statements for each financial year which give a true and fair

view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the Management Committee should follow best practice and:

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

The Management Committee is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Management Committee is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE TRUSTEES AND DIRECTORS

TO THE MEMBERS OF VISION 21 (CYFLE CYMRU)
YEAR ENDED 31 MARCH 2011

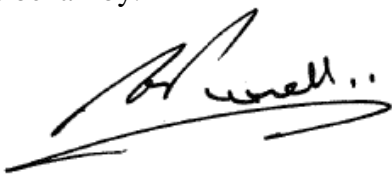
Members of the Management Committee

Members of the Management Committee, who are Directors for the purpose of company law and Trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 1. In accordance with company law, as the company's Directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- as the Directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued March 2005) and in accordance with the special provisions of the Companies Act 2006 relating to small entities.

Approved by the Board of Directors and Trustees on 19 September 2011 and signed on its behalf by:



Alan Pursell
Chair

Date 19.9.11



Clare Cooze
Treasurer

Date 19/9/11

INDEPENDENT AUDITORS REPORT

TO THE MEMBERS OF VISION 21 (CYFLE CYMRU)

YEAR ENDED 31 MARCH 2011

We have audited the financial statements of Vision 21 (Cyfle Cymru) for the year ended 31 March 2011 which comprise of the Statement of Financial Activities, the Balance Sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out above, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 1993 rather than the Companies Act 2006. Accordingly we have been appointed as auditor under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2011, and of its incoming resources and

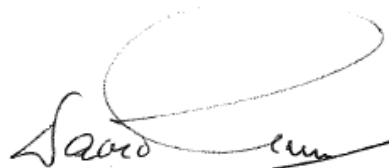
application of resources, including its income and expenditure, for the year then ended.

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 1993 requires us to report to you if, in our opinion;

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



David Green
Senior Statutory Auditor
Haines Watts Wales LLP
Chartered Accountants
& Registered Auditors
7 Neptune Court
Vanguard Way
Cardiff
CF24 5PJ

12 October 2011

STATEMENT OF FINANCIAL ACTIVITIES

INCLUDING THE INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2011

		Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
	Notes				
INCOMING RESOURCES					
<i>Incoming resources from generated funds</i>					
<i>Voluntary income:</i>					
Grants receivable	4	143,055	114,530	257,585	260,508
Donations	5	8,033	-	8,033	6,557
<i>Investment income:</i>					
Bank interest	6	4,234	-	4,234	848
<i>Incoming resources from charitable activities</i>					
Grants receivable	4	187,214	-	187,214	186,968
Student training fees		589,834	-	589,834	557,717
Primary purpose trading		304,746	-	304,746	241,484
Rent and service charges		68,285	-	68,285	77,443
Other income		709	-	709	6,122
Total incoming resources		1,306,110	114,530	1,420,640	1,337,647
RESOURCES EXPENDED					
<i>Costs of generating funds</i>					
Costs of generating voluntary income	8	7,943	-	7,943	19,538
<i>Charitable activities</i>	9 10	1,435,523	137,157	1,572,680	1,435,757
<i>Governance costs</i>	11	9,363	-	9,363	12,447
Total resources expended		1,452,829	137,157	1,589,986	1,467,742
Net outgoing resources before transfers		(146,719)	(22,627)	(169,346)	(130,095)
Transfers		651,774	(651,774)	-	-
Net movement in funds		505,055	(674,401)	(169,346)	(130,095)
Total funds brought forward		487,842	721,098	1,208,940	1,339,035
Total funds carried forward	17	992,897	46,697	1,039,594	1,208,940

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

BALANCE SHEET**AS AT 31 MARCH 2011**

	Notes	2011 £	2010 £
FIXED ASSETS			
Tangible assets	13	671,628	737,642
CURRENT ASSETS			
Stock		29,776	28,661
Debtors	14	176,995	159,204
Cash at bank and in hand		343,051	414,810
		549,822	602,675
LIABILITIES			
Creditors: Amounts falling due within one year	15	150,412	99,758
		399,410	502,917
NET CURRENT ASSETS			
		1,071,038	1,240,559
TOTAL ASSETS LESS CURRENT LIABILITIES			
Creditors: Amounts falling due after more than one year	16	31,444	31,619
		1,039,594	1,208,940
NET ASSETS			
THE FUNDS OF THE CHARITY			
Restricted income funds	17	46,697	721,098
Unrestricted income funds	17	992,897	487,842
		1,039,594	1,208,940
TOTAL FUNDS			

For the financial year ended 31 March 2011, the charity was entitled to exemption from audit under section 477(1) of the Companies Act 2006; and no notice has been deposited under section 476(1) requesting an audit. However, an audit is required in accordance with section 43 of the Charities Act 1993. The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and preparing accounts which give a true and fair view of the state of affairs of the charity as at the end of the year and of its income and expenditure for the financial year in accordance with the requirements of section 394 and which otherwise comply with the Companies Act 2006, so far as applicable to the Charity.

The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved for issue by the Board of Directors and Trustees on 19 September 2011 and signed on its behalf.



Alan Pursell
Chair



Clare Cooze
Treasurer

The notes on pages 12 to 24 form part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

1. ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP 2005) issued in March 2005 and applicable UK Accounting Standards.

Cash Flow Statement

The Trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is a small company.

Fund Accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

Incoming Resources

i) Voluntary income

Voluntary income is received by way of grants and donations and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

ii) Investment income

Investment income is included when receivable.

iii) Incoming resources from charitable activities

Incoming resources from charitable trading activity are accounted for when earned. Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity

earns the right to consideration by its performance.

Resources Expended

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

Costs of generating voluntary income comprise the costs associated with attracting grant income.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Support costs

Support costs are those costs that, whilst necessary to deliver an activity, do not in themselves produce or constitute the output of the charitable activity. Support costs include central office functions such as general management, budgeting and accounting, information technology, human resources and financing.

Where possible support costs have been allocated directly to the activity cost category. Staff costs have been apportioned based on actual time spent. Office, administration and other costs that cannot be directly attributed to an activity cost category have been allocated in proportion to staff costs. Support costs allocated to charitable activities have been further apportioned between the two charitable activities based on staff costs.

Allocation of support costs includes an element of judgement and consideration has been given to the materiality of the amounts involved and the cost benefit of the approach taken.

Stock

Stock is valued at the lower of cost and net realisable value.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

Tangible Fixed Assets

Fixed assets are stated in the balance sheet at cost less depreciation.

Depreciation

Depreciation is provided in order to write off the cost of fixed assets over their estimated useful lives as follows:

Freehold building	50 years
Leasehold building	28 years (life of lease)
Motor vehicles	4 years
Equipment, fixtures, furniture and fittings	5 years
Computers	3 years

Operating Leases

Rentals payable under operating leases are charged in the statement of financial activities on a straight line basis over the lease term.

Pensions

The company operates a defined contribution private pension scheme, with employer contributions made to individual employee policies at the rate of 6% of gross pay. The annual contributions payable are charged to the Statement of Financial Activities.

2. DEFICIT ON ORDINARY ACTIVITIES FOR THE YEAR

The deficit on ordinary activities for the year is stated after charging:

	2011	2010
	£	£
Depreciation of tangible fixed assets - owned	53,177	52,978
Depreciation of tangible fixed assets - held under finance lease	222	127
Operating leases - land and buildings	54,463	48,518
Auditors' remuneration	2,745	4,755
Auditors' remuneration in respect of other services	-	-

Turnover and incoming resources from trading activities represent sales of goods and services as part of fulfilling the charitable objects of the charity. Turnover is exclusive of VAT.

3. TAXATION

The company has obtained charitable status under Section 505(1a) and (1c) Income and Corporation Taxes Act 1988 and has only undertaken primary purpose activities during the year and is, therefore exempt from Corporation Tax.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

4. GRANTS RECEIVABLE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
FROM GENERATED FUNDS				
Cardiff City Council core funding	101,649	-	101,649	101,649
Cardiff City Council All Wales Strategy	40,406	-	40,406	40,406
The Henry Smith Charity	-	23,750	23,750	29,950
BBC Children in Need	-	17,700	17,700	11,769
Rank Foundation	-	16,000	16,000	16,000
Cardiff City Council Intermediate Grant	-	15,000	15,000	15,000
Lloyds TSB Foundation for England and Wales	-	10,000	10,000	-
The Clothworkers Foundation	-	10,000	10,000	-
WCVA - Volunteering In Wales	-	9,163	9,163	18,325
Big Lottery Awards for All	-	4,683	4,683	-
Voluntary Action Cardiff	-	4,000	4,000	3,000
The Hedley Foundation	-	2,000	2,000	-
Newport Council Community First	-	1,411	1,411	-
Gwent Association of Voluntary Organisations	-	1,404	1,404	-
Cardiff Council Youth and Life Long Learning	-	1,000	1,000	-
Nat West Community Fund	1,000	-	1,000	-
Newport Council	-	1,000	1,000	-
Environment Wales	-	500	500	2,583
Masonic Benevolent Fund	-	-	-	1,500
EDF Energy	-	-	-	4,700
Single Investment Fund	-	-	-	5,626
Workforce Development	-	(3,081)	(3,081)	10,000
	143,055	114,530	257,585	260,508
FROM CHARITABLE ACTIVITIES				
Coleg Glan Hafren	187,214	-	187,214	186,968
	187,214	-	187,214	186,968
	330,269	114,530	444,799	447,476

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

5. DONATIONS AND FUNDRAISING

	Unrestricted Funds	Restricted Funds	2011	2010
	£	£	£	£
Acton London	700	-	700	-
HLJ Charity	-	-	-	1,000
Miscellaneous	7,333	-	7,333	5,557
	8,033	-	8,033	6,557

Only individual donations over £500 are shown separately.

6. INVESTMENT INCOME

	Unrestricted Funds	Restricted Funds	Total Funds 2011	Total Funds 2010
	£	£	£	£
Bank Interest	4,234	-	4,234	848
	4,234	-	4,234	848

7. ALLOCATION OF SUPPORT COSTS

The charity allocates its support costs as shown in the table below in accordance with the bases of allocation set out in the accounting policies.

	Costs of Generating Voluntary Income	Charitable Activities	Governance Costs	Total Support Costs 2011	Total Support Costs 2010
	£	£	£	£	£
Staff costs	3,902	292,116	5,000	301,018	308,978
Office and administration costs	1,202	89,988	1,149	92,339	92,649
Other costs	2,839	27,416	3,214	33,469	43,227
	7,943	409,520	9,363	426,826	444,854

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

8. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Support costs	7,943	-	7,943	19,538
	7,943	-	7,943	19,538

9. CHARITABLE ACTIVITIES ANALYSIS BY FUND

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Direct goods, food, plants and materials for sale	131,360	828	132,188	106,411
Direct staff and volunteer costs	710,751	64,857	775,608	704,187
Other direct costs	212,171	43,193	255,364	212,290
Support costs	381,241	28,279	409,520	412,869
	1,435,523	137,157	1,572,680	1,435,757

10. CHARITABLE ACTIVITIES ANALYSIS BY ACTIVITY

	Sbectrwm		Total	Total
	Student Training £	Community Centre £	2011 £	2010 £
Direct goods, food, plants and materials for sale	132,170	18	132,188	106,411
Direct staff and volunteer costs	736,419	39,189	775,608	704,187
Other direct costs	180,314	75,050	255,364	212,290
Support costs	388,802	20,718	409,520	412,869
	1,437,705	134,975	1,572,680	1,435,757

The charity undertakes direct charitable activities only and does not make grant payments.

11. GOVERNANCE COSTS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Support costs	9,363	-	9,363	12,447
	9,363	-	9,363	12,447

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

12. STAFF COSTS

	2011	2010
	£	£
Salaries	944,045	884,888
Social Security	77,604	73,757
Pension Contributions	42,955	42,281
	1,064,604	1,000,926

The average number of staff employed, calculated as full time equivalents during the year was:

	2011	2010
Direct Charitable work	38	34
Administration	10	9
Fundraising	-	1
	48	44

No remuneration was paid to the Trustees in the year. Travel expenses of £128 (2010-£97) were reimbursed to one trustee. Training costs of £nil (2010-£80) were paid on behalf of one trustee.

No employee earned more than £60,000 during the year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

13. FIXED ASSETS

	Freehold Building £	Leasehold Building £	Motor Vehicles £	Equipment, Fixtures & Fittings £	Computer Equipment £	Total £
COST						
As at 1 April 2010	190,533	808,065	19,154	184,594	56,868	1,259,214
Additions	-	-	12,924	7,952	4,685	25,561
Disposals	-	-	-	(13,914)	-	(13,914)
Aborted development costs	-	(38,176)	-	-	-	(38,176)
As at 31 March 2011	190,533	769,889	32,078	178,632	61,553	1,232,685
DEPRECIATION						
As at 1 April 2010	72,214	232,138	10,967	157,741	48,512	521,572
Charge for year	3,811	27,342	3,537	14,228	4,481	53,399
Disposals	-	-	-	(13,914)	-	(13,914)
As at 31 March 2011	76,025	259,480	14,504	158,055	52,993	561,057
NET BOOK VALUE						
As at 31 March 2011	114,508	510,409	17,574	20,577	8,560	671,628
As at 31 March 2010	118,319	575,927	8,187	26,853	8,356	737,642

Included in Equipment, Fixtures and Fittings is an asset costing £1,108, at a net book value of £759 (2010-£971) acquired under a finance lease. Depreciation on this asset in the year was £222 (2010-£127.)

In prior periods planning and architectural costs related to the building of a new complex of buildings ("The Field") had been capitalised. It is the Trustees' opinion that The Field project will now not proceed initially on the same scale or to the same specifications as originally planned. Planning and architectural costs of £38,176 have therefore been charged as an expense on the Statement of Financial Activities and written off the value of fixed assets. This is shown under "aborted development costs" above.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

14. DEBTORS

	2011	2010
	£	£
Trade debtors	129,540	100,893
Grant debtors	-	12,354
Other debtors	7,576	2,156
Prepayments and accrued income	39,879	43,801
	176,995	159,204

Included in trade debtors is a bad debt provision of £7,650 (2010 £9,716).

15. CREDITORS

	2011	2010
	£	£
Amounts falling due within one year:		
Trade creditors	51,513	33,410
Taxation and Social Security	23,050	21,795
Deferred income	33,955	-
Accruals	23,382	34,410
Obligations under finance lease	175	129
Other creditors	18,337	10,014
	150,412	99,758

Deferred income is analysed as follows

	2011	2010
	£	£
Deferred income as at 1 April	-	132
Amounts released during the year	-	(132)
Amounts deferred during the year	33,955	-
Deferred income as at 31 March	33,955	-

Deferred income during the year all relates to Incoming Resources from Charitable Activities from Coleg Glan Hafren, a further education college, for the provision of student training and delivering certain educational outcomes. This training is delivered during the college's academic year and the income is released accordingly.

Deferred income at 1 April 2010 all related to fees for student training paid in advance.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

16. CREDITORS

	2011	2010
	£	£
Amounts falling due after more than one year:		
VAT Capital goods scheme Sbectrwm building	30,829	30,829
Obligations under finance lease	615	790
	31,444	31,619

The VAT capital goods scheme creditor relates to a repayment issued to Vision 21 (Cyfle Cymru) by Her Majesty's Revenue and Customs (HMRC) on VAT under claimed in respect of the building of Sbectrwm. The creditor was not released to income as it could have become repayable should the use of Sbectrwm have changed within ten years under the capital goods scheme. The trustees consider that the likelihood of repayment is remote. However it has been agreed with The Big Lottery Fund, who initially funded the building works, that any amounts that are not repayable to HMRC under the VAT capital goods scheme would be paid back to them. It has been agreed with The Big Lottery Fund that any repayment due will be settled following a post grant monitoring visit that is due to take place in 2011-12.

All obligations under the finance lease are due between two and five years. The finance lease creditor totalling £790 (2010-£919) is secured over the asset to which it relates.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

17. MOVEMENT IN FUNDS

	Balance at 1 April 2010 £	Resources Incoming £	Resources Outgoing £	Transfers To / (From) £	Balance at 31 March 2011 £
UNRESTRICTED FUNDS					
General reserve	487,842	1,306,110	(1,452,829)	651,774	992,897
Total unrestricted funds	487,842	1,306,110	(1,452,829)	651,774	992,897
RESTRICTED FUNDS					
The Field	22,183	-	-	-	22,183
Catering Co-ordinator Support	19,307	23,750	(26,699)	-	16,358
Sbectrwm Curtains	-	2,000	-	-	2,000
Refrigerated Van	-	10,000	-	(8,505)	1,495
Pen Rhos Catering Instructor	-	10,000	(8,839)	-	1,161
Cylch	5,000	-	(3,900)	-	1,100
Youth and Lifelong Learning	-	1,000	-	-	1,000
Belle Vue Heat Resistant Film	-	1,000	-	-	1,000
Sbectrwm Driveway	-	4,683	(4,283)	-	400
The Summer Scheme	-	17,700	(17,700)	-	-
CEO Salary Fund	-	16,000	(16,000)	-	-
Creative Choices Instructor	-	15,000	(15,000)	-	-
Volunteering in Wales	2,601	9,163	(11,764)	-	-
Community Garden Vehicle	-	4,000	-	(4,000)	-
Mad Hatter Community Grant	-	1,411	(1,411)	-	-
Roots Portable Accessible Toilet	-	1,404	-	(1,404)	-
Clothing Roots	-	500	(500)	-	-
Sbectrwm	513,925	-	-	(513,925)	-
Fieldway Freehold Fund	117,606	-	-	(117,606)	-
Field Planning and Architect Fees	31,128	-	(31,128)	-	-
VAC Impact Plus Capital	2,211	-	-	(2,211)	-
Roots Storage Premises	1,998	-	-	(1,998)	-
Roots Portable Premises	1,000	-	-	(1,000)	-
Training Suite	600	-	-	(600)	-
The Oaks Refurbishment	333	-	-	(333)	-
Wood Workshop Equipment	192	-	-	(192)	-
The Field Renewable Energy	154	-	(154)	-	-
Workforce Development	2,860	(3,081)	221	-	-
Total restricted funds	721,098	114,530	(137,157)	(651,774)	46,697
TOTAL	1,208,940	1,420,640	(1,589,986)	-	1,039,594

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

17. MOVEMENT IN FUNDS (CONT.)

During the year the balance of certain restricted funds were transferred to unrestricted funds. The original use of these funds was restricted to the purchase of fixed assets. Since these assets are held for a general and not a restricted purpose it is the opinion of the Trustees that transferring the balance into unrestricted funds more appropriately reflect the recommended practice set out in SORP paragraph 214 (e).

In the year ended 31 March 2010 income of £10,000 was recognised in the restricted fund "Workforce Development". This related to a grant for this amount that was provided by The Welsh Assembly Government. Since entitlement to this grant only arises once expenditure has been incurred it is the opinion of the Trustees that £3,081 previously recognised as income should not now be recognised as this more appropriately reflects the recognition criteria set out in SORP paragraph 94.

Name of Fund	Description, nature and purposes of the fund
Belle Vue Heat Resistant Film	Provided by Newport Council to contribute towards the cost of fitting a heat resistant Film to the Belle Vue Tea Room roof.
Catering Co-Ordinator Support	Provided by The Henry Smith Charity to support the costs of employing a catering co-ordinator.
CEO Salary	Provided by the Rank Foundation to support the salary costs of the Chief Executive.
Clothing Roots	Provided by Environment Wales to purchase clothing for students, staff and volunteers at the Roots Project.
Community Garden Vehicle	Provided by an Impact Plus Capital Grant from Voluntary Action Cardiff. to contribute towards the cost of a second hand seven seat vehicle.
Creative Choices Instructor	Provided by Cardiff Council to support the salary of the Craft Project Instructor.
Cylch	To assist in the funding of a feasibility study undertaken by the Centre for Alternative Technology for The Field project.
Fieldway Freehold Fund	This fund was provided by a grant from Comic Relief and donations for the acquisition of the freehold and the building of Unit 12 Fieldway.
Mad Hatter Community Grant	Funded by Newport Council under the Community Grant scheme to assist with the funding of a Mad Hatters Tea Party event at Belle Vue.
Pen Rhos Catering Instructor	Provided by the Lloyds TSB Foundation for England and Wales to support the salary of an instructor supporting people with learning needs within the Pen Rhos (Full Circle) project.
Refrigerated Van	Provided by The Clothworkers Foundation towards purchasing a refrigerated vehicle for a catering project.
Roots Portable Accessible Toilet	Provided by Gwent Association of Voluntary Organisations towards the cost of a portable accessible toilet.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

17. MOVEMENT IN FUNDS (CONT.)

Name of Fund	Description, nature and purposes of the fund
Roots Portable Premises	Provided by Corus to provide portable premises for the Roots project.
Roots Storage Premises	Provided by Newport City Council to provide a storage container for the Roots project.
Sbectrwm	Provided by a Big Lottery grant and other grant giving bodies this fund was for the development of the Sbectrwm Community and Enterprise Centre.
Sbectrwm Curtains	Provided by The Hedley Foundation to fund five pairs of curtains at the Sbectrwm centre.
Sbectrwm Driveway	Provided by the Big Lottery Fund to fund resurfacing of the driveway to the Sbectrwm centre.
The Field	Provided by Cardiff City Council to support student training and development of the Field project.
The Field Planning and Architect Fees	Provided by Cardiff City Council to fund the costs of the planning and architect fees for The Field project.
The Field Renewable Energy	Provided by EDF Energy to fund a Renewable Energy feasibility study for the Field Project.
The Oaks Refurbishment	Provided by Ford of Britain for refurbishments at the Oaks Garden Nursery.
The Summer Scheme	Provided by BBC Children in Need to support teaching, transport and other costs associated with the Summer Scheme.
Training Suite	Provided by the Pendragon Charity Fund to fund the furniture and equipment in the training suite in Unit 11.
VAC Impact Plus Capital	Provided by Voluntary Action Cardiff to fund the acquisition of equipment for the ICT project.
Volunteering in Wales	This fund, supported by a grant from WCVA, is for the salary of a Volunteer Coordinator and other costs associated with Volunteers.
Wood Workshop Equipment	Provided by the Welsh Development Agency to fund the purchase of a 4 cutter machine.
Workforce Development	Provided by The Welsh Assembly Government to support staff training costs.
Youth and Lifelong Learning	Provided under the Youth and Lifelong Learning Grant by Cardiff City Council to fund places in the Training and Mentoring Project.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

18. ANALYSIS OF NET ASSETS

	Fixed Assets £	Other Net Assets £	Total £
Restricted funds	-	46,697	46,697
Unrestricted funds	671,628	321,269	992,897
	671,628	367,966	1,039,594

19. FINANCIAL COMMITMENTS

The charity's commitments for operating lease payments all relate to land and buildings. The commitments in the next year, analysed according to the lease expiry dates, are as follows:

	2011 £	2010 £
- within one year	5,014	17,826
- between one and five years	-	-
- after five years	25,479	25,479
	30,493	43,305

20. RELATED PARTY TRANSACTIONS

The company is controlled by the Trustees.

One of the Trustees, Alan Pursell, is a Director of Aegis, a company of Independent Financial Advisers that provides pensions advice to the company's employees under contract from the company's pension providers. A commission is paid by the pension provider to Sesame Limited a networking company independent of Aegis. Sesame Limited pays the commission to Aegis net of its charges and commission. A consultancy fee is paid by Aegis to Alan Pursell based upon the commission received from Aegis but after deducting its own operating costs. This fee is estimated to be £1,000 for the year ended 31 March 2011 (2010-£1,000).

21. COMPANY LIMITED BY GUARANTEE

Vision 21 (Cyfle Cymru) is a company limited by guarantee and is a registered charity.

22. PENSIONS COST

The company operates a defined contribution private pension scheme, with employer contributions made to individual employee policies at the rate of 6% of gross pay. The charge to the Statement of Financial Activities for the year is £42,955 (2010-£42,281). £4,798 (2010-£5,180) of outstanding pension contributions are included in other creditors.