

Charity registration number 511211

Company registration number 01809654 (England and Wales)

PEOPLE AND WORK UNIT
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
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PEOPLE AND WORK UNIT

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr C Sophocleous P G Watkins G B Davies J L Huyton G J McHugh G D Lewis M McKibben D J Rees	(Appointed 1 February 2021) (Appointed 1 March 2021) (Appointed 1 February 2021)
Secretary	S Lloyd-Jones	
Charity number	511211	
Company number	01809654	
Registered office	Unit 1 @Loudon Plas Iona Bute Town Cardiff CF10 5HW	
Independent examiner	Dorrell Oliver Ltd Linden House Monk Street Abergavenny Monmouthshire NP7 5NF	
Bankers	HSBC Bank plc 1 Bridge Street Newport South Wales NP20 6UT	

PEOPLE AND WORK UNIT

CONTENTS

	Page
Trustees' report	1 - 7
Independent examiner's report	8
Statement of financial activities	9
Balance sheet	10
Notes to the financial statements	11 - 19

PEOPLE AND WORK UNIT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

Chair's Report

I am writing this in May 2022. The last 12 months have been unprecedented, tragic for some. Throughout this period People and Work has continued to work for the people of The Rhondda and across Wales, though face to face contact has been limited, with certain projects affected more. Staff have embraced the working from home model, though we are moving towards a hybrid work model to enable staff to fully operate and develop. We are now in a far better place in terms of the vaccine and covid infection rates and it is hoped that this improvement will continue.

The economic situation is uncertain, but particularly troubling, with the prospect of 10% inflation, rocketing fuel bills and low growth in the economy. This will impact particularly on the people of The Rhondda where food and heating take up a higher proportion of household budgets. It must be recognised that there will be a fallout in terms of business failures, unemployment and particularly in available employment opportunities, especially for young people.

People and Work recognises that employment is the key focus to improve people's life chances. Education, training and support for people to get into the labour market and secure jobs are the key ingredients of our work. This last year has seen the development of projects designed by and implemented by Rhondda people and this will constitute a key component of our future way of working.

Financially, People and Work is in a satisfactory position at this point, with enough funding sources and research contracts secured for the short term. It remains to be seen how the funding landscape might change. People and Work also needs to work on its lobbying role, in developing relationships with, and persuading other organisations of, what is needed and what works, given its long experience.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The charity's objects are the advancement of education by carrying out and/or assisting in carrying out research and study into social and economic problems for the benefit of the general public; additionally, to promote education in all matters related to community organisations.

People and Work seeks to make a difference through two core functions:

- to promote the value of education and learning (for all age groups) as a tool for tackling inequalities and promoting employment, through a programme of community-based action research projects; and
- to undertake commissioned research and evaluation work for the public and third sectors in Wales addressing inequalities in areas such as education (formal and informal), health and employment.

People and Work's self-generated action research work is funded through charitable trusts and funds. Earned income comes from commissioned research and evaluation work done for the public and voluntary sectors. Any surplus earned through the research and evaluation contracts goes into action research work that aims to build understanding of effective ways to tackle the causes and effects of poverty, especially in relation to education, health and employment outcomes.

PEOPLE AND WORK UNIT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT (CONTINUED)) FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and performance

Much of the work done in 2021 was, again, shaped by the restrictions necessary to control the COVID-19 pandemic. The restrictions have forced new ways of working and created new needs and People and Work has continued to adapt to do the best that it could to work effectively.

Cenhedlaeth Rhondda

People and Work have spent 2021 working with people in the Rhondda Valleys to develop a new way of working that focuses on identifying and supporting leadership in the community and helping community leaders to work with the people around them. The work uses a concept of 'alongsidedness' to provide people from the community with training, good networks and support so that they can work within their community to develop its strengths and overcome barriers to thriving. People and Work's role is to support these leaders to build their skills and knowledge so that they can be effective in their community.

Throughout 2021 we focused on building leadership capacity through traineeships, work placements and pilot programmes, in preparation for developing a new five year programme. People and Work created traineeships for six community leaders in 2021, three of these supported by the Rank Foundation. These were young people whose entry into the labour market has been delayed or restricted by the pandemic, and were either unemployed or significantly under-employed. Five were given trainee opportunities, two for a year and three through the Kickstart programme's six month placements and the sixth completed his traineeship and was kept on to deliver the project he had developed. All these young people were from Rhondda and have brought their experiences and thinking into developing the new programme, called Cenhedlaeth Rhondda. This is a programme for building on the strengths of Rhondda and is focused on employment and skills, education and learning, health and wellbeing and protecting the environment.

Throughout 2021 the whole Rhondda team has worked very hard to compensate for the restrictions in face to face work, developing digital solutions to social isolation and offering opportunities for outdoor team and group activities like Walking Rugby, walking and running groups and 'Healthy Hillside' outdoor work.

The PIAS social enterprise, which re-sells donated sports clothing and equipment, was badly hit by the pandemic as it lost both its sales outlets and its collection points, and its income from sales dropped from over £11,500 in 2019 the less than £2000 in 2021. The manager, Natasha Burnell, was able to secure some funding from the Postcode Lottery which ensured that the provision of fitness and wellbeing activities could continue despite the loss of income. PIAS works with over 100 people a week from adult walking groups to after school fitness activities and runs group activities in school holidays. In addition, PIAS has already diverted over 12,000 units from landfill, has an electric vehicle available to transport people to activities, paid for the installation of a charging point in a leisure centre carpark in Rhondda and is now collaborating with a newly established CiC, Y Siop Fach Sero, which is opening a zero waste shop in Ferndale, with PIAS as a tenant. Natasha has also worked with partners on starting a Benthg Library of Things in Rhondda, where people can borrow tools and equipment, and a Repair Café.

PEOPLE AND WORK UNIT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT (CONTINUED))

FOR THE YEAR ENDED 31 DECEMBER 2021

The Rhondda Web programme focusing on digital inclusion has developed its coding clubs across Rhondda and is also tackling digital exclusion. People and Work is now one of three centres in the UK Network of Online Centres developed by the Good Things Foundation. This means we are part of the National Data-bank which has supplied free data cards to help tackle data poverty. Taking its model from PIAS, the PIAT (Play it Again Tech) project aims to help people who have no access to IT equipment by refurbishing and loaning or giving out donated IT equipment, an approach tested by a pilot which is being developed in 2022. Between 2020 and 2021 the digital inclusion project worked with over 500 people including 20 groups in 15 locations in Rhondda. In early 2022 funding for a further 3 years was secured from the Moondance Foundation for Rhondda Digidol, and a year from the Rank Foundation for the equipment refurbishment work.

The Green Light project developed during the pandemic to help people who had lost their jobs, or saw no way out of unemployment or poor work. It provides very personal employment support through helping people think through their options, prepare a CV, learn about applying online, access qualifications and see what local jobs are available. In the last year the project team (James Watts-Rees, Tomas Jenkins and RAP trainee Michael Goodwin) have worked with over 100 people, and 70 of those intensively. Funding from Confused.Com provided a budget for support activities and enabled People and Work to retain Tomas when his traineeship (supported by the Rank Foundation) ended. Most of those supported found employment and others were supported to gain new qualifications.

Working with the Welsh Voluntary Sector

Llechi, Glo a Chefn Gwlad

People and Work has continued to coordinate an all Wales project, Llechi, Glo a Chefn Gwlad, involving a partnership nine organisations - Cwmni Bro Ffestiniog, Partneriaeth Ogwen and Siop Griffiths from the slate valleys of North Wales; Tir Coed, Tir Dewi and Credu who work with woodland and land management, farmers and carers respectively; and Ynysybwll Regeneration Partnership, DOVE and People and Work's Rhondda project in the former South Wales coalfield. The partnership is focused on the role of community in supporting and growing the foundational economy and each partner is funded to employ a leader from their community for a year to help them develop community involvement, repeated over three years. Whilst each partner is different the group have valued commonalities and the effectiveness of the network in promoting shared learning and support has been significant. In 2021 the group were able to meet face to face for the first time (the project started at the beginning of 2020) and a visit to the South Wales partners was a very positive experience for the whole group. The community leaders worked with over 1000 people in 2021.

Talwrn

Talwrn is a partnership of voluntary sector leaders in Wales convened by People and Work. It is an informal group and during 2021 four online meetings were run with an average attendance of eight. The meetings provide an opportunity for sharing learning and ideas, peer support and challenge and collaborative working. The members include people who work across Wales as well as those working at a county or regional level and other at a single community level and this mix, combined with the fact that the type of work done varies widely, offers members some valuable insights.

PEOPLE AND WORK UNIT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT (CONTINUED))

FOR THE YEAR ENDED 31 DECEMBER 2021

Evaluation and Research

People and Work earns income from providing evaluation and research support to the public and voluntary sectors in Wales. We focus on qualitative work that meets with the charity's overall objectives and are committed to work that enables clients to develop their work to support people as effectively as possible.

Evaluation and research for the Voluntary Sector in Wales

We continue to provide evaluation support to the Invest Local programme run by Building Communities Trust (BCT). Starting in 2017 we are working over 10 years with BCT to support the 13 communities in the programme to capture the learning from the support and investment (£1million per community) that they are accessing. We have been looking at the impact of the pandemic on the communities over 2021.

We published a report of some joint research commissioned by the Llechi, Glo a Chefn Gwlad project and Building Communities Trust on the role that community initiatives played in tackling the impact of the first lockdown of the pandemic

[A Community response to covid-19 \(squarespace.com\)](https://www.squarespace.com).

We are also providing evaluation support to Care and Repair Powys and Age Cymru Powys for their Mamwlad project, that targets support at farming families in Powys.

We provided evaluation support to Age Cymru West Glamorgan for a project around home help for older people and evaluations or research for Interlink (the association of voluntary organisations in Rhondda Cynon Taf); the CGL ACE programme that focuses on supporting people from minority ethnic communities into work; and Spectacle Theatre in Rhondda.

People and Work did research for Adult Learning Wales on the people who undertake adult learning and its impact on them and at the end of 2021 People and Work was commissioned by AVOW (Association of Voluntary Organisations Wrexham) to research community based food initiatives in Wrexham, looking at how things were changing at the end of the pandemic and plans for the future.

Working with the Public Sector in Wales

In 2021 People and Work continued evaluations of three ESF funded programmes run by Welsh local authorities to support people in, or into, work:

- In Ynys Môn the Expanding Môn's Horizon's programme targets people who are in low skilled or insecure work to build on their skills and find better work;
- Skills @Work is an anti-poverty programme working in Cardiff, Newport and Monmouthshire with people who are in employment but have low skills;
- The Journey2Work programme works to develop the employability of people who are economically inactive and/or long term unemployed in Newport, Cardiff and Monmouthshire.

We have also undertaken a review of Neurodevelopmental services in Wales for the Welsh Government and continued to work with Old Bell3 on the evaluation of the Welsh Government's PaCE programme that supports parents to access employment where childcare is an issue. At the end of the year, we started working, again with Old Bell3, on an evaluation of the Communities for Work and Communities for Work Plus programmes for the Welsh Government.

Financial review

The results for People and Work are as shown in the Statement of Financial Activities.

The trustees have reviewed the charity's need for reserves in line with guidance issued by the Charity Commission. A policy has been established whereby the unrestricted funds not committed or invested in tangible fixed assets (free reserves) should be between two and three months unrestricted expenditure. At this level, the trustees feel they would be able to continue the current activities of the charity in the event of a significant delay in funding. The policy is reviewed annually against current commitments

The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

PEOPLE AND WORK UNIT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT (CONTINUED))

FOR THE YEAR ENDED 31 DECEMBER 2021

Future proofing our systems

The charity has worked to bring down its overhead costs as much as possible this year. The research team have, mostly, continued to work from home and the expectation is that they will only meet up in the office once or twice a week in future. We have, consequently, moved our main office into a much smaller room in the same building in Butetown, considerably reducing rent costs. We have dispensed with fixed landline and broadband costs by moving our phone to an online system and using a monthly paid broadband dongle.

Next steps

We have a team of 8 young leaders in Rhondda who have worked with People and Work to develop the Cenhedlaeth Rhondda approach. This is a planned programme of work in Rhondda over the next five years focused on employment and skills; health and wellbeing; and protecting the environment. The plan is to develop work on each of these themes but also to link them to provide an holistic approach so that work on developing digital skills is linked to looking at employment opportunities; help for families to support their children's reading is linked to getting fit and setting up adult reading groups; and social enterprise support is linked to saving the planet.

Going into 2022, funding had been secured for Rhondda Digidol to support digital inclusion and IT skills development over the next three years; a one year pilot Reading Rhondda programme to work with families on literacy and oracy; and a one year pilot PIAT programme to refurbish IT equipment for people who are digitally isolated. A funding strategy has been developed to secure funding to move the PIAS model into one that focuses on environmental issues and supporting social enterprise and to enable Green Light to develop and to build a preventative programme focusing on raising awareness of the labour market amongst children and young people in schools in Rhondda.

Structure, governance and management

The Charity is a company limited by guarantee and does not have any share capital.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Dr C Sophocleous

P G Watkins

G B Davies

J L Huyton

G J McHugh

G D Lewis

(Appointed 1 February 2021)

M McKibben

(Appointed 1 March 2021)

D J Rees

(Appointed 1 February 2021)

Unless otherwise determined by a General Meeting, the numbers of the members of the Governing Body shall not be fewer than six or more than thirty. The Governing Body shall from time to time appoint a member of the Governing Body, either to fill a casual vacancy or by way of addition to the Governing Body, provided that the prescribed maximum is not thereby exceeded. Any member so appointed shall retain their office until the next Annual General Meeting, but he or she shall then be eligible for re-election. None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Dr Duncan Holtom heads up the research team working with Rhodri Bowen, senior researcher, and Heather Pells.

James Hall is operations manager looking after IT systems, office bases and equipment. He also heads up partnership work, and manages the PIAT and Rhondda Digidol programmes and the community development lead, James Watts-Rees. James Watts-Rees manages the Green Light programme with Tomas Jenkins. Natasha Burnell leads on social enterprise and environmental sustainability.

Sarah Lloyd-Jones is the director and works with our Trustees

Ann Churcher is the administrator.

PEOPLE AND WORK UNIT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT (CONTINUED)) FOR THE YEAR ENDED 31 DECEMBER 2021

There are no related parties.

PEOPLE AND WORK UNIT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT (CONTINUED)) FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees' report was approved by the Board of Trustees.



G J McHugh

Trustee

Dated: 5 July 2022

PEOPLE AND WORK UNIT

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF PEOPLE AND WORK UNIT

I report on the financial statements of the Charity for the year ended 31 December 2021, which are set out on pages 9 to 19.

Respective responsibilities of Trustees and examiner

The Charity's Trustees, who are also the directors of People and Work Unit 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 being a qualified member of the Institute of Chartered Accountants in England and Wales.

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:

- (i) examine the financial statements under section 145 of the 2011 Act;
- (ii) 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
- (iii) to 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 financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, 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 financial statements present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

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

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - (ii) to prepare financial statements 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 or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

P E Lea FCA
Dorrell Oliver Ltd

Chartered Accountant
Linden House
Monk Street
Abergavenny
Monmouthshire
NP7 5NF

Dated: 5 July 2022

PEOPLE AND WORK UNIT

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total Unrestricted funds 2021 £	Restricted funds 2020 £	Total 2020 £
	Notes					
<u>Income and endowments from:</u>						
Donations and legacies	3	-	303,935	303,935	-	287,990
Charitable activities	4	217,944	-	217,944	139,504	139,504
Investments	5	3,292	-	3,292	4,026	4,026
Other income		-	14,230	14,230	-	10,893
Total income		<u>221,236</u>	<u>318,165</u>	<u>539,401</u>	<u>143,530</u>	<u>442,413</u>
<u>Expenditure on:</u>						
Charitable activities	6	193,267	329,548	522,815	160,867	412,999
Net gains/(losses) on investments	11	(592)	-	(592)	897	897
Net movement in funds		<u>27,377</u>	<u>(11,383)</u>	<u>15,994</u>	<u>(16,440)</u>	<u>30,311</u>
Fund balances at 1 January 2021		<u>78,329</u>	<u>70,498</u>	<u>148,827</u>	<u>94,769</u>	<u>118,516</u>
Fund balances at 31 December 2021		<u><u>105,706</u></u>	<u><u>59,115</u></u>	<u><u>164,821</u></u>	<u><u>70,498</u></u>	<u><u>148,827</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

PEOPLE AND WORK UNIT

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Investments	12		23,269		21,612
Current assets					
Debtors	13	21,723		33,172	
Cash at bank and in hand		144,340		103,423	
		<u>166,063</u>		<u>136,595</u>	
Creditors: amounts falling due within one year	14	<u>(24,511)</u>		<u>(9,380)</u>	
Net current assets			141,552		127,215
Total assets less current liabilities			<u>164,821</u>		<u>148,827</u>
Income funds					
Restricted funds	15		59,115		70,498
Unrestricted funds			105,706		78,329
			<u>164,821</u>		<u>148,827</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2021.

The Trustees' acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the 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 accounts, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 5 July 2022



G J McHugh
Trustee

Company registration number 01809654

PEOPLE AND WORK UNIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

People and Work Unit is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit 1 @Loudon, Plas Iona, Bute Town, Cardiff, CF10 5HW.

1.1 Accounting convention

The accounts have been prepared in accordance with the Charity's Memorandum and Articles of Association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The accounts are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

1.5 Resources expended

Direct charitable expenditure includes all expenditure directly related to the objects of the charity.

Costs have been apportioned as a percentage of project costs in line with the grant conditions. Salaries have been apportioned on a time basis.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	33.3% Straight line
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PEOPLE AND WORK UNIT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.9 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

PEOPLE AND WORK UNIT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Grant income

	2021	2020
	£	£
Grants receivable	303,935	287,990
	<u>303,935</u>	<u>287,990</u>
Grants receivable for core activities		
The Rank Foundation	59,450	57,900
Children in Need	-	5,000
NLCF Great Ideas	149,632	-
Pen y Cymoedd	-	5,454
Postcode Community	10,500	-
National Lottery	2,600	199,437
WCVA	17,361	-
NLCF People and Places	33,532	-
Moondance Foundation	28,500	-
Confused. com	-	14,745
Other	2,360	5,454
	<u>303,935</u>	<u>287,990</u>

4 Charitable activities

	2021	2020
	£	£
Research income	217,944	139,504
	<u>217,944</u>	<u>139,504</u>

PEOPLE AND WORK UNIT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

5 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	3,292	4,026
	<u> </u>	<u> </u>

PEOPLE AND WORK UNIT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

6 Charitable activities

	Funded Action Research 2021 £	Research and Evaluation 2021 £	Total 2021 £	Funded Action Research 2020 £	Research and Evaluation 2020 £	Total 2020 £
Staff costs	179,858	121,735	301,593	131,799	106,649	238,448
Depreciation and impairment	-	-	-	1,186	-	1,186
Research	-	25,459	25,459	1,329	11,307	12,636
Project costs	131,488	-	131,488	91,278	-	91,278
Activity and training	1,000	322	1,322	317	-	317
Printing, stationery and advertising	262	1,841	2,103	335	-	335
Phone	1,244	1,283	2,527	1,361	2,370	3,731
IT	4,156	10,056	14,212	5,169	622	5,791
Sundries	16	309	325	10,162	5,670	15,832
Insurance	2,043	1,855	3,898	1,543	1,581	3,124
Rent	5,375	7,317	12,692	4,906	8,440	13,346
Travel expenses	2,742	113	2,855	1,502	3,640	5,142
Interpreters and translators	-	8,063	8,063	1,245	1,633	2,878
Equipment	1,214	4,378	5,592	-	4,823	4,823
Books and subs	150	2,118	2,268	-	6,532	6,532
Administration	-	4,969	4,969	-	-	-
	<u>329,548</u>	<u>189,818</u>	<u>519,366</u>	<u>252,132</u>	<u>153,267</u>	<u>405,399</u>
Share of support costs (see note 8)	-	1,036	1,036	-	3,987	3,987
Share of governance costs (see note 8)	-	2,413	2,413	-	3,613	3,613
	<u>329,548</u>	<u>193,267</u>	<u>522,815</u>	<u>252,132</u>	<u>160,867</u>	<u>412,999</u>
Analysis by fund						
Unrestricted funds	-	193,267	193,267	-	160,867	160,867
Restricted funds	329,548	-	329,548	252,132	-	252,132
	<u>329,548</u>	<u>193,267</u>	<u>522,815</u>	<u>252,132</u>	<u>160,867</u>	<u>412,999</u>

PEOPLE AND WORK UNIT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

7 Description of charitable activities

Funded Action Research

Funded Action Research - Supporting people in education and skills programmes.

Research and Evaluation

Commissioned Research and Evaluation - Evaluating and researching as commissioned.

8 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Bank Charges	1,036	-	1,036	3,987	-	3,987
Accountancy	-	2,413	2,413	-	3,613	3,613
	<u>1,036</u>	<u>2,413</u>	<u>3,449</u>	<u>3,987</u>	<u>3,613</u>	<u>7,600</u>
Analysed between Charitable activities	<u>1,036</u>	<u>2,413</u>	<u>3,449</u>	<u>3,987</u>	<u>3,613</u>	<u>7,600</u>

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

PEOPLE AND WORK UNIT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2021	2020
	Number	Number
Project	7	4
Research	4	4
	<u>11</u>	<u>8</u>

Employment costs

	2021	2020
	£	£
Wages and salaries	256,554	200,781
Social security costs	16,124	13,466
Other pension costs	28,915	24,201
	<u>301,593</u>	<u>238,448</u>

There were no employees whose annual remuneration was £60,000 or more.

11 Net gains/(losses) on investments

	Unrestricted	Unrestricted
	funds	funds
	2021	2020
	£	£
Revaluation of investments	(592)	897
	<u>(592)</u>	<u>897</u>

12 Fixed asset investments

PEOPLE AND WORK UNIT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

12	Fixed asset investments	(Continued)
		Listed investments
		£
	Cost or valuation	
	At 1 January 2021	21,612
		1,657
	At 31 December 2021	<u>23,269</u>
	Carrying amount	
	At 31 December 2021	<u>23,269</u>
	At 31 December 2020	<u><u>21,612</u></u>
13	Debtors	
		2021
		2020
	Amounts falling due within one year:	£
		£
	Trade debtors	21,723
		<u>33,172</u>
14	Creditors: amounts falling due within one year	
		2021
		2020
		£
		£
	Accruals and deferred income	24,511
		<u>9,380</u>
15	Restricted funds	

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds			
	Balance at 1 January 2020	Incoming resources	Resources expended	Balance at 1 January 2021	Incoming resources	Resources expended	Balance at 31 December 2021	
	£	£	£	£	£	£	£	
Project funds	23,747	298,883	(252,132)	70,498	318,165	(329,548)	59,115	
	<u>23,747</u>	<u>298,883</u>	<u>(252,132)</u>	<u>70,498</u>	<u>318,165</u>	<u>(329,548)</u>	<u>59,115</u>	

PEOPLE AND WORK UNIT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

16 Analysis of net assets between funds

	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £
Fund balances at 31 December 2021 are represented by:						
Investments	23,269	-	23,269	21,612	-	21,612
Current assets/ (liabilities)	38,898	102,654	141,552	56,717	70,498	127,215
	<u>62,167</u>	<u>102,654</u>	<u>164,821</u>	<u>78,329</u>	<u>70,498</u>	<u>148,827</u>

17 Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation	<u>39,570</u>	<u>35,177</u>