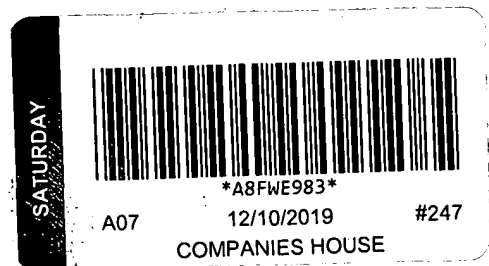


REGISTERED COMPANY NUMBER: 07628816 (England and Wales)

REGISTERED CHARITY NUMBER: 1143732

**Report of the Trustees and
Financial Statements for the Year Ended 31 March 2019
For
Cymdeithas Gofal The Care Society**



Cymdeithas Gofal The Care Society

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for the Year Ended 31 March 2019

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Cymdeithas Gofal The Care Society
Contents of the Financial Statements
for the Year Ended 31 March 2019

TRUSTEES

Robert J Gray - Chair
Tony Kitchen
Anthony P Hearn – Vice Chair
Charles A Symons
Catherine Shaw
John Rees
Stephen Cripps
Peter Saunders

REGISTERED OFFICE

21 Terrace Road
Aberystwyth
Ceredigion
SY23 1NP

REGISTERED COMPANY NUMBER

07628816 (England and Wales)

REGISTERED CHARITY NUMBER

1143732

AUDITOR

Mazars LLP
45 Church Street
Birmingham
B3 2RT

BANKERS

Unity Trust Bank PLC
Nine Brindley Place
Birmingham
B1 2HB

Executive Director
Guy Evans

Cymdeithas Gofal The Care Society

Chairman's Report
for the Year Ended 31 March 2019

Effective from the 1st April 2018 The Care Society formalised a group structure with Tai Ceredigion. Consequently, throughout 2018 / 2019, the internal focus of The Care Society has been to work with our parent body, Tai Ceredigion, to improve financial performance and infrastructure. All with a view to ensuring that, in times of austerity and further reducing grant and contract income, The Care Society continues to deliver and develop essential services, which complement the activities of Tai Ceredigion and ensure that the group achieve agreed strategic priorities detailed in the group 'five year' business plan.

In addition, The Care Society has continued to work closely with our strategic partners most notably Ceredigion County Council and the Welsh Government to design and deliver essential services that support vulnerable people within our mid-Wales communities.

I am extremely grateful to The Board and officers of Tai Ceredigion and to the continued commitment and passion of The Care Society Board, employees and volunteers whose work so positively affects individuals and families.

R J Gray

Executive Directors Report

Throughout 2018 / 2019, as detailed throughout this report, the continued and increasing numbers of vulnerable people and families accessing our Tenancy Support services, Night Shelter project, warden Emergency Accommodation service and Care Leaver project has evidenced the need for Care Society services. A considerable number of whom are accommodated through our Bond Scheme, Estates, and Lettings Agency.

Following the successful formation of a group structure with Tai Ceredigion and improved governance, infrastructure and financial performance, The Care Society has a better platform with which to continue to develop and improve existing services and to work with our strategic partners to explore the feasibility of providing additional services to meet the needs of people living in our mid-Wales communities.

The substantial growth in services (notably the Care Society Community Support & Befriending service and the performance of the Shop Mobility scheme and Charity shop) together with improved processes, further efficiency savings and remodelling is testament to the hard work and dedication of both Tai Ceredigion's and The Care Society's Board, staff and volunteers.

I am also grateful for the continued support of The Local Authority and the Welsh Government. With our strategic partners, The Care Society is better placed to meet the challenges faced by our beneficiaries and the competitive environment in which The Care Society operates.

G Evans

**Cymdeithas Gofal The Care Society
Report of the Trustees
for the Year Ended 31 March 2019**

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 31 March 2019. 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives and aims of the charity are:

To promote Social Inclusion for the public benefit by preventing people from becoming socially excluded by reason of homelessness, at risk of losing their home, living in inadequate accommodation or unsettled circumstances in Ceredigion and surrounding counties by;

- a) The provision of quality, customer focused services,
- b) Working in a flexible, innovative and responsive way,
- c) The recognition and provision of suitable housing and by supporting people in realising their full potential.

Public benefit

Our main activities and who we try to help are described below. All our charitable activities further our charities objectives having regard to charity commission guidance and for the public benefit. The impact of our work goes far beyond the people we help directly and has a positive impact on building stronger communities, improved health and wellbeing, crime reduction, employment and training in rural Mid-Wales. However, the main focus of charity activities is on providing advice and accommodation and to provide support to help maintain tenancies and help people live fulfilled lives.

Through working in conjunction with the local authority, Registered Social Landlords and other key agencies, we have continued to develop our services to meet our objectives and to meet the needs of the people we support.

These objectives are delivered through the provision of the following services;

- The Night Shelter and Resettlement project
- Managed Emergency Accommodation units
- The Bond Scheme
- Accommodation Officer Scheme & Estates & Lettings Services
- Young Peoples Supported Accommodation Project
- Countywide Tenancy Support Scheme
- Shop Mobility Scheme
- Community Support and Befriending Services

Cymdeithas Gofal The Care Society
Report of the Trustees
for the Year Ended 31 March 2019

ACHEIVEMENT AND PERFORMANCE

Charitable activities

Achievements

Following the formation of a group structure and over the course of 2018 / 2019, The Care Society has improved the infrastructure of the Charity; this has included improving and updating I.T and bespoke software for services, improved efficiencies, processes and procedures, Human Resource and Governance Structures. In addition and together with the performance of Care Society staff, the benefits of a service level agreement with Tai Ceredigion for the provision of financial and administrative services has resulted in a significantly improved financial performance.

Demand for Care Society services has increased as evidenced below –

- During the financial year, 2018 / 2019, 48 people accessed the Night Shelter on 3,047 occasions. This represents a 234% increase on our target of 1,300 occasions people accessing the shelter.
- Of the 48 people accessing the Night Shelter & Resettlement project, 22 were successfully resettled and moved to more secure forms of tenure. This represents a 45.8% resettlement success rate and is close to our resettlement target of 50%.
- Despite reduction in funding (in real terms), The Care Society has successfully enhanced the staffing levels within the Night Shelter and Emergency Accommodation service.
- During this period, The Care Society continued to provide a warden Emergency Accommodation facility for people where the Local Authority had a statutory duty. Emergency Accommodation was provided in –
 - 13 Bedsit units and Two flats leased by The Care Society;
 - 4 Bedroom House leased Ceredigion County Council;
 - 3 Flats owned by Mid Wales Housing Association; and
 - 3 Flats owned by Tai Ceredigion – with further Emergency Accommodation units identified and provided by Tai Ceredigion to increase the portfolio of Care Society warden accommodation 2019/2020.

Our Bond Scheme received 233 referrals predominantly from the Local Authority Housing Department (149), Local Authority Social Services Department, other local agencies and self-referrals; for people and families seeking advice and accommodation in the Private Rented Sector. During the 2018/2019 financial year The Care Society administered 42 tenancies established with the provision of a Welsh Government Bond.

The Care Society Estates and Lettings Agency service continued to provide accommodation for vulnerable people throughout Ceredigion. During the period of this report, The Care Society leased and or managed 50 properties and 129 individual units of accommodation. In addition to providing accommodation options within the Private Rented Sector the Social Lettings Agency also –

- Worked with 610 individuals providing Housing Advice, benefits and welfare advice, arrears and budgeting advice, advice on property security, compliance and sign posting to relevant agencies;
- Support and advice to Landlords including support with NEST applications; and
- Accommodation and Support services for Syrian Refugees.

Cymdeithas Gofal The Care Society
Report of the Trustees
for the Year Ended 31 March 2019

During the Period of this report our countywide Tenancy Support Scheme staff supported –

- 184 Single People;
- 9 Care Leavers;
- 34 people presenting with physical disabilities;
- 84 families; and
- 47 people living in Emergency Accommodation.

During this period, our Community Support & Befriending Scheme has increased to meet the shortfall in provision and at the end of the 2018/2019 financial year is providing support to 35 individuals throughout Ceredigion and North Pembrokeshire.

Demand for The Care Society shop mobility scheme has increased by nearly 50% with customer feedback over the year very positive. The financial performance of The Care Society Charity Shop continues to improve generating much needed unrestricted income to The Care Society; Praise is given for the layout of the shop, the imaginativeness of our window displays, the price and range of stock and the friendliness of staff and volunteers.

FINANCIAL REVIEW

Principal funding sources

The principal income generated by the Charity is currently through grant income, contract income from Ceredigion County Council and partner agencies together with self-generated income from management fees, rents receivable and shop income. As a result of increasing financial pressures on the local authority and reduced contract income, the Charity needs to seek additional income from alternative sources.

Investment policy and objectives

The Charity has no investment powers except to place any surplus income into deposit accounts. Having considered the options available, the Trustees have decided to ensure reserves are available to meet the working capital requirements of the Charity.

Reserves policy

The Trustees have reviewed the requirement for reserves in view of continued reduction in public funding and risks to the organisation.

- To enable the Charity to meet its contractual obligations, including possible redundancy payments, amounts due to creditors and commitments under leases in the event of loss or deferral of major funding streams.
- To enable the Charity to continue to provide a stable and quality service to those who need it whilst it seeks to find alternative sources of income.
- To cover large items of expenditure such as repairs to premises and equipment replacement necessary to ensure a safe and reasonable working environment for both clients and staff.

The Trustees have agreed to aim to establish a level of reserves equal to six months running costs. Budgeted expenditure for 2019/20 is £1.15 million therefore the target reserves are £575,000. The current level of reserves falls significantly short of this target. The long term strategy of The Charity is to build reserves through delivering planned operating surpluses. In the short term, the Charity has explored all possibilities to reduce expenditure, including activities that could be curtailed should circumstance require and also the level of unrestricted funds committed to fixed assets held by the charity.

**Cymdeithas Gofal The Care Society
Report of the Trustees
for the Year Ended 31 March 2019**

Results:

The Statement of Financial Activities shows a net surplus from ordinary activities for the year of £118,303 (2018 surplus of £20,743), and reserves now stand at £350,328 (2018 £232,024).

The Charity's funds have all been applied in accordance with its objectives and the Charity's assets are all being maintained in the furtherance of these objectives.

FUTURE PLANS

The Care Society, subject to satisfactory and continued funding, intends to continue the activities outlined above to support vulnerable individuals and families and alleviate homelessness throughout Ceredigion and rural Mid Wales. Through a group structure with Tai Ceredigion future developments will include:

- Reviewing the performance and financial sustainability of each project and remodel services to meet need;
- Implementing new Welsh Government endorsed service methodologies including 'Signs of Safety' and PATH;
- Renewing Investors in People Accreditation;
- Exploring the feasibility of developing new social care services and enhance existing services in line with the group five year business plan;
- Review and improve Governance process;
- Improve Human Resource and Quality Assurance Processes; and
- Encourage and develop bilingualism throughout The Care Society.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

The Care Society has a competency based performance management policy and procedure for recruitment of all personnel which is used to set performance expectations, objectives and goals, monitor progress and measure results against the objectives of the Charity.

Recruitment of Trustees is reviewed by the Board with the view to ensuring the needs of the Board are appropriately reflected through the diversity of the Trustee body. All prospective Trustees are requested to complete application forms before induction.

All new Trustees are supplied with a comprehensive induction pack which details:

- The History of Cymdeithas Gofal The Care Society;
- Structure Governance and Management including information on and pertaining to Charities
 - Articles of Association
 - Finances and Finance Policy
 - Quality Assurance Systems
 - Health and Safety Policies & Procedures;
- Directors and Trustees;
- Structure and Functions of Board of Trustees;
- Role of Trustees;
- Ensuring Eligibility as a Trustee as Defined in CC3;
- Trustee Codes of Practice; and
- Trustee Job Descriptions.

Cymdeithas Gofal The Care Society
Report of the Trustees
for the Year Ended 31 March 2019

Organisational structure

From April 2018, The Care Society became a subsidiary of Tai Ceredigion in a group structure. The governance of the structure is bound by the intra-group agreement between the two organisations. The Charity is managed by the Trustees who meet quarterly. The day to day responsibility for the provision of services is delegated to the Executive Director Guy Hamilton Evans who reports to the Trustees at regular meetings.

Key management remuneration

The Trustees review the pay and remuneration of all the Charities personnel on an annual basis. The Care Society's remuneration policy principles are as follows:

1. To ensure that the aims and objectives of the Charity are being met.
2. To be able to attract and also retain staff who have the necessary skills and experience in their specific roles to ensure that the organisation is able to run efficiently.
3. The remuneration policy is fair and consistent across the organisation.
4. Any pay increases need to be appropriate for the type of role across the organisation and agreed by the Board of Directors.

Risk management

The Trustees have reviewed the major risks faced by the Charity and have ensured appropriate systems and procedures have been established to mitigate impact. The Charity has invested significantly in both the training of staff and numerous quality assurance mechanisms including:

- The QCS Welsh Social Care Management system and a comprehensive library of policies and procedures which are compliant with Care and Social Services Inspectorate Wales standards;
- Internal Monitoring Processes, departmental budgets and Key Performance Indicators linked to organisational strategy; and
- Specific Accreditations including membership of – The National Association of Landlords, The Property Ombudsman Service, and, Tenancy Deposit Services.

Internal control risks are minimised by the implementation of a robust Finance Policy and established procedures for authorisation of all transactions.

The Care Society has developed a Risk Map identifying the changes in internal and external factors that may affect the likelihood of a significant risk impacting the organisation. The risk mapping process is fully embedded within business planning and operational arrangements and is complemented by a risk register. Each risk is assessed as to its 'impact' and 'likelihood' both with a scale of 1 -5. The original risk is scored on the assumption that there are no current controls to manage it, this is a starting point to enable the identification of risks which have potentially high exposure levels for the business and is called an unmitigated risk.

Cymdeithas Gofal The Care Society
Report of the Trustees
for the Year Ended 31 March 2019

STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees (who are also Directors of Cymdeithas Gofal The Care Society for the purposes of Company Law) are responsible for preparing the financial statements in accordance with applicable law and United Kingdom accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are responsible and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping 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.

They are 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.

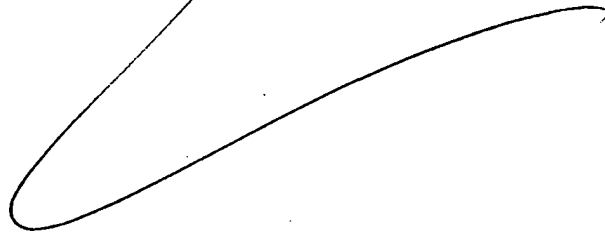
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by order of the Board of Trustees on 19th July 2019 and signed on its behalf by:



R J Gray - Chair



Report of the Independent Auditors to the Members of
Cymdeithas Gofal The Care Society

Opinion

We have audited the financial statements of Cymdeithas Gofal The Care Society for the year ended 31 March 2019 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. 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) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st March 2019 of 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The impact of uncertainties due to Britain exiting the European Union on our audit

The terms on which the United Kingdom may withdraw from the European Union, are not clear, and it is therefore not currently possible to evaluate all the potential implications to the Charity's operations, trade, suppliers and the wider economy.

We considered the impact of Brexit on the Charity as part of our audit procedures, applying a standard firm wide approach in response to the uncertainty associated with the Charity's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible implications for the Charity and this is particularly the case in relation to Brexit.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you, where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material

Report of the Independent Auditors to the Members of
Cymdeithas Gofal The Care Society

misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

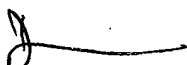
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the charity's members as a body in accordance with Section 3 of Part 16 or the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.



Richard Bott
(Senior Statutory Auditor)
For and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
45 Church Street
Birmingham
B3 2RT

22/11/15

Cymdeithas Gofal The Care Society
Statement of Financial Activities
(Incorporating and Income and Expenditure Account)
for the Year Ended 31 March 2019

	Notes	Unrestricted fund £	Restricted funds £	31.3.19 Total Funds £	31.3.18 Total Funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	5,553	-	5,553	5,631
Charitable Activities					
Promotion of social inclusion	5	908,903	246,141	1,155,044	1,120,296
Other trading activities	3	79,419	-	79,419	63,571
Investment income	4	121	-	121	2
Total		993,996	246,141	1,240,137	1,189,500
EXPENDITURE ON					
Raising funds	6	48,379	-	48,379	37,007
Charitable activities					
Promotion of social inclusion	7	813,625	259,830	1,073,455	1,121,938
Other	10	-	-	-	9,812
Total		862,004	259,830	1,121,834	1,168,757
NET INCOME/(EXPENDITURE)		131,992	(13,689)	118,303	20,743
Transfer between funds					
RECONCILIATION OF FUNDS	22	(16,114)	16,114	-	-
Total funds brought forward		175,272	56,753	232,025	211,281
TOTAL FUNDS CARRIED FORWARD		291,150	59,178	350,328	232,024

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

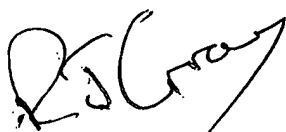
The notes form part of these financial statements

Cymdeithas Gofal The Care Society
Statement of Financial Position
As at 31 March 2019

		31.3.19	31.3.18
	Notes	£	£
FIXED ASSETS			
Tangible assets	14	<u>433,681</u>	<u>458,455</u>
		433,681	458,455
CURRENT ASSETS			
Debtors	15	251,678	165,899
Cash at bank and in hand		<u>147,528</u>	<u>71,307</u>
		399,206	237,206
CREDITORS			
Amounts falling due within one year	16	<u>(194,393)</u>	<u>(165,236)</u>
		204,813	71,970
NET CURRENT ASSETS		<u>204,813</u>	<u>71,970</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		638,494	530,425
CREDITORS			
Amounts falling due after more than one year	17	<u>(288,166)</u>	<u>(298,401)</u>
NET ASSETS		<u>350,328</u>	<u>232,024</u>
FUNDS	22		
Unrestricted funds		291,150	175,272
Restricted funds		<u>59,178</u>	<u>56,752</u>
TOTAL FUNDS		<u>350,328</u>	<u>232,024</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 19th July 2019 and were signed on its behalf by:


 R J Gray – Chair
 Registered number : 07628816

The notes from part of these financial statements

Cymdeithas Gofal The Care Society
Statement of Cash Flows
For the Year Ended 31 March 2019

	Notes	31.3.19 £	31.3.18 £
Cash flows from operating activities:			
Cash generated from operations	1	106,927	33,399
Interest paid		<u>(12,082)</u>	<u>(12,462)</u>
Net cash provided by/(used in) operating activities:			
		<u>94,845</u>	<u>20,937</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(8,996)	(25,137)
Sale of tangible fixed assets		0	4,000
Interest received		<u>121</u>	<u>2</u>
Net cash provided by/(used in) investing activities:			
		<u>(8,875)</u>	<u>(21,135)</u>
Cash flows from financing activities:			
Loan repayments in year		(9,749)	(9,368)
Intercompany loan		<u>0</u>	<u>0</u>
Net cash provided by/(used in) financing activities:			
		<u>(9,749)</u>	<u>(9,368)</u>
Change in cash and cash equivalents in the reporting year		76,221	(9,566)
Cash and cash equivalents at the beginning of the year		71,307	80,873
Cash and cash equivalents at the end of the year		<u>147,528</u>	<u>71,307</u>

The notes form part of these financial statements

Cymdeithas Gofal The Care Society
Notes to the Statement of Cash Flows
For the Year Ended 31 March 2019

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.19 £	31.3.18 £
Net income/(expenditure) for the reporting year (as per the statement of financial activities)	118,303	20,743
Adjustments for:		
Depreciation charges	33,770	35,616
Interest received	(121)	(2)
Interest paid	12,082	12,462
Decrease/(increase) in debtors	(85,778)	(45,511)
Increase in creditors	28,671	14,091
Disposal of tangible assets	-	(4,000)
Net cash provided by/(used in) operating activities	106,927	33,399

Cymdeithas Gofal The Care Society
Notes to the Financial Statements
For the Year Ended 31 March 2019

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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 which are included at market value.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

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 cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Governance costs

Governance costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property & shop frontage - Straight line over 25 years

Motor vehicles – Straight line over 4 years

Fixtures and fittings – Straight line over 5 years

Computer equipment – Straight line over 5 years

No depreciation is provided on freehold land.

Taxation

Corporation tax

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

VAT

All income is shown net of VAT and expenditure is shown inclusive of irrecoverable VAT.

Cymdeithas Gofal The Care Society
Notes to the Financial Statements
For the Year Ended 31 March 2019

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees. Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Cymdeithas Gofal The Care Society
Notes to the Financial Statements
For the Year Ended 31 March 2019

2. DONATIONS AND LEGACIES

	31.3.19 £	31.3.18 £
Donations	<u>5,553</u>	<u>5,631</u>

3. OTHER TRADING ACTIVITIES

	31.3.19 £	31.3.18 £
Shop income	63,980	54,006
Shop mobility rental income	4,581	3,165
Mobile phone cash back	-	2,400
Proceeds of sale	6,865	4,000
Other misc income	3,993	-
	<u>79,419</u>	<u>63,571</u>

4. INVESTMENT INCOME

	31.3.19 £	31.3.18 £
Deposit account interest	<u>121</u>	<u>2</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.3.19 £	31.3.18 £
Rents receivable	Promotion of social inclusion	357,603	333,514
Management fees	Promotion of social inclusion	31,493	75,502
CCC – Managed Emergency Accommodation	Promotion of social inclusion	28,080	48,000
Rental and storage income	Promotion of social inclusion	225	1,551
Befriending income	Promotion of social inclusion	125,144	47,016
Credit Card income	Promotion of social inclusion	191	0
Service Level Agreement Income	Promotion of social inclusion	4,090	0
Grants	Promotion of social inclusion	608,218	614,713
		<u>1,155,044</u>	<u>1,120,296</u>

Cymdeithas Gofal The Care Society
Notes to the Financial Statements
For the Year Ended 31 March 2019

5. INCOME FROM CHARITABLE ACTIVITIES - continued

Grants received, included in the above, are as follows:

	31.3.19	31.3.18
	£	£
Welsh Government – S180 Bond Scheme	42,066	41,282
Welsh Government – S180 Night Shelter Funding	163,669	161,901
Welsh Government – S180 Accommodation Officer	38,966	38,779
Tai Ceredigion	14,886	9,627
Ceredigion County Council – supporting people	287,310	287,310
Young Persons project – Cardigan	32,285	32,285
Transition funding	1,439	2,878
Shop Mobility	20,500	23,000
Mid Wales Fire Rescue	912	468
Mid Wales Housing	3,783	3,783
Ceredigion County Council	2,400	400
Other grants	-	12,999
	<u>608,216</u>	<u>614,712</u>

6. RAISING FUNDS

Other trading activities

	31.3.19	31.3.18
	£	£
Staff costs	20,894	15,954
Other operating leases	13,556	9,642
Insurance	604	589
Subscription	140	239
Sundries	123	35
Utilities	1,981	2,444
Postage, stationery, advertising & telephone	2,978	1,292
Travel & subsistence	640	55
Repairs & maintenance of equipment	1,952	4,759
Professional fees	3	506
Depreciation	2,519	0
Support costs	2,989	1,492
	<u>48,379</u>	<u>37,007</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct costs (see note 8)	Support costs (see note 9)	Totals
	£	£	£
Promotion of social inclusion	<u>1,002,479</u>	<u>70,976</u>	<u>1,073,455</u>

Cymdeithas Gofal The Care Society
Notes to the Financial Statements
For the Year Ended 31 March 2019

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.3.19	31.3.18
	£	£
Staff costs	503,279	519,185
Hire of plant and machinery	10,469	12,610
Insurance	7,116	7,075
Light & heat	37,865	39,127
Telephone	11,872	9,846
Postage & stationery	2,227	2,244
PR, marketing & promotions	603	561
Sundries	3,455	4,032
Repairs & maintenance	-	4,722
Resettlement expenditure	289,489	300,576
IT, licenses & internet	12,902	15,127
Travel & subsistence	35,353	17,365
Grant expenditure	357	442
Legal & professional	5,611	21,433
Bank charges	3,768	4,176
Bad debts	5,737	19,716
Cleaning	2,484	2,948
Recruitment & training	-	1,645
Sub-contractors	23,247	33,117
Volunteer expenses	125	-
Van costs	3,188	9,668
Depreciation	31,250	35,616
Interest payable and similar charges	12,082	12,462
	<u>1,002,479</u>	<u>1,073,693</u>

9. SUPPORT COSTS

	Management	Governance Costs	Totals
	£	£	£
Other trading activities	2,627	362	2,989
Promotion of social inclusion	65,938	5,038	70,976
	<u>68,565</u>	<u>5,400</u>	<u>73,965</u>

Activity	Basis of allocation
Management	Staff costs
Governance costs	Staff costs

Support costs, included in the above, are as follows:

Management

	Other trading activities	Promotion of social inclusion	31.3.19	31.3.18
	£	£	£	£
Wages	-	8,235	8,235	40,848
Social Security	-	717	717	-
Telephone	-	483	483	908
SLA Expenditure	2,627	56,503	59,130	-
	<u>2,627</u>	<u>65,938</u>	<u>68,565</u>	<u>41,756</u>

Cymdeithas Gofal The Care Society
Notes to the Financial Statements
For the Year Ended 31 March 2019

Governance Costs

	Other trading activities	Promotion of social inclusion	31.3.19	31.3.18
	£	£	£	£
Auditors remuneration	362	5,038	5,400	5,700
Cost of trustee meetings	-	-	-	916
	<u>362</u>	<u>5,038</u>	<u>5,400</u>	<u>6,616</u>

10. OTHER

This amount is an exceptional item as it represents the written off intercompany loan balance with the trading subsidiary CGC Trading Limited which has ceased to trade with effect from 31 May 2017.

11. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting)

	31.3.19	31.3.18
	£	£
Auditor remuneration	5,400	6,900
Depreciation – owned assets	33,771	35,616
Hire of plant and machinery	10,469	12,610
Other operating leases	<u>42,874</u>	<u>46,589</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

Trustees' expenses

Trustee expenses paid in the year amounted to £nil (2018 - £nil).

13. STAFF COSTS

	31.3.19	31.3.18
	£	£
Wages and salaries	490,287	519,284
Social Security costs	31,438	34,071
Other pension costs	5,937	21,247
Redundancy	-	1,202
	<u>527,662</u>	<u>575,804</u>

Cymdeithas Gofal The Care Society
Notes to the Financial Statements
For the Year Ended 31 March 2019

13. STAFF COSTS - continued

The average monthly number of employees expressed as full time equivalents:

	31.3.19	31.3.18
Charitable activities	21	22
Administration	4	4
	25	26

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

14. TANGIBLE FIXED ASSETS

	Freehold property £	Improvement to property £	Fixtures & fittings £	IT equipment £	Motor vehicles £	Totals £
COST						
At 1 April 2018	487,552	63,532	4,225	5,789	15,758	576,858
Additions	-	-	-	6,121	2,875	8,996
Disposals	-	-	-	-	(15,758)	(15,758)
At 31 March 2019	487,552	63,532	4,225	11,910	2,875	570,096
DEPRECIATION						
At 1 April 2018	100,780	7,636	2,925	5,307	1,754	118,402
Charge for the year	13,782	2,541	748	2,276	14,424	33,771
Disposals	-	-	-	-	(15,758)	(15,758)
At 31 March 2019	114,562	10,177	3,673	7,583	420	136,415
NET BOOK VALUE						
At 31 March 2019	372,990	53,355	552	4,327	2,455	433,681
At 31 March 2018	386,772	55,895	1,300	482	14,004	458,455

Included in cost or valuation of land and buildings is freehold land of £143,000 (2018 - £143,000) which is not depreciated.

Cymdeithas Gofal The Care Society
Notes to the Financial Statements
For the Year Ended 31 March 2019

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.19	31.3.18
	£	£
Gross rent arrears	50,602	37,819
Provision for bad debt	<u>(25,218)</u>	<u>(25,131)</u>
Net rent arrears	25,384	12,688
Amount owed by group undertakings	4,170	-
Prepayments, accrued income and other debtors	<u>222,124</u>	<u>153,211</u>
	<u>251,678</u>	<u>165,899</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.19	31.3.18
	£	£
Bank loans and overdrafts (see note 18)	10,157	9,671
Trade creditors	23,613	45,589
Social security and other taxes	9,383	8,458
Amount owed to group undertakings	48,530	-
Other creditors	60,042	82,306
Accruals and deferred income	<u>42,668</u>	<u>19,212</u>
	<u>194,393</u>	<u>165,236</u>

17. CREDITORS: AMOUNTS FALLING AFTER MORE THAN ONE YEAR

	31.3.19	31.3.18
	£	£
Bank loans (see note 18)	<u>288,166</u>	<u>298,401</u>

18. LOANS

An analysis of the maturity of loans is given below:

	31.3.19	31.3.18
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>10,157</u>	<u>9,671</u>
Amounts falling between one and two years:		
Bank loans 1-2 years	<u>10,570</u>	<u>10,158</u>
Amounts falling between two and five years:		
Bank loans 2-5 years	<u>34,414</u>	<u>33,078</u>
Amounts falling in more than five years:		
Bank loans more 5 yrs by install	<u>243,182</u>	<u>255,165</u>

Cymdeithas Gofal The Care Society
Notes to the Financial Statements
For the Year Ended 31 March 2019

19. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.19	31.3.18
	£	£
Within one year	149,691	261,929
Between two and five years	258,594	345,639
	408,285	607,568

20. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.19	31.3.18
	£	£
Bank loans	298,323	308,072

The bank loan is secured by way of a first legal charge over the freehold property known as 26 Cambrian Street, Aberystwyth and 21 Terrace Road, Aberystwyth.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted fund £	31.3.19 Total Funds £	31.3.18 Total funds £
Fixed assets	433,681	-	433,681	458,455
Current assets	340,028	59,178	399,206	237,206
Current liabilities	(194,393)	-	(194,393)	(165,236)
Long term liabilities	(288,166)	-	(288,166)	(298,401)
	291,150	59,178	350,328	232,024

Cymdeithas Gofal The Care Society
Notes to the Financial Statements
For the Year Ended 31 March 2019

22. MOVEMENT IN FUNDS

	At 1.4.18 £	Net movement in funds £	Transfers between funds £	At 31.3.19 £
Unrestricted funds				
General fund	175,272	131,992	(16,114)	291,150
Restricted funds				
Welsh Government – S180 Bond Scheme	36,984	(712)	-	36,272
Welsh Government – S180 Accommodation Officer	(1,134)	13	1,121	-
Welsh Government – S180 Rooflessness	(940)	(14,053)	14,993	-
Transition Funding	2,878	1,064	-	3,942
Shop Mobility	18,964	-	-	18,964
	<u>56,752</u>	<u>(13,688)</u>	<u>16,114</u>	<u>59,178</u>
TOTAL FUNDS	<u>232,024</u>	<u>118,304</u>	<u>-</u>	<u>350,328</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	993,996	862,004	131,992
Restricted fund			
Welsh Government – S180 Bond Scheme	42,066	42,779	(713)
Welsh Government – S180 Accommodation Officer	38,966	38,953	13
Welsh Government – S180 Rooflessness	163,669	177,723	(14,054)
Transition Funding	1,439	375	1,064
	<u>246,140</u>	<u>259,830</u>	<u>(13,689)</u>
TOTAL FUNDS	<u>1,240,137</u>	<u>1,121,834</u>	<u>118,303</u>

General funds – are available for use at the Trustees' discretion in furtherance of the objectives of the Charity.

Restricted accounts are as follows:

Grants have been received under the S180 of the Housing Act 1996 or Section 126 of the Housing Grants Construction and Regeneration Act 1996 from the Welsh Government for specific projects, these grants are as follows:

Cymdeithas Gofal The Care Society
Notes to the Financial Statements
For the Year Ended 31 March 2019

23. MOVEMENT IN FUNDS – continued

S180 Bond Scheme – The Bond Scheme enables people on low incomes to move into their own private accommodation. Thus people, who are homeless or facing homelessness, are assisted into finding safe, affordable and sustainable rented accommodation facilitated through the provision of a bond guarantee.

S180 Accommodation Officer – The principle objective of the 'Accommodation Officer Scheme' is to alleviate homelessness in Ceredigion through meeting the increased demand for suitable and affordable private rented accommodation. To this end the scheme works with the Welsh Government, the Local Authority and regional private landlords to promote good practice, improve property standards and meet the shortfall from the existing private rented sector, registered social housing and statutory housing provision.

S180 Night Shelter – Rooflessness & Resettlement Initiative –

The overall aim of this project is to reduce homelessness and repeat homelessness in Ceredigion and rural mid-Wales through the provision of safe accommodation for 'rough sleepers' and homeless people. The project also aims to achieve positive resettlement outcomes and prevent social exclusion through engagement with service users and by providing support, access to the Accommodation Officer and Bond Schemes, client activities, housing advice, welfare, finance and benefits advice, partnership working and signposting to specialist agencies.

Transition funding – Funded by Ceredigion County Council, Transition funding was provided for the use of the annual Rough Sleeper Count.

Shop Mobility Scheme – To provide the effective delivery of the Shop mobility project, including staff training, acquisition of suitable mobility equipment, safe storage of such equipment and in an appropriate central location in Aberystwyth and delivery to where the equipment is needed. Use of the equipment should be charged on a fair and reasonable basis and effective promotion of the scheme is also required.

24. RELATED PARTY TRANSACTIONS

As of 1st April 2018, The Care Society became a subsidiary of Tai Ceredigion Housing Association. Any transactions made between The Care Society and Tai Ceredigion are made at arm's length on a commercial basis. During 2018/2019 the detail of invoices and payments made to Tai Ceredigion are summarised:-

	Invoiced	Paid	Outstanding
Output VAT	£21,290	£8,233	£13,058
IT Equipment	£6,121	£4,897	£1,224
Van Purchase	£2,875	£2,875	£0
SLA Finance, IT & HR	£58,641	£25,349	£33,292
Additional Staff costs	£726	£0	£726
Service Charges collected by TCS	<u>£230</u>	<u>£0</u>	<u>£230</u>
	£89,889	£41,354	£48,530

Cymdeithas Gofal The Care Society
Notes to the Financial Statements
For the Year Ended 31 March 2019

24. RELATED PARTY TRANSACTIONS - continued

As at 31st March 2019, The Care Society owed Tai Ceredigion as a creditor balance of £48,530. It also was owed £4,170 by Tai Ceredigion.

	Invoiced	Paid	Outstanding
Quarterly Wardening as per SLA	£9,926	£7,220	£2,706
Additional Wardening	£4,300	£3,710	£590
Executive Director hours as per SLA	<u>£4,090</u>	<u>£3,216</u>	<u>£874</u>
	£18,316	£14,146	£4,170

25. POST BALANCE SHEET EVENT

There are no post balance sheet events relating the Cymdeithas Gofal The Care Society.