

PERTHYN

England & Wales · Charity number 1046763

Details

Other names	COMMUNITY OPPORTUNITIES CONSORTIUM
Status	Registered
Legal form	Charitable company
Company number	03017158
Registered	1995-05-25
Register	View on the Charity Commission register

Contact

Address	Vivian Court Llys Felin Newydd Swansea Enterprise Park Swansea SA7 9FG
Phone	01792311980
Email	admin@perthyn.org.uk
Website	www.perthyn.org.uk

Activities

Objects: THE RELIEF OF SUFFERING BY PROVIDING AND DEVELOPING SUPPORTED ACCOMMODATION DAY SERVICES AND OTHER ASSOCIATED AMENITIES FOR ELDERLY PEOPLE, PEOPLE WITH SEVERE AND COMPLEX LEARNING DIFFICULTIES, PEOPLE WHO HAVE BEEN SUFFERING FROM MENTAL ILLNESS, PEOPLE WITH PHYSICAL DISABILITIES AND OTHER PEOPLE WHO HAVE SPECIAL NEEDS WHO DESIRE TO USE COMMUNITY BASED SERVICES.

Activities: Provider of care and support to people with learning disabilities and challenging behaviour and to enable those people to fulfil their maximum individual potential, thus support them to live full and valued lives in their communities.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, Disability, Accommodation/housing
- **Who:** Elderly/old People, People With Disabilities, Other Defined Groups

Geography

- Cardiff
- Carmarthenshire
- City Of Swansea
- Northamptonshire
- Nottinghamshire
- Pembrokeshire
- Powys
- Shropshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£20,705,905	£20,759,612	£1,643,407	555
2024-03-31	£22,031,367	£22,832,010	£1,448,114	667
2023-03-31	£23,011,597	£23,419,191	£2,401,550	679
2022-03-31	£23,125,296	£22,603,040	£2,348,144	771
2021-03-31	£22,010,404	£21,549,675	£1,858,888	810

Trustees

Name	Role	Appointed
Colin Downham	Chair	2019-07-10
Andrew Thomas		2014-10-15
Anne Carole Dunbar		2023-03-29
Sally Bernice Brown		2019-02-06

PERTHYN

England & Wales - Charity number 1046763

Accounts

Company registration number: 03017158

Charity registration number: 1046763

Perthyn

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2025

HSJ Audit Limited
Statutory Auditors
Severn House
Hazell Drive
Newport
South Wales
NP10 8FY

Perthyn

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TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2025

INTRODUCTION

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, are pleased to present their annual report together with the financial statements of the charity for the year ended 31st March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the financial statements and comply with the charity's 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) (effective 01 January 2019).

OBJECTIVES AND ACTIVITIES

Purpose: Why we do what we do

Perthyn's primary activity is providing support to people with learning disabilities, autism and complex health and emotional support requirements, to enable them to fulfil their maximum individual potential and live full and valued lives in their communities.

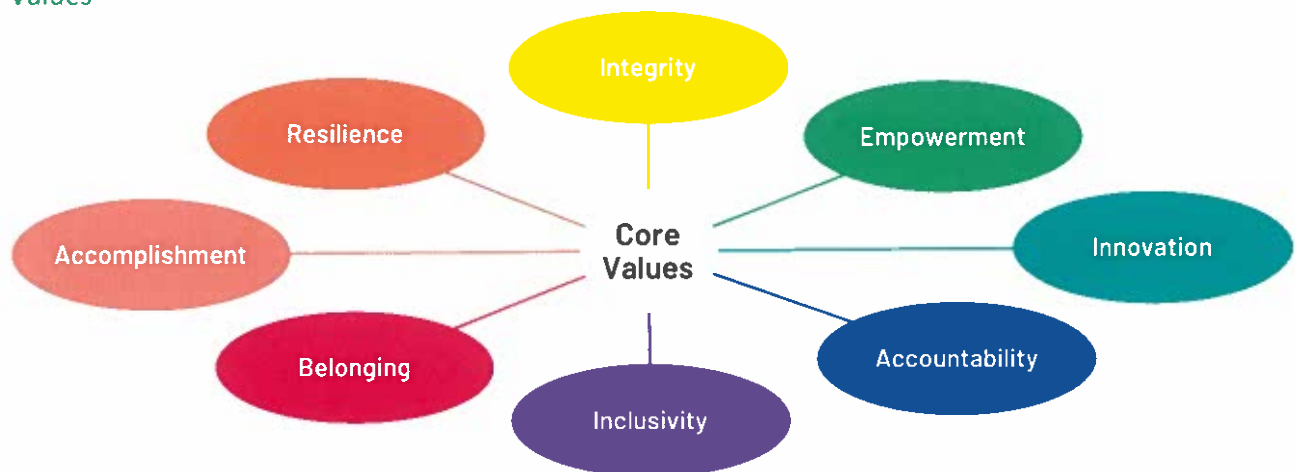
Vision: What our future looks like when our goals are accomplished

Perthyn's vision is for people with disabilities and autism to have the right support to live lives filled with opportunities, self-determination and meaningful relationships, with a real sense of belonging in the community.

Mission: What we aim to do

Perthyn's mission is to deliver the right amount of individualised support so everyone, regardless of their previous opportunities or the complexities of their support, can live the life they choose, being visibly active and contributing in the community in line with our organisation's values.

Values



TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2025

Strategy

It is our intention to maintain our current position as a quality provider of individualised support so people can live the life they choose, being visibly active in the community regardless of the complexity of their support, whilst growing our offering and expanding to ensure our future viability and offer job security for our current and future workforce.

Public Benefit Statement

Trustees review Perthyn's aims, objectives and activities each year. This review considers the outcomes and achievements of the previous twelve months, focusing on key departmental activities and the degree to which specified and agreed targets have been met. Trustees refer to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing aims and objectives and in planning future activities.

ACHIEVEMENT AND PERFORMANCE

General Overview

Perthyn was established in 1995 as a registered charity and a company limited by guarantee. We operate on a 'not-for-profit' basis, so invest all our funding in the provision of personal and individualised support to people with a learning disability, and the workforce that supports this. We are registered with both CQC (Care Quality Commission) and CIW (Care Inspectorate Wales) and work with a number of local authorities and health commissioners. We mainly support people via the Supported Living Model, but also provide bespoke community day opportunities and specialised residential / transition 'step down' services for people with complex support requirements.

Perthyn's skills and experience in planning and delivering support for people with complex health needs, multiple disabilities, autism, personality disorder, behaviour that can challenge, or where previous community living arrangements have failed, means we can effectively support people who require a more intensive level of support to achieve positive outcomes and an improved quality of life within the community.

We are now entering the second year of our 3-year strategic planning cycle (2024-2027) with increasingly more complex and diverse requirements requiring more ways to provide personalised support. This is also a time of political change with a new 'social care reform' seeking to deliver consistency, sustainability and high-quality care, which is balanced with increasing financial pressures and shortfalls.

Key Characteristics:	2024-25	2023-24
Number of people supported (as at 31 March)	163	183
Number of staff (headcount as at 31 March)	487	492

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2025

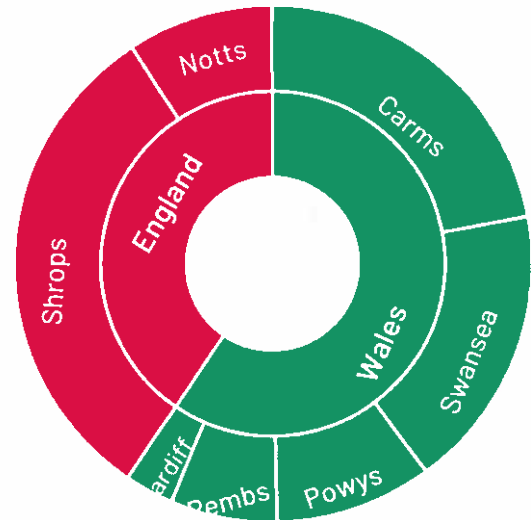
Turnover

£20,705,905

£22,031,367

Local Authorities we worked with during 2024-25:

- Wales:
 - Cardiff
 - Carmarthenshire
 - Pembrokeshire
 - Powys
 - Swansea
- England:
 - Nottinghamshire
 - Shropshire



Operational Performance

Below are some of our key achievements made this year against our strategic aims:

- The quality of Perthyn's support will be measurable and demonstrable to each person, their teams, families and commissioners.
 - ✓ Both the organisational risk and performance monitoring KPIs have been reviewed and defined, ensuring we have useful, accountable and empowering information.
 - ✓ We continued to develop and implement the iplanit system, to inform and assist with support planning.
- Our workforce will have access to regular training and development, management support and their wellbeing will be of paramount importance. In return everyone will be expected to meet our high standard of performance and behaviours as outlined in our organisation's values and job descriptions.
 - ✓ Employee recognition award scheme launched.
 - ✓ Management Development Programme initiated.
- All experiences with Perthyn will meet the same consistently high standards regardless of where you live or work.
 - ✓ Regional Scrutiny Committees established, to examine the risks and successes specific to the individualities of each region.
 - ✓ The role of the Supported Living Manager was reviewed, the job description updated, and the working patterns aligned to improve clarity around the accountability of the role and to ensure the managers have the time and resources needed to support them.
- We will support people to do more both at home and in the community through good planning, decision making, use of the Active Support Model, Trauma Informed Support and

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2025

Positive Risk Taking.

- ✓ Short term active support interventions implemented.
- ✓ Revised Active Support Training
- We will maximise our use of digital and assistive technology and actively source further solutions to improve communication, enhance usability and functionality, modernise our approaches and enable us to work smarter.
 - ✓ IT setup and offering reviewed and roadmap developed
 - ✓ Digital signatures introduced
 - ✓ Alternative rota management software implemented
 - ✓ Alternative software for managing HR and Payroll information identified and configuration works commenced
 - ✓ Cyber Essentials Plus accreditation maintained
 - ✓ New person-focussed QA audits established
- We will evidence financial stability through clear negotiated milestones, work within our agreed budgets, and invest our reserves wisely in creating growth, embracing innovation and seeking out added value.
 - ✓ Improved cashflow monitoring processes implemented
 - ✓ Corporate banking arrangements moved to Barclays
 - ✓ Short-term investment funds re-invested to maximise returns
 - ✓ Strategy developed for reducing reliance on reserves and reducing management charge

FINANCIAL REVIEW

Financial Performance

The overall surplus for the year ended 31 March 2025 was £195,293 (2024: £828,643 deficit). The overall level of funds carried forward into 2025-26 amounts to £1,643,407 compared with the £1,448,114 brought into 2024-25. The cumulative unrestricted reserves increased to £1,235,562 (2024: £1,077,021).

Note:

1. Funds are restricted either on geographical grounds to recognise the funding from various local authority areas, or by the terms and conditions laid down by the donor. Although local authority funds are restricted, their expenditure remains in support of Perthyn's primary objectives.
2. The funding for the year was received from those local authorities with whom Perthyn has service agreements. In addition Perthyn received Supporting People grant funding from those same local authorities, health funding from local health boards and payments from or on behalf of the people being supported in respect of housing benefit and other contributions.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2025

3. The principal cost for the year continued to be the salaries and related costs of the staff that are necessarily employed to meet Perthyn's contract obligations. Perthyn also meets the cost of accommodation on behalf of the people being supported, including rent, housing associations' service charges and other housing management costs.
4. Perthyn continues to incur increased pension costs and actuarial losses as SHPS moves slowly towards financial stability, and also the annual graduated increases in the employer contributions of the 'Auto Enrolment' employee pension scheme.

Investment Policy

The investment policy the Trustees have adopted is designed to generate returns at low risk and is regularly reviewed by the Finance & Business Development Scrutiny Committee. Any income not used during the year is re-invested with the original capital sum. Any other investments relate only to surplus monies held from time to time, which are placed on short term deposit.

Significant financial risk considerations

The Executive Management Team have identified to the Trustees that the following financial risks are most in need of protective policies:

1. The loss of service contracts and the resultant financial costs to Perthyn.
2. The cost of maintaining appropriate levels of support in the event of a reduction in the scope and/or value of any service contract.
3. The cost of ensuring that all properties, including the Residential Care Home, are safe, appropriately compliant and at all times fit for purpose.
4. The SHPS Defined Benefit pension scheme and the impact of fluctuating valuations.

To address these potential problems the Trustees have adopted the Reserves Policy outlined below.

Reserves Policy

Analysis of risk to Perthyn's contracted operations and moral obligations to those we support has recognised the need to hold reserves in respect of eventualities which may include, inter alia, the following:

1. To ensure that if the funding levels for support are significantly reduced then appropriate levels of support can still be provided whilst an appropriate exit strategy is negotiated with the relevant funder.
2. To make provision for other potential liabilities as a result of contracts being terminated, reduced or withdrawn. Such liabilities could include redundancy costs, buying out leases, severance of contracted commitments, etc.
3. Maintenance of Perthyn-owned properties and assets to meet safety standards, insurance and other obligations.
4. Replacement of essential assets.
5. To be able to respond to statutory changes.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2025

Perthyn is subject to periodic contract retendering in all areas, which could result in the loss or reduction of a contract. Any such event would trigger pre-prepared action plans to minimise the impact on Perthyn's operations and financial stability. The advice of a contract reduction or loss would be immediately brought to the attention of the Trustees, and then considered at relevant Scrutiny Committee meetings.

The Trustees annually review Perthyn's reserves policy to ensure it protects against the identified risks.

Future Plans

Perthyn operates in a constantly changing environment and needs to respond to legislative and regulatory changes, commissioning developments, cost pressures, and tender opportunities. Trustees meet regularly with the Executive Management Team to consider and agree how the organisation should respond and evolve. Perthyn considers tendering opportunities as they arise, taking into account our capacity and resources, weighing this up with the aims and requirements of the tender specifications, along with how they fit with our values and ethos. The 3 year Strategic Plan sets out Perthyn's overarching aims and objectives.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution and Governing Document

Perthyn is a company limited by guarantee and not having a share capital, registered in England and Wales (company registration number 03017158), and is governed by its Memorandum and Articles of Association. Perthyn is also registered with the Charity Commission (charity registration number 1046763). The Trustees are also directors of the Charitable company.

Recruitment, appointment and training of new Trustees

New Trustees, who are appointed by existing Trustees, are provided with an induction pack (including relevant guidance on Trustee roles and responsibilities), an induction programme, and any additional training that might be required. This process is under regular review.

Organisational Structure

The Board of Trustees meets five times each year and Trustees are responsible for formulating policies and procedures, for setting strategic direction, and for ensuring appropriate levels of internal control. The day to day running of Perthyn is the responsibility of the Chief Executive Officer and the Executive Management Team who report to Trustees at regular Board and Scrutiny Committee meetings.

Sub-committee / working group structure

A committee structure is in place to assist and strengthen the Trustees' oversight of activities. The sub-committee structure aligns with activity and project groupings, strategic conversations and Head of Department areas of responsibility. The committees and meeting frequencies are as follows:

- Finance & Business Development Scrutiny Committee (4-5 meetings annually)
- Workforce Scrutiny Committee (quarterly meetings)
- Systems & Processes Scrutiny Committee (quarterly meetings)
- Supporting People Scrutiny Committee (quarterly meetings)
- Annual Governance Day

The Chair of the Board of Trustees also meets monthly with the Chief Executive Officer.

The Auditors have direct and confidential access to the Chair of the Board of Trustees should they so require.

Employment Policies

Employment of disabled persons

It is the policy that disabled persons shall be considered for employment, career development and promotion on the basis of their aptitude and abilities in common with all employees.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2025

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Name	Perthyn
Charity Number	1046763
Company Number	03017158 (England and Wales)
Registered Address	Vivian Court Llys Felin Newydd Phoenix Way Swansea SA7 9FG
Trustees	Colin Downham (Chair) Andrew Thomas Bernice Brown Anne Dunbar
Company Secretary	Beth Radford
Senior Management	Beth Radford (Chief Executive Officer) Kat Angell (Executive Director, Finance & Business Development) Erika Gostelow (Executive Director, Support & Inclusion) Gareth Matthews (Executive Director, Development & Compliance) Ian Higgins (Head of Support & Inclusion, England) Emma Rees (Head of Support & Inclusion, Wales) Choi Tang (Head of Finance) Ian Duggan (Head of Human Resources) Gary Darch (Head of Recruitment, Learning & Development) Hayley Thomson (Head of Health, Safety & Quality Assurance) Simon Hardwicke (Head of PBS Services) Andy Johnson (Director of ICT) – <i>resigned 30th November 2024</i>
Auditors	HSJ Audit Limited Severn House, Hazell Drive, Newport, NP10 8FY
Bankers	Barclays Bank Plc 5 Callaghan Square, Cardiff, CF10 5BT
Solicitors	Geldard's LLP Dumfries House, Dumfries Place, Cardiff, CF10 3ZF

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2025

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of Perthyn for the purposes of company law) are responsible for preparing their Annual Report and the financial statements in accordance with applicable law and 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 reasonable and prudent
- 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.

Report of the Trustees, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 26 November 2025 and signed on the board's behalf by:

Signed:



Colin Downham (Chair)

Dated:

26 / 11 / 25

Perthyn

Independent Auditor's Report to the Members of Perthyn

Opinion

We have audited the financial statements of Perthyn (the 'charity') for the year ended 31 March 2025, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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 31 March 2025 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.

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 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.

Perthyn

Independent Auditor's Report to the Members of Perthyn

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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, except to the extent otherwise explicitly stated in our report, 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 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

Perthyn

Independent Auditor's Report to the Members of Perthyn

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the (set out on page), 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 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Perthyn

Independent Auditor's Report to the Members of Perthyn

Our planning procedures identify the legal and regulatory frameworks applicable to the operations and financial statements of the group. These are reviewed internally with the audit team including relevant industry experience and expectations as well as externally with the client management. The key laws and regulations we considered in this context were the UK Companies ACT 2006, Charities Act 2011 and relevant tax legislation.

Once identified, we assess the risks of material misstatements in relation to the laws and regulations, irregularities, including fraud and adjust our testing accordingly. Our audit procedures include:

- Discussing with Trustees and management which areas of the business they believe to be more susceptible to fraud, and whether they have any knowledge or suspicion of fraudulent activities;
- Obtaining an understanding of the key controls put in place by the group to address risks identified, assessing the effectiveness of those and discussing how these are maintained and monitored internally;
- Assessing the risk of management override and review and testing of journal entries made into the accounting system;
- Challenging assumptions and judgements made by the group in relation to the significant accounting estimates employed in the preparation of the financial statements;
- Discussions with Trustees and management the legal and regulatory obligations of the business and whether they have any knowledge or suspicion of non compliance.

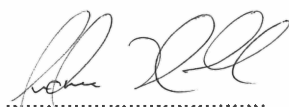
Despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularities likely involve collusion, forgery, intentional misrepresentation, or the override of internal controls.

Perthyn

Independent Auditor's Report to the Members of Perthyn

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of 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 to them 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 charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Andrew Hill FCCA ACA DChA BFP (Senior Statutory Auditor)
For and on behalf of HSJ Audit Limited, Statutory Auditor

Severn House
Hazell Drive
Newport
South Wales
NP10 8FY

28 November 2025

Perthyn

Statement of Financial Activities for the Year Ended 31 March 2025
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2025 £
Income and Endowments from:				
Charitable activities	3	3,334,423	17,354,964	20,689,387
Investment income	4	<u>16,518</u>	<u>-</u>	<u>16,518</u>
Total income		<u>3,350,941</u>	<u>17,354,964</u>	<u>20,705,905</u>
Expenditure on:				
Charitable activities	5	<u>(3,441,400)</u>	<u>(17,318,212)</u>	<u>(20,759,612)</u>
Total expenditure		<u>(3,441,400)</u>	<u>(17,318,212)</u>	<u>(20,759,612)</u>
Net (expenditure)/income		(90,459)	36,752	(53,707)
Other recognised gains and losses				
Actuarial gains on defined benefit pension schemes		<u>249,000</u>	<u>-</u>	<u>249,000</u>
Net movement in funds		158,541	36,752	195,293
Reconciliation of funds				
Total funds brought forward		<u>1,077,021</u>	<u>371,093</u>	<u>1,448,114</u>

Perthyn

Statement of Financial Activities for the Year Ended 31 March 2025
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £
Income and Endowments from:				
Charitable activities	3	4,193,159	17,826,096	22,019,255
Investment income	4	<u>12,112</u>	<u>-</u>	<u>12,112</u>
Total income		<u>4,205,271</u>	<u>17,826,096</u>	<u>22,031,367</u>
Expenditure on:				
Charitable activities	5	<u>(4,999,437)</u>	<u>(17,832,573)</u>	<u>(22,832,010)</u>
Total expenditure		<u>(4,999,437)</u>	<u>(17,832,573)</u>	<u>(22,832,010)</u>
Net expenditure		(794,166)	(6,477)	(800,643)
Transfers between funds		16,216	(16,216)	-
Other recognised gains and losses				
Actuarial gains on defined benefit pension schemes		<u>(28,000)</u>	<u>-</u>	<u>(28,000)</u>
Net movement in funds		(805,950)	(22,693)	(828,643)
Reconciliation of funds				
Total funds brought forward		<u>1,882,971</u>	<u>393,786</u>	<u>2,276,757</u>
Total funds carried forward	19	<u>1,077,021</u>	<u>371,093</u>	<u>1,448,114</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2024 is shown in note 19.

Perthyn

(Registration number: 03017158)
Balance Sheet as at 31 March 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	11	615,141	596,460
Current assets			
Debtors	12	1,442,921	1,359,259
Investments		382,430	372,438
Cash at bank and in hand	13	<u>737,503</u>	<u>864,585</u>
		2,562,854	2,596,282
Creditors: Amounts falling due within one year	14	<u>(927,468)</u>	<u>(860,500)</u>
Net current assets		<u>1,635,386</u>	<u>1,735,782</u>
Total assets less current liabilities		2,250,527	2,332,242
Provisions	16	<u>(607,120)</u>	<u>(884,128)</u>
Net assets		<u><u>1,643,407</u></u>	<u><u>1,448,114</u></u>
Funds of the charity:			
Restricted income funds			
Restricted funds		407,845	371,093
Unrestricted income funds			
Unrestricted funds		1,109,170	935,629
Revaluation reserve		<u>126,392</u>	<u>141,392</u>
Total unrestricted funds		<u>1,235,562</u>	<u>1,077,021</u>
Total funds	19	<u><u>1,643,407</u></u>	<u><u>1,448,114</u></u>

The financial statements on pages 6 to 37 were approved by the trustees, and authorised for issue on 26 November 2025 and signed on their behalf by:



~~MR AL T Thomas~~ MR COLIN DOWNHAM
 Trustee

Perthyn

Statement of Cash Flows for the Year Ended 31 March 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash income/(expenditure)		195,293	(828,643)
Adjustments to cash flows from non-cash items			
Depreciation		18,381	16,331
Investment income	4	(16,518)	(12,112)
Financial instrument net (gains) losses through statement of financial activities		<u>(249,000)</u>	<u>28,000</u>
		(51,844)	(796,424)
Working capital adjustments			
Increase in debtors	12	(83,662)	(93,569)
Increase/(decrease) in creditors	14	80,552	(122,968)
(Decrease)/increase in provisions	16	(28,008)	44,068
(Decrease)/increase in deferred income		<u>(23,576)</u>	<u>3,033</u>
Net cash flows from operating activities		<u>(106,538)</u>	<u>(965,860)</u>
Cash flows from investing activities			
Interest receivable and similar income	4	16,518	12,112
Purchase of tangible fixed assets	11	(39,932)	-
Sale of tangible fixed assets		<u>2,870</u>	<u>-</u>
Net cash flows from investing activities		<u>(20,544)</u>	<u>12,112</u>
Net decrease in cash and cash equivalents		(127,082)	(953,748)
Cash and cash equivalents at 1 April		<u>864,585</u>	<u>1,818,333</u>
Cash and cash equivalents at 31 March		<u><u>737,503</u></u>	<u><u>864,585</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2025

1 Charity status

The charity is limited by guarantee, incorporated in Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Vivian Court
Llys Felin Newydd
Pheonix Way
Swansea
SA7 9FG

These financial statements were authorised for issue by the trustees on 26 November 2025.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Perthyn meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2025

Income and endowments

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Charitable activities

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

Housing benefit claimed on behalf of all service users is accounted for on a receivable basis.

Grants and service level agreements to support the provision of care are accounted for in the financial year to which they relate. Grants received to finance the cost of fixed asset are recognised as restricted funds and used to finance the annual depreciation charge.

Carers allowance awarded by the Welsh Government relates to a one-off flat rate payment of £500 for eligible carers, to reward the hard work and commitment of social care staff who have provided essential care to the most vulnerable citizens during the COVID-19 pandemic (2023).

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2025

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £1,500.00 or more are initially recorded at cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Motor vehicles	25% straight line basis
Fixtures & fittings	15% straight line basis
Freehold buildings	2% straight line basis
Freehold land	nil

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2025

Current asset investments

Current asset investments are included at the lower of cost and net realisable value / market value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Provisions

Provisions are recognised when the charity has an obligation at the reporting date as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2025

Fund structure

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

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The Charity participates in the Social Housing Pension Scheme (SHPS). This is a defined benefit scheme for which the assets and liabilities are calculated by an independent qualified actuary. Contributions towards the current cost of the scheme as well as towards the past service deficit are recorded through the year. At the year end an Actuarial assessment is conducted and the impact of any gains or losses recorded in the financial statements.

3 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2025 £	Total 2024 £
Care Services	<u>3,334,423</u>	<u>17,354,964</u>	<u>20,689,387</u>	<u>22,019,255</u>
	Unrestricted funds General £	Restricted funds £	Total 2025 £	Total 2024 £
Housing Benefit	1,134,460	119,335	1,253,795	1,246,157
Service User Recharge	32,820	-	32,820	21,219
Care Funding Fees	1,614,472	17,235,629	18,850,101	20,293,920
Repairs, renewals & internal decorations	112,712	-	112,712	81,870
Care contribution	91,616	-	91,616	90,002
Training and other income	73,923	-	73,923	32,475
Carer allowance	<u>274,419</u>	<u>-</u>	<u>274,419</u>	<u>253,612</u>
	<u>3,334,422</u>	<u>17,354,964</u>	<u>20,689,386</u>	<u>22,019,255</u>

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2025

4 Investment income

	Unrestricted funds General £	Total 2025 £	Total 2024 £
Interest receivable and similar income;			
Interest receivable on bank deposits	<u>16,518</u>	<u>16,518</u>	<u>12,112</u>

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2025

5 Expenditure on charitable activities

	Note	Unrestricted funds		Restricted funds	Total 2025	Total 2024
		Designated	General	£	£	£
Care Services		-	1,960,971	275,384	2,236,355	2,842,318
Staff costs		350,000	214,695	17,042,828	17,607,523	18,974,654
Allocated support costs	6	-	904,447	-	904,447	997,120
Governance costs	6	-	11,287	-	11,287	17,918
		<u>350,000</u>	<u>3,091,400</u>	<u>17,318,212</u>	<u>20,759,612</u>	<u>22,832,010</u>

In addition to the expenditure analysed above, there are also governance costs of £11,287 (2024 - £17,918) which relate directly to charitable activities. See note 6 for further details.

Notes to the Financial Statements for the Year Ended 31 March 2025

6 Analysis of governance and support costs

Support costs allocated to charitable activities

	Basis of allocation	Information technology costs £	Administration costs £	Premises costs including depreciation £	Other support costs £	Total funds £
Care Services	A	235,588	90,507	487,827	90,525	904,447
Total for 2024		<u>184,289</u>	<u>106,611</u>	<u>568,894</u>	<u>137,326</u>	<u>997,120</u>

Basis of allocation

Reference	Method of allocation
A	Support costs reflect costs associated with the central resources of the charity

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2025

Governance costs

	Unrestricted funds		
	General	Total	Total
	£	2025	2024
		£	£
Allocated support costs	11,287	11,287	17,918
	<u>11,287</u>	<u>11,287</u>	<u>17,918</u>

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2025

7 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2025	2024
	£	£
Operating leases - other assets	210,372	242,086
Audit fees	9,100	9,100
Other non-audit services	2,000	2,000
Depreciation of fixed assets	<u>18,381</u>	<u>16,311</u>

8 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

Trustee expenses totalling £768 (2023: £1,567) were re-imbursed during the year.

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

9 Staff costs

The aggregate payroll costs were as follows:

	2025	2024
	£	£
Staff costs during the year were:		
Wages and salaries	15,740,875	16,800,729
Social security costs	1,469,520	1,517,654
Pension costs	<u>397,128</u>	<u>656,271</u>
	<u>17,607,523</u>	<u>18,974,654</u>

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2025

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2025 No	2024 No
Operational	505	605
Office	<u>50</u>	<u>62</u>
	<u><u>555</u></u>	<u><u>667</u></u>

The number of employees whose emoluments fell within the following bands was:

	2025 No	2024 No
£60,001 - £70,000	3	4
£70,001 - £80,000	-	3
£80,001 - £90,000	1	2
£100,001 - £110,000	<u>-</u>	<u>1</u>

The total employee benefits of the key management personnel of the charity were £779,038 (2024 - £838,539).

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2025

10 Taxation

The charity is a registered charity and is therefore exempt from taxation.

11 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2024	750,000	2,870	13,800	766,670
Additions	14,295	25,637	-	39,932
Disposals	<u>-</u>	<u>(2,870)</u>	<u>(13,800)</u>	<u>(16,670)</u>
At 31 March 2025	<u>764,295</u>	<u>25,637</u>	<u>-</u>	<u>789,932</u>
Depreciation				
At 1 April 2024	154,633	1,777	13,800	170,210
Charge for the year	15,144	3,237	-	18,381
Eliminated on disposals	<u>-</u>	<u>-</u>	<u>(13,800)</u>	<u>(13,800)</u>
At 31 March 2025	<u>169,777</u>	<u>5,014</u>	<u>-</u>	<u>174,791</u>
Net book value				
At 31 March 2025	<u>594,518</u>	<u>20,623</u>	<u>-</u>	<u>615,141</u>
At 31 March 2024	<u>595,367</u>	<u>1,093</u>	<u>-</u>	<u>596,460</u>

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2025

Revaluation

The fair value of the company's Buildings was revalued on 5 November 2015 by Lambert Smith Hamptin Chartered Building Surveyors, an independent valuer.

This valuation was based upon open market value which is deemed to be not materially different from existing use basis.

Had this class of asset been measured on a historical cost basis, their carrying amount would have been £385,000 (2024 - £396,000).

12 Debtors

	2025 £	2024 £
Trade debtors	1,173,505	1,203,150
Prepayments	162,575	155,354
Accrued income	<u>106,841</u>	<u>755</u>
	<u>1,442,921</u>	<u>1,359,259</u>

13 Cash and cash equivalents

	2025 £	2024 £
Cash on hand	276	386
Cash at bank	<u>737,227</u>	<u>864,199</u>
	<u>737,503</u>	<u>864,585</u>

14 Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	130,612	194,071
Other taxation and social security	313,394	348,077
Other creditors	112,800	161,793
Accruals	366,588	128,909
Deferred income	<u>4,074</u>	<u>27,650</u>
	<u>927,468</u>	<u>860,500</u>

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2025

	2025	2024
	£	£
Deferred income at 1 April 2024	27,650	24,617
Resources deferred in the period	4,074	27,650
Amounts released from previous periods	<u>(27,650)</u>	<u>(24,617)</u>
Deferred income at year end	<u>4,074</u>	<u>27,650</u>

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2025

15 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2025 £	2024 £
Land and buildings		
Within one year	103,475	109,333
Between one and five years	<u>225,445</u>	<u>309,850</u>
	<u><u>328,920</u></u>	<u><u>419,183</u></u>

16 Provisions

	Pension contributions provision £	Property & IT Provision £	Total £
At 1 April 2024	(765,000)	(119,128)	(884,128)
Credited to the statement of recognised gains and losses	-	28,008	28,008
Decrease due to passage of time and change in discount rate	<u>249,000</u>	<u>-</u>	<u>249,000</u>
At 31 March 2025	<u><u>(516,000)</u></u>	<u><u>(91,120)</u></u>	<u><u>(607,120)</u></u>

17 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £397,128 (2024 - £503,447).

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2025

Defined benefit pension schemes

Social Housing Pension Scheme

The Scheme is funded and is contracted-out of the State Pension scheme.

SHPS is a multi-employer defined benefit scheme. Employer participation in the Scheme is subject to adherence with the employer responsibilities and obligations as set out in the 'SHPS House Policies and Rules Employer Guide'.

An employer can elect to operate different benefit structures for their active members and their new entrants. An employer can only operate one open defined benefit structure at any one time. An open benefit structure is one which new entrants are able to join.

Perthyn currently operates final salary with a 1/60th accrual rate, final salary with a 1/70th accrual rate and final salary with a 1/80th accrual rate benefit structure for active members.

The Trustee commissions an actuarial valuation of the Scheme every three years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required, in respect of each benefit structure, so that the Scheme can meet its pension obligations as they fall due. From April 2007 the split of the total contribution rate between member and employer is set at individual employer level, subject to the employer paying no less than 50% of the total contribution rate. From 1 April 2010 the requirement for employers to pay at least 50% of the total contribution rate no longer applies.

The actuarial valuation assesses whether the Scheme's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date. Asset values are calculated by reference to market levels. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2025

The date of the most recent comprehensive actuarial valuation was 30 September 2023. The average duration of the defined benefit obligation at the period ended 31 March 2024 is 14 years.

Assumptions for future inflation linked pension increases (where applicable) are based on the appropriate headline inflation index, adjusted where necessary to reflect any caps and collars, bearing in mind the proximity of the future inflation assumption to those caps and collars and the expected variability of future inflation increases. These assumptions are set out below in full.

Note that these represent all possible assumptions that could apply to scheme benefits, and in practice not all of these assumptions will be used.

The total cost relating to defined benefit schemes for the year recognised in profit or loss as an expense was 173,518 (2024 - £168,000).

The total cost relating to defined benefit schemes for the year included in the cost of an asset was - (2024 - £-).

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2025

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the statement of financial position are as follows:

	2025	2024
	£	£
Fair value of scheme assets	3,084,000	3,177,000
Present value of defined benefit obligation	<u>(3,600,000)</u>	<u>(3,942,000)</u>
Defined benefit pension scheme deficit	<u><u>(516,000)</u></u>	<u><u>(765,000)</u></u>

Defined benefit obligation

Changes in the defined benefit obligation are as follows:

	2025
	£
Present value at start of year	3,942,000
Past service cost	5,000
Interest cost	190,000
Actuarial gains and losses	(405,000)
Benefits paid	<u>(132,000)</u>
Present value at end of year	<u><u>3,600,000</u></u>

Fair value of scheme assets

Changes in the fair value of scheme assets are as follows:

	2025
	£
Fair value at start of year	3,177,000
Interest income	157,000
Return on plan assets, excluding amounts included in interest income/(expense)	(302,000)
Employer contributions	184,000
Contributions by scheme participants	<u>(132,000)</u>
Fair value at end of year	<u><u>3,084,000</u></u>

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2025

Analysis of assets

The major categories of scheme assets are as follows:

	2025	2024
	£	£
Global Equity	345,000	316,000
Absolute Return	-	124,000
Distressed Opportunities	-	112,000
Credit Relative Value	-	104,000
Alternative Risk Premia	-	101,000
Liquid Alternatives	572,000	-
Emerging Markets Debt	-	41,000
Risk Sharing	-	186,000
Insurance-Linked Securities	10,000	16,000
Property	154,000	128,000
Infrastructure	1,000	321,000
Private Equity	3,000	3,000
Real Assets	369,000	-
Private Debt	-	125,000
Opportunistic Illiquid Credit	-	124,000
Private Credit	377,000	-
Credit	118,000	-
Investment Grade Credit	95,000	-
Cash	42,000	63,000
Long Lease Property	1,000	21,000
Secure Income	51,000	95,000
Liability Driven Investment	934,000	1,293,000
Currency Hedging	5,000	(1,000)
Net Current Assets	7,000	5,000
Total assets	3,084,000	3,177,000

Return on scheme assets

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2025

	2025 £	2024 £
Return on scheme assets	<u>145,000</u>	<u>148,000</u>

The pension scheme has not invested in any of the charity's own financial instruments or in properties or other assets used by the charity.

Principal actuarial assumptions

The principal actuarial assumptions at the statement of financial position date are as follows:

	2025 %	2024 %
Discount rate	5.85	4.90
Inflation (RPI)	3.09	3.15
Inflation (CPI)	2.79	2.78
Salary growth	3.79	3.78
Allowance for commutation of pension for cash at retirement (maximum allowance)	<u>75.00</u>	<u>75.00</u>

Post retirement mortality assumptions

	2025 Years	2024 Years
Current UK pensioners at retirement age - male	21.00	21.00
Current UK pensioners at retirement age - female	23.00	23.00
Future UK pensioners at retirement age - male	22.00	22.00
Future UK pensioners at retirement age - female	<u>25.00</u>	<u>24.00</u>

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2025

18 Other long-term employment and termination benefits

Pension Trust's Growth Plan

The Growth Plan is a multi-employer pension Plan which is in most respects a money purchase arrangement but it has some guarantees. Contributions paid into the Growth Plan up to and including September 2001 were converted to defined amounts of pension payable from Normal Retirement Date. From October 2001 contributions were invested in personal funds which have a Capital guarantee and which are converted to pension on retirement, either within the Growth Plan or by the purchase of an annuity.

The Plan is funded and is not contracted out of the state scheme. The rules of the Growth Plan allow for the declaration of bonuses and/ or investment credits if this is within the financial capacity of the Plan assessed on a prudent basis.

Bonuses / investment credits are not guaranteed and are declared at the discretion of the Plan's Trustee. The Trustee commissions an actuarial valuation of the Growth Plan every 3 years. The main purpose of the valuation is to determine the financial position of the Plan and so determine the future prospects for discretionary bonuses and/ or investment credits. The actuarial valuation assesses whether the Plan's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date. Asset values are calculated by reference to market levels. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

Perthyn offers the Growth Plan as an AVC investment option for members of the Social Housing Pension Scheme. The members pay contributions at a rate of their choice. The organisation does not pay any contributions to the Growth Plan.

PERTHYN

England & Wales - Charity number 1046763

Accounts

Company registration number: 03017158

Charity registration number: 1046763

Perthyn

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2024

HSJ Audit Limited
Statutory Auditors
Severn House
Hazell Drive
Newport
South Wales
NP10 8FY

Perthyn

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Perthyn

Trustees' Annual Report For The Year Ended 31 March 2024

INTRODUCTION

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, are pleased to present their annual report together with the financial statements of the charity for the year ended 31st March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the financial statements and comply with the charity's 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) (effective 01 January 2019).

OBJECTIVES AND ACTIVITIES

Purpose: Why we do what we do

Perthyn's primary activity is providing support to people with learning disabilities, autism and complex health and emotional support requirements, to enable them to fulfil their maximum individual potential and live full and valued lives in their communities.

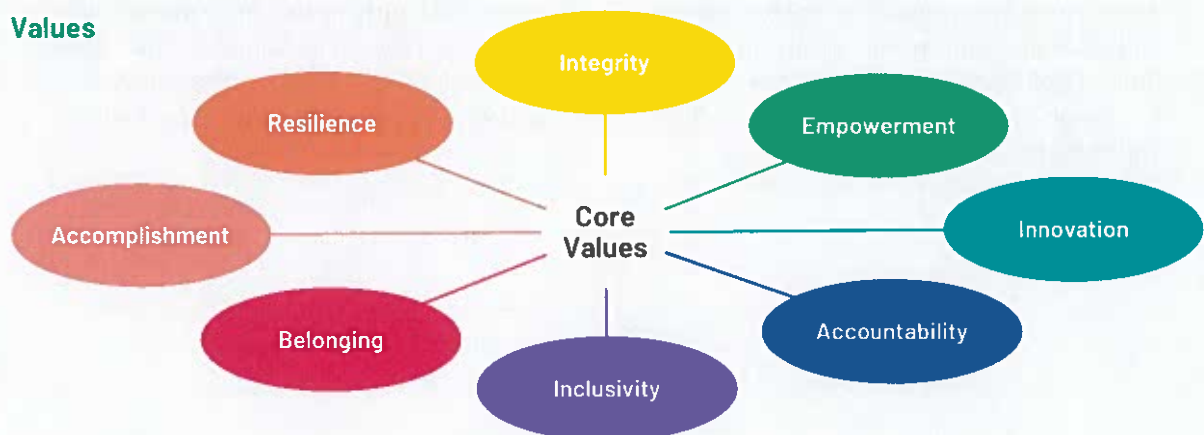
Vision: What our future looks like when our goals are accomplished

Perthyn's vision is for people with disabilities and autism to have the right support to live lives filled with opportunities, self-determination and meaningful relationships, with a real sense of belonging in the community.

Mission: What we aim to do

Perthyn's mission is to deliver the right amount of individualised support so everyone, regardless of their previous opportunities or the complexities of their support, can live the life they choose, being visibly active and contributing in the community in line with our organisation's values.

Values



Perthyn

Trustees' Annual Report For The Year Ended 31 March 2024

Strategy

It is our intention to maintain our current position as a quality provider of individualised support so people can live the life they choose, being visibly active in the community regardless of the complexity of their support, whilst growing our offering and expanding to ensure our future viability and offer job security for our current and future workforce.

Public Benefit Statement

Trustees review Perthyn's aims, objectives and activities each year. This review considers the outcomes and achievements of the previous twelve months, focusing on key departmental activities and the degree to which specified and agreed targets have been met. Trustees refer to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing aims and objectives and in planning future activities.

ACHIEVEMENT AND PERFORMANCE

General Overview

Perthyn was established in 1995 as a registered charity and a company limited by guarantee. We operate on a 'not-for-profit' basis, so invest all our funding in the provision of personal and individualised support to people with a learning disability, and the workforce that supports this. We are registered with both CQC (Care Quality Commission) and CIW (Care Inspectorate Wales) and work with a number of local authorities and health commissioners. We mainly support people via the Supported Living Model, but also provide bespoke community day opportunities and specialised residential, transition 'step down' services for people with complex support requirements.

Perthyn's skills and experience in planning and delivering support for people with complex health needs, multiple disabilities, autism, personality disorder, behaviour that can challenge, or where previous community living arrangements have failed, means we can effectively support people who require a more intensive level of support to achieve positive outcomes and an improved quality of life within the community.

We are now entering our next 3-year strategic planning cycle with increasingly more complex and diverse requirements requiring more ways to provide personalised support. This is also a time of political change with a new 'social care reform' seeking to deliver consistency, sustainability and high-quality care, which is balanced with increasing financial pressures and shortfalls.

Perthyn

Trustees' Annual Report For The Year Ended 31 March 2024

Key Characteristics:	2023-24	2022-23
Number of people supported (as at 31 March)	183	192
Number of staff (headcount as at 31 March)	492	727
Turnover	£22,031,367	£23,011,597

Local Authorities we worked with during 2023-24:

- Wales: Cardiff, Swansea, Carmarthenshire, Pembrokeshire & Powys
- England: Nottinghamshire, Northamptonshire & Shropshire

Operational Performance

Perthyn entered the 2023-24 financial year with planned but significant changes to the organisation's leadership. In particular after several years leading Perthyn our former CEO, Steve Cox, retired on 31 March 2023 and we at Perthyn would like to take this opportunity to express our sincere gratitude for Steve's commitment and leadership. Steve was part of the ground-breaking "All Wales Strategy" in the 1980s which called for an end to people with a learning disability living hidden lives. Since then Steve has held a number of senior positions in organisations working in the social care sector, demonstrating pioneering values and principles, and maintained staunch commitment and strategic direction through the various challenges faced by social care, including most recently steering Perthyn through the COVID-19 pandemic. We thank Steve and wish him the very best for a long and fulfilling retirement.

Beth Radford now reaches the end of her first year as Perthyn's CEO following 14 years in senior leadership roles at Perthyn and a career committed to social care. Beth has facilitated the development of the 2024-27 Strategic Plan, setting the strategic direction for the next three years which reflects our vision and encompasses current demands and external factors.

One of our key ongoing objectives is to increase peoples' independence and reduce their reliance on paid support wherever possible, and as such we are committed to sharing this information with our commissioners. This does lead to a reduction in the overall hours we provide and the funded services within existing contracts. Concurrently the commissioned rates funded do not necessarily increase in tandem with National and Real Living Wage and inflationary rates which has resulted in some contracts no longer being financially viable. Consequently the decision has been taken to hand back these contracts to commissioners after years of consultation, namely the contracts held with the Northamptonshire Councils came to an end March 2024. These are the two key factors which have led to turnover decreasing over the last two years; while this has reduced the size of the organisation, it has however provided the opportunity for resources to instead be invested into more value-adding activities.

Perthyn

Trustees' Annual Report For The Year Ended 31 March 2024

The Strategic Plan will also facilitate a more flexible working model that offers benefits to the people we support and our employees, including hybrid working, systems and technology enhancements and effective communication.

FINANCIAL REVIEW

Financial Performance

The overall deficit for the year ended 31 March 2024 was £828,643 (2023: £596,593 deficit). The overall level of funds carried forward into 2024-25 amounts to £1,448,114 compared with the £2,276,758 brought into 2023-24. The cumulative unrestricted reserves decreased to £1,077,021 (2023: £1,882,971).

Note:

1. Funds are restricted either on geographical grounds to recognise the funding from various local authority areas, or by the terms and conditions laid down by the donor. Although local authority funds are restricted, their expenditure remains in support of Perthyn's primary objectives.
2. The funding for the year was received from those local authorities with whom Perthyn has service agreements. In addition Perthyn received Supporting People grant funding from those same local authorities, health funding from local health boards and payments from or on behalf of the people being supported in respect of housing benefit and other contributions.
3. The principal cost for the year continued to be the salaries and related costs of the staff that are necessarily employed to meet Perthyn's contract obligations. Perthyn also meets the cost of accommodation on behalf of the people being supported, including rent, housing associations' service charges and other housing management costs.
4. Perthyn continues to incur increased pension costs and actuarial losses as SHPS moves slowly towards financial stability, and also the annual graduated increases in the employer contributions of the 'Auto Enrolment' employee pension scheme.

Investment Policy

The investment policy the Trustees have adopted is designed to generate returns at low risk and is regularly reviewed by the Finance & Business Development Scrutiny Committee. Any income not used during the year is re-invested with the original capital sum. Any other investments relate only to surplus monies held from time to time, which are placed on short term deposit.

Perthyn

Trustees' Annual Report For The Year Ended 31 March 2024

Significant financial risk considerations

The Executive Management Team have identified to the Trustees that the following financial risks are most in need of protective policies:

1. The loss of service contracts and the resultant financial costs to Perthyn.
2. The cost of maintaining appropriate levels of support in the event of a reduction in the scope and/or value of any service contract.
3. The cost of ensuring that all properties, including the Residential Care Home, are safe, appropriately compliant and at all times fit for purpose.
4. The SHPS Defined Benefit pension scheme and the impact of fluctuating valuations.

To address these potential problems the Trustees have adopted the Reserves Policy outlined below.

Reserves Policy

Analysis of risk to Perthyn's contracted operations and moral obligations to those we support has recognised the need to hold reserves in respect of eventualities which may include, inter alia, the following:

1. To ensure that if the funding levels for support are significantly reduced then appropriate levels of support can still be provided whilst an appropriate exit strategy is negotiated with the relevant funder.
2. To make provision for other potential liabilities as a result of contracts being terminated, reduced or withdrawn. Such liabilities could include redundancy costs, buying out leases, severance of contracted commitments, etc.
3. Maintenance of Perthyn-owned properties and assets to meet safety standards, insurance and other obligations.
4. Replacement of essential assets.
5. To be able to respond to statutory changes.

Perthyn is subject to periodic contract retendering in all areas, which could result in the loss or reduction of a contract. Any such event would trigger pre-prepared action plans to minimise the impact on Perthyn's operations and financial stability. The advice of a contract reduction or loss would be immediately brought to the attention of the Trustees, and then considered at relevant Scrutiny Committee meetings.

The Trustees annually review Perthyn's reserves policy to ensure it protects against the identified risks.

Perthyn

Trustees' Annual Report For The Year Ended 31 March 2024

Future Plans

Perthyn operates in a constantly changing environment and needs to respond to legislative and regulatory changes, commissioning developments, cost pressures, and tender opportunities. Trustees meet regularly with the Executive Management Team to consider and agree how the organisation should respond and evolve. Perthyn considers tendering opportunities as they arise, taking into account our capacity and resources, weighing this up with the aims and requirements of the tender specifications, along with how they fit with our values and ethos. The 3 year Strategic Plan sets out Perthyn's overarching aims and objectives.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution and Governing Document

Perthyn is a company limited by guarantee and not having a share capital, registered in England and Wales (company registration number 03017158), and is governed by its Memorandum and Articles of Association. Perthyn is also registered with the Charity Commission (charity registration number 1046763). The Trustees are also directors of the Charitable company.

Recruitment, appointment and training of new Trustees

New Trustees, who are appointed by existing Trustees, are provided with an induction pack (including relevant guidance on Trustee roles and responsibilities), an induction programme, and any additional training that might be required. This process is under regular review.

Organisational Structure

The Board of Trustees meets five times each year and Trustees are responsible for formulating policies and procedures, for setting strategic direction, and for ensuring appropriate levels of internal control. The day to day running of Perthyn is the responsibility of the Chief Executive Officer and the Executive Management Team who report to Trustees at regular Board and Scrutiny Committee meetings.

Sub-committee / working group structure

A committee structure is in place to assist and strengthen the Trustees' oversight of activities. During 2023-24 the sub-committee structure was reviewed and updated to best align with activity and project groupings, strategic conversations and Head of Department areas of responsibility. The committees and meeting frequencies are as follows:

- Finance & Business Development Scrutiny Committee (5 meetings annually)
- Workforce Scrutiny Committee (quarterly meetings)
- Systems & Processes Scrutiny Committee (quarterly meetings)
- Supporting People Scrutiny Committee (quarterly meetings)
- Trustee and Executive Management Annual Governance Day

Perthyn

Trustees' Annual Report For The Year Ended 31 March 2024

The Chair of the Board of Trustees also meets monthly with the Chief Executive Officer.

The Auditors have direct and confidential access to the Chair of the Board of Trustees should they so require.

Employment Policies

Employment of disabled persons

It is the policy that disabled persons shall be considered for employment, career development and promotion on the basis of their aptitude and abilities in common with all employees.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Name	Perthyn
Charity Number	1046763
Company Number	03017158 (England and Wales)
Registered Address	Vivian Court Llys Felin Newydd Phoenix Way Swansea SA7 9FG
Trustees	Colin Downham (Chair) Andrew Thomas Bernice Brown Anne Dunbar (Appointed 29 March 2023) Usmaan Rahman (Resigned 31 January 2024)
Company Secretary	Beth Radford (Appointed 01 April 2023)
Senior Management	Beth Radford (Chief Executive Officer) Kat Angell (Executive Director, Finance & Business Development) Erika Gostelow (Executive Director, Support & Inclusion) Gareth Matthews (Executive Director, Development & Compliance) Ian Higgins (Head of Support & Inclusion, England) Emma Rees (Head of Support & Inclusion, Wales) Choi Tang (Head of Finance) Hayley Thomson (Head of Health, Safety & QA) Ian Duggan (Head of Human Resources) Gary Darch (Head of Recruitment, Learning & Development) Simon Hardwicke (Head of PBS Services) Andy Johnson (Director of ICT Services)

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Trustees' Annual Report For The Year Ended 31 March 2024

Auditors	HSJ Audit Limited Severn House, Hazell Drive, Newport, NP10 8FY
Bankers	Bank of Scotland One Kingsway, Cardiff, CF10 3YB
Solicitors	Geldard's LLP Dumfries House, Dumfries Place, Cardiff, CF10 3ZF

Perthyn

Trustees' Annual Report For The Year Ended 31 March 2024

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of Perthyn for the purposes of company law) are responsible for preparing their Annual Report and the financial statements in accordance with applicable law and 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 reasonable and prudent
- 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.

Report of the Trustees, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 18 December 2024 and signed on the board's behalf by:

Signed:



Colin Downham (Chair)

Dated:

18/12/24

Perthyn

Independent Auditor's Report to the Members of Perthyn

Opinion

We have audited the financial statements of Perthyn (the 'charity') for the year ended 31 March 2024, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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 31 March 2024 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.

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 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 the provisions available for small entities, in the circumstances set out in note to the financial statements, 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.

Perthyn

Independent Auditor's Report to the Members of Perthyn

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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, except to the extent otherwise explicitly stated in our report, 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 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the financial statement. We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

Perthyn

Independent Auditor's Report to the Members of Perthyn

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the (set out on page), 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 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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Independent Auditor's Report to the Members of Perthyn

Our planning procedures identify the legal and regulatory frameworks applicable to the operations and financial statements of the group. These are reviewed internally with the audit team including relevant industry experience and expectations as well as externally with the client management. The key laws and regulations we considered in this context were the UK Companies ACT 2006, Charities Act 2011 and relevant tax legislation.

Once identified, we assess the risks of material misstatements in relation to the laws and regulations, irregularities, including fraud and adjust our testing accordingly. Our audit procedures include:

- Discussing with Trustees and management which areas of the business they believe to be more susceptible to fraud, and whether they have any knowledge or suspicion of fraudulent activities;
- Obtaining an understanding of the key controls put in place by the group to address risks identified, assessing the effectiveness of those and discussing how these are maintained and monitored internally;
- Assessing the risk of management override and review and testing of journal entries made into the accounting system;
- Challenging assumptions and judgements made by the group in relation to the significant accounting estimates employed in the preparation of the financial statements;
- Discussions with Trustees and management the legal and regulatory obligations of the business and whether they have any knowledge or suspicion of non compliance.

Despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularities likely involve collusion, forgery, intentional misrepresentation, or the override of internal controls.

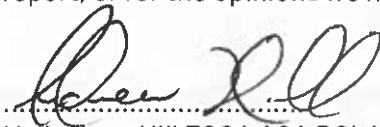
A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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Independent Auditor's Report to the Members of Perthyn

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of 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 to them 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 charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Andrew Hill FCCA ACA DChA BFP (Senior Statutory Auditor)
For and on behalf of HSJ Audit Limited, Statutory Auditor

Severn House
Hazell Drive
Newport
South Wales
NP10 8FY

18 December 2024

Perthyn

Statement of Financial Activities for the Year Ended 31 March 2024
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £
Income and Endowments from:				
Charitable activities	3	4,193,159	17,826,096	22,019,255
Investment income	4	12,112	-	12,112
Total income		4,205,271	17,826,096	22,031,367
Expenditure on:				
Charitable activities	5	(4,999,437)	(17,832,573)	(22,832,010)
Total expenditure		(4,999,437)	(17,832,573)	(22,832,010)
Net expenditure		(794,166)	(6,477)	(800,643)
Transfers between funds		16,216	(16,216)	-
Other recognised gains and losses				
Actuarial gains on defined benefit pension schemes		(28,000)	-	(28,000)
Net movement in funds		(805,950)	(22,693)	(828,643)
Reconciliation of funds				
Total funds brought forward		1,882,971	393,786	2,276,757
Total funds carried forward	19	1,077,021	371,093	1,448,114

The notes on pages 19 to 45 form an integral part of these financial statements.

Perthyn

Statement of Financial Activities for the Year Ended 31 March 2024
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £(As restated)
Income and Endowments from:				
Charitable activities	3	6,081,636	16,928,027	23,009,663
Investment income	4	1,933	1	1,934
Total income		6,083,569	16,928,028	23,011,597
Expenditure on:				
Charitable activities	5	(5,742,538)	(17,676,652)	(23,419,190)
Total expenditure		(5,742,538)	(17,676,652)	(23,419,190)
Net income/(expenditure)		341,031	(748,624)	(407,593)
Transfers between funds		(937,974)	937,974	-
Other recognised gains and losses				
Actuarial gains on defined benefit pension schemes		(189,000)	-	(189,000)
Net movement in funds		(785,943)	189,350	(596,593)
Reconciliation of funds				
Total funds brought forward		2,668,915	204,436	2,873,351
Total funds carried forward	19	1,882,972	393,786	2,276,758

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2023 is shown in note 19.

The notes on pages 19 to 45 form an integral part of these financial statements.

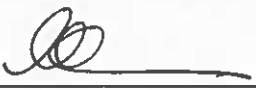
Perthyn

(Registration number: 03017158)

Balance Sheet as at 31 March 2024

	Note	2024 £	2023 £ (As restated)
Fixed assets			
Tangible assets	11	596,460	612,791
Current assets			
Debtors	12	1,359,259	1,265,690
Investments		372,438	360,326
Cash at bank and in hand	13	864,585	1,818,333
		<u>2,596,282</u>	<u>3,444,349</u>
Creditors: Amounts falling due within one year	14	<u>(860,500)</u>	<u>(968,322)</u>
Net current assets		<u>1,735,782</u>	<u>2,476,027</u>
Total assets less current liabilities		<u>2,332,242</u>	<u>3,088,818</u>
Provisions	16	<u>(884,128)</u>	<u>(812,060)</u>
Net assets		<u>1,448,114</u>	<u>2,276,758</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		371,093	393,786
Unrestricted income funds			
Unrestricted funds		935,629	1,737,580
Revaluation reserve		<u>141,392</u>	<u>145,392</u>
Total unrestricted funds		<u>1,077,021</u>	<u>1,882,972</u>
Total funds	19	<u>1,448,114</u>	<u>2,276,758</u>

The financial statements on pages 15 to 45 were approved by the trustees, and authorised for issue on 18 December 2024 and signed on their behalf by:

Signed:  Dated: 18/12/24
Colin Downham (Chair)

The notes on pages 10 to 36 form an integral part of these financial statements.

Perthyn

Statement of Cash Flows for the Year Ended 31 March 2024

	Note	2024 £	2023 £ (As restated)
Cash flows from operating activities			
Net cash expenditure		(828,643)	(596,593)
Adjustments to cash flows from non-cash items			
Depreciation		16,331	16,781
Investment income	4	(12,112)	(1,934)
		(824,424)	(581,746)
Working capital adjustments			
(Increase)/decrease in debtors	12	(93,569)	849,086
(Decrease)/increase in creditors	14	(94,968)	117,482
Increase/(decrease) in provisions	16	44,068	(78,742)
Increase/(decrease) in deferred income		3,033	(26,417)
Net cash flows from operating activities		(965,860)	279,663
Cash flows from investing activities			
Interest receivable and similar income	4	12,112	1,934
Net (decrease)/increase in cash and cash equivalents		(953,748)	281,597
Cash and cash equivalents at 1 April		1,818,333	1,536,736
Cash and cash equivalents at 31 March		864,585	1,818,333

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 19 to 45 form an integral part of these financial statements.

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2024

1 Charity status

The charity is limited by guarantee, incorporated in Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Vivian Court
Llys Felin Newydd
Pheonix Way
Swansea
SA7 9FG

These financial statements were authorised for issue by the trustees on 18 December 2024.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Perthyn meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2024

Prior period errors

Under-statement of opening creditors and unrestricted reserves.

	Relating to the current period disclosed in these financial statements £	Relating to the prior period disclosed in these financial statements £	Relating to prior periods before the prior period disclosed in these financial statements £
Other creditors	-	124,793	124,793
General unrestricted funds	-	(124,796)	(124,793)

Upon completion of the financial statements for the year ended 31 March 2025 it has become apparent that creditor balances, relating to accruals and deferred income were understated as at 31 March 2024. This prior period error became apparent when completing the annual reconciliation between opening accruals and deferred income and closing balances of the same.

On tracing the variance back, it is evident that the Statement of Financial Activities was not affected for the current or previous period, with the relevant error being adjusted through opening reserves as at 1 April 2022.

Income and endowments

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2024

Charitable activities

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

Housing benefit claimed on behalf of all service users is accounted for on a receivable basis.

Grants and service level agreements to support the provision of care are accounted for in the financial year to which they relate. Grants received to finance the cost of fixed asset are recognised as restricted funds and used to finance the annual depreciation charge.

Carers allowance awarded by the Welsh Government relates to a one-off flat rate payment of £500 for eligible carers, to reward the hard work and commitment of social care staff who have provided essential care to the most vulnerable citizens during the COVID-19 pandemic (2023).

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2024

Governance costs

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £1,500.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Motor vehicles	25% straight line basis
Fixtures & fittings	15% straight line basis
Freehold buildings	2% straight line basis
Freehold land	nil

Current asset investments

Current asset investments are included at the lower of cost and net realisable value / market value.

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Notes to the Financial Statements for the Year Ended 31 March 2024

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Provisions

Provisions are recognised when the charity has an obligation at the reporting date as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Fund structure

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

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

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Notes to the Financial Statements for the Year Ended 31 March 2024

Pensions and other post retirement obligations

The Charity participates in the Social Housing Pension Scheme (SHPS). This is a defined benefit scheme for which the assets and liabilities are calculated by an independent qualified actuary. Contributions towards the current cost of the scheme as well as towards the past service deficit are recorded through the year. At the year end an Actuarial assessment is conducted and the impact of any gains or losses recorded in the financial statements.

3 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2024 £	Total 2023 £
Care Services	4,193,159	17,826,096	22,019,255	23,009,663
	Unrestricted funds General £	Restricted funds £	Total 2024 £	Total 2023 £
Housing Benefit	1,246,157	-	1,246,157	1,101,346
Service User Recharge	21,219	-	21,219	11,633
Care Funding Fees	2,467,824	17,826,096	20,293,920	20,806,642
Repairs, renewals & internal decorations	81,870	-	81,870	76,402
Care contribution	90,002	-	90,002	103,321
Training and other income	32,475	-	32,475	660,248
Carer allowance	253,612	-	253,612	230,280
Covid-19 local authority	-	-	-	19,791
	4,193,159	17,826,096	22,019,255	23,009,663

4 Investment income

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Interest receivable and similar income;			
Interest receivable on bank deposits	12,112	12,112	1,934

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Notes to the Financial Statements for the Year Ended 31 March 2024

5 Expenditure on charitable activities

	Note	Unrestricted funds Designated £	General £	Restricted funds £	Total 2024 £	Total 2023 £
Care Services		-	2,216,539	625,779	2,842,318	3,382,465
Staff costs		650,000	1,117,860	17,206,794	18,974,654	19,201,123
Allocated support costs	6	-	997,120	-	997,120	820,230
Governance costs	6	-	17,918	-	17,918	15,372
		650,000	4,349,437	17,832,573	22,832,010	23,419,190

In addition to the expenditure analysed above, there are also governance costs of £17,918 (2023 - £15,372) which relate directly to charitable activities. See note 6 for further details.

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Notes to the Financial Statements for the Year Ended 31 March 2024

6 Analysis of governance and support costs

Support costs allocated to charitable activities

	Basis of allocation	Information technology costs	Administration costs	Premises costs including depreciation	Other support costs	Total funds
	A	£	£	£	£	£
Care Services		184,289	106,611	568,894	137,326	997,120
Total for 2023		185,062	128,706	393,681	112,781	820,230

Basis of allocation

Reference

A

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2024

Governance Costs	Unrestricted funds General £	Total 2024 £	Total 2023 £
Allocated support costs	17,918	17,918	15,372
	<u>17,918</u>	<u>17,918</u>	<u>15,372</u>

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2024

7 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2024 £	2023 £
Operating leases - other assets	242,086	288,859
Audit fees	9,100	12,255
Other non-audit services	2,000	1,550
Depreciation of fixed assets	16,311	16,781

8 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

Trustee expenses totalling £768 (2023: £1,567) were re-imbursed during the year.
No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

9 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
Staff costs during the year were:		
Wages and salaries	16,800,729	16,911,605
Social security costs	1,517,654	1,618,644
Pension costs	656,271	670,874
	<u>18,974,654</u>	<u>19,201,123</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2024 No	2023 No
Operational	605	617
Office	62	62
	<u>667</u>	<u>679</u>

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2024

The number of employees whose emoluments fell within the following bands was:

	2024 No	2023 No
£60,001 - £70,000	4	2
£70,001 - £80,000	3	3
£80,001 - £90,000	2	-
£90,001 - £100,000	-	1
£100,001 - £110,000	1	1

The total employee benefits of the key management personnel of the charity were £838,539 (2023 - £739,977).

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2024

10 Taxation

The charity is a registered charity and is therefore exempt from taxation.

11 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2023	750,000	40,746	13,800	804,546
Disposals	-	(37,876)	-	(37,876)
At 31 March 2024	750,000	2,870	13,800	766,670
Depreciation				
At 1 April 2023	139,633	39,223	12,899	191,755
Charge for the year	15,000	430	901	16,331
Eliminated on disposals	-	(37,876)	-	(37,876)
At 31 March 2024	154,633	1,777	13,800	170,210
Net book value				
At 31 March 2024	595,367	1,093	-	596,460
At 31 March 2023	610,367	1,523	901	612,791

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Notes to the Financial Statements for the Year Ended 31 March 2024

Revaluation

The fair value of the company's Buildings was revalued on 5 November 2015 by Lambert Smith Hamptin Chartered Building Surveyors, an independent valuer.

This valuation was based upon open market value which is deemed to be not materially different from existing use basis.

Had this class of asset been measured on a historical cost basis, their carrying amount would have been £396,000 (2023 - £407,000).

12 Debtors

	2024 £	2023 £
Trade debtors	1,203,150	892,514
Prepayments	155,354	373,176
Accrued income	755	-
	<u>1,359,259</u>	<u>1,265,690</u>

13 Cash and cash equivalents

	2024 £	2023 £
Cash on hand	386	623
Cash at bank	864,199	1,817,710
	<u>864,585</u>	<u>1,818,333</u>

14 Creditors: amounts falling due within one year

	2024 £	2023 £ (As restated)
Trade creditors	194,071	241,672
Other taxation and social security	348,077	372,275
Other creditors	161,793	229,732
Accruals	128,909	100,026
Deferred income	27,650	24,617
	<u>860,500</u>	<u>968,322</u>

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2024

	2024 £	2023 £
Deferred income at 1 April 2023	24,617	51,034
Resources deferred in the period	27,650	24,617
Amounts released from previous periods	(24,617)	(51,034)
Deferred income at year end	<u>27,650</u>	<u>24,617</u>

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2024

15 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2024 £	2023 £
Land and buildings		
Within one year	109,333	97,325
Between one and five years	309,850	43,000
	<u>419,183</u>	<u>140,325</u>

16 Provisions

	Pension contributions provision £	Property & IT Provision £	Total £
At 1 April 2023	(737,000)	(75,060)	(812,060)
Charged to the statement of recognised gains and losses	-	(44,068)	(44,068)
Decrease due to passage of time and change in discount rate	(28,000)	-	(28,000)
At 31 March 2024	<u>(765,000)</u>	<u>(119,128)</u>	<u>(884,128)</u>

17 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £503,447 (2023 - £670,874).

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2024

Defined benefit pension schemes

Social Housing Pension Scheme

The Scheme is funded and is contracted-out of the State Pension scheme.

SHPS is a multi-employer defined benefit scheme. Employer participation in the Scheme is subject to adherence with the employer responsibilities and obligations as set out in the 'SHPS House Policies and Rules Employer Guide'.

An employer can elect to operate different benefit structures for their active members and their new entrants. An employer can only operate one open defined benefit structure at any one time. An open benefit structure is one which new entrants are able to join.

Perthyn currently operates final salary with a 1/60th accrual rate, final salary with a 1/70th accrual rate and final salary with a 1/80th accrual rate benefit structure for active members.

The Trustee commissions an actuarial valuation of the Scheme every three years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required, in respect of each benefit structure, so that the Scheme can meet its pension obligations as they fall due. From April 2007 the split of the total contribution rate between member and employer is set at individual employer level, subject to the employer paying no less than 50% of the total contribution rate. From 1 April 2010 the requirement for employers to pay at least 50% of the total contribution rate no longer applies.

The actuarial valuation assesses whether the Scheme's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date. Asset values are calculated by reference to market levels. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2024

The date of the most recent comprehensive actuarial valuation was 30 September 2023. The average duration of the defined benefit obligation at the period ended 31 March 2024 is 14 years.

Assumptions for future inflation linked pension increases (where applicable) are based on the appropriate headline inflation index, adjusted where necessary to reflect any caps and collars, bearing in mind the proximity of the future inflation assumption to those caps and collars and the expected variability of future inflation increases. These assumptions are set out below in full.

Note that these represent all possible assumptions that could apply to scheme benefits, and in practice not all of these assumptions will be used.

The total cost relating to defined benefit schemes for the year recognised in profit or loss as an expense was 168,000 (2023 - £164,000).

The total cost relating to defined benefit schemes for the year included in the cost of an asset was - (2023 - £-).

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2024

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the statement of financial position are as follows:

	2024 £	2023 £
Fair value of scheme assets	3,177,000	3,271,000
Present value of defined benefit obligation	<u>(3,942,000)</u>	<u>(4,008,000)</u>
Defined benefit pension scheme deficit	<u>(765,000)</u>	<u>(737,000)</u>

Defined benefit obligation

Changes in the defined benefit obligation are as follows:

	2024 £
Present value at start of year	4,008,000
Interest cost	188,000
Actuarial gains and losses	162,000
Benefits paid	<u>(416,000)</u>
Present value at end of year	<u>3,942,000</u>

Fair value of scheme assets

Changes in the fair value of scheme assets are as follows:

	2024 £
Fair value at start of year	3,271,000
Interest income	148,000
Employer contributions	174,000
Benefits paid	<u>(416,000)</u>
Fair value at end of year	<u>3,177,000</u>

Analysis of assets

The major categories of scheme assets are as follows:

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Notes to the Financial Statements for the Year Ended 31 March 2024

	2024 £	2023 £
Global Equity	316,000	61,000
Absolute Return	124,000	35,000
Distressed Opportunities	112,000	99,000
Credit Relative Value	104,000	123,000
Alternative risk Premia	101,000	6,000
Emerging Markets Debt	41,000	18,000
Risk sharing	186,000	241,000
Insurance-Linked Securities	16,000	83,000
	<u>1,000,000</u>	<u>666,000</u>

Return on scheme assets

	2024 £	2023 £
Return on scheme assets	<u>148,000</u>	<u>(1,757,000)</u>

The pension scheme has not invested in any of the charity's own financial instruments or in properties or other assets used by the charity.

Principal actuarial assumptions

The principal actuarial assumptions at the statement of financial position date are as follows:

	2024 %	2023 %
Discount rate assumption	4.90	4.87
Inflation (RPI) assumption	3.15	3.19
Inflation (CPI) assumption	2.78	2.75
Pensionable earnings increases assumptions	3.78	3.75
	75.00	75.00
	<u>75.00</u>	<u>75.00</u>

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2024

Post retirement mortality assumptions

	2024 Years	2023 Years
Current UK pensioners at retirement age - male	21.00	21.00
Current UK pensioners at retirement age - female	23.00	23.00
Future UK pensioners at retirement age - male	22.00	22.00
Future UK pensioners at retirement age - female	24.00	25.00

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Notes to the Financial Statements for the Year Ended 31 March 2024

18 Other long-term employment and termination benefits

Pension Trust's Growth Plan

The Growth Plan is a multi-employer pension Plan which is in most respects a money purchase arrangement but it has some guarantees. Contributions paid into the Growth Plan up to and including September 2001 were converted to defined amounts of pension payable from Normal Retirement Date. From October 2001 contributions were invested in personal funds which have a Capital guarantee and which are converted to pension on retirement, either within the Growth Plan or by the purchase of an annuity.

The Plan is funded and is not contracted out of the state scheme. The rules of the Growth Plan allow for the declaration of bonuses and/ or investment credits if this is within the financial capacity of the Plan assessed on a prudent basis.

Bonuses / investment credits are not guaranteed and are declared at the discretion of the Plan's Trustee. The Trustee commissions an actuarial valuation of the Growth Plan every 3 years. The main purpose of the valuation is to determine the financial position of the Plan and so determine the future prospects for discretionary bonuses and/ or investment credits. The actuarial valuation assesses whether the Plan's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date. Asset values are calculated by reference to market levels. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

Perthyn offers the Growth Plan as an AVC investment option for members of the Social Housing Pension Scheme. The members pay contributions at a rate of their choice. The organisation does not pay any contributions to the Growth Plan.

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Notes to the Financial Statements for the Year Ended 31 March 2024

19 Funds

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2024 £
Unrestricted funds						
<i>General</i>						
General fund	673,053	4,205,271	(4,349,437)	(329,784)	737,000	936,103
Defined Benefit Pension Reserve	-	-	-	-	(765,000)	(765,000)
	<u>673,053</u>	<u>4,205,271</u>	<u>(4,349,437)</u>	<u>(329,784)</u>	<u>(28,000)</u>	<u>171,103</u>
<i>Designated</i>						
Designated Revaluation reserves	141,392	-	-	(4,000)	-	137,392
Designated Maintenance	237,641	-	-	-	-	237,641
Designated Cyclical maintenance	1,885	-	-	-	-	1,885
Designated IT warranty reserve	34,000	-	-	-	-	34,000
Designated Occupancy reserve	45,000	-	-	-	-	45,000
Designated Contingency	100,000	-	-	-	-	100,000
Designated Salaries	650,000	-	(650,000)	350,000	-	350,000
	<u>1,209,918</u>	<u>-</u>	<u>(650,000)</u>	<u>346,000</u>	<u>-</u>	<u>905,918</u>
Total unrestricted funds	<u>1,882,971</u>	<u>4,205,271</u>	<u>(4,999,437)</u>	<u>16,216</u>	<u>(28,000)</u>	<u>1,077,021</u>

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2024

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2024 £
Restricted funds						
Local Authority Funding	-	17,826,096	(17,810,144)	(15,952)	-	-
HB - SU Engagement through IT	57,199	-	-	(2,414)	-	54,785
Donation from Celtic Community Consortium	103,089	-	(16,887)	2,150	-	88,352
Housing Benefit Reserve	233,498	-	(5,542)	-	-	227,956
Total restricted funds	393,786	17,826,096	(17,832,573)	(16,216)	-	371,093
Total funds	2,276,757	22,031,367	(22,832,010)	-	(28,000)	1,448,114

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2023 £
Unrestricted funds						
<i>General</i>						
General fund	1,471,729	6,056,393	(5,711,138)	(954,931)	(189,000)	673,053
<i>Designated</i>						
Designated Revaluation reserves	145,392	-	-	(4,000)	-	141,392

Perthryn

Notes to the Financial Statements for the Year Ended 31 March 2024

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2023 £
Designated Maintenance	189,508	27,176	-	20,957	-	237,641
Designated Cyclical maintenance	33,286	-	(31,401)	-	-	1,885
Designated IT warranty reserve	34,000	-	-	-	-	34,000
Designated Occupancy reserve	45,000	-	-	-	-	45,000
Designated Contingency	100,000	-	-	-	-	100,000
Designated Salaries	650,000	-	-	-	-	650,000
	1,197,186	27,176	(31,401)	16,957	-	1,209,918
Total unrestricted funds	2,668,915	6,083,569	(5,742,539)	(937,974)	(189,000)	1,882,971
Restricted						
Local Authority Funding	-	16,928,028	(17,658,562)	730,534	-	-
HB - SU Engagement through IT	83,257	-	-	(26,058)	-	57,199
Donation from Celtic Community Consortium	121,179	-	(18,090)	-	-	103,089
Housing Benefit Reserve	-	-	-	233,498	-	233,498
Total restricted funds	204,436	16,928,028	(17,676,652)	937,974	-	393,786
Total funds	2,873,351	23,011,597	(23,419,191)	-	(189,000)	2,276,757

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2024

The specific purposes for which the funds are to be applied are as follows:

General funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the Charity.

Revaluation Reserve - the freehold properties were valued in 2012 and then re-visited in 2015 at deemed cost. The reserve is debited with the depreciation related to the revaluation.

Maintenance - this funding has been set up to set aside the amount remaining unpaid from the repairs allowance for communal areas claimed from housing benefit, which would have to be paid over to a new provider in the event of the Scheme being transferred.

Cyclical Maintenance - To fund the on-going refurbishment of residential and day services property.

IT Warranty Reserve - represents balances designated by the Trustees to cover any potential costs in repairing or replacing servers which are no longer held under warranty.

Occupancy reserve - represents balances designated by the Trustees to cover forecast costs of under occupancy.

Contingency reserve - represents balances set aside for anticipated expenditure. Designated Salaries - represents balance set aside for anticipated wages expenditure. Local Authority funding is given to meet the primary objectives of the Charity.

Housing Benefit - SU Engagement through I.T. - work to identify appropriate broadband connectivity in houses has progressed.

Donation from Celtic Community Consortium - funding is given to fund non-repayable grants or interest free loans to those already receiving the benefit of Perthyn's services and who require additional financial support to assist in the acquisition of property, furniture of legal services or any other financial support as the trustees consider reasonable.

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2024

20 Analysis of net assets between funds

	Unrestricted funds		Restricted funds	Total funds at 31 March 2024
	General	Designated		
	£	£	£	£
Tangible fixed assets	459,068	137,392	-	596,460
Current assets	1,456,663	768,526	371,093	2,596,282
Current liabilities	(860,500)	-	-	(860,500)
Provisions	(884,128)	-	-	(884,128)
Total net assets	171,103	905,918	371,093	1,448,114

	Unrestricted funds		Restricted funds	Total funds at 31 March 2023
	General	Designated		
	£	£	£	£ (As restated)
Tangible fixed assets	471,399	141,392	-	612,791
Current assets	1,982,037	1,068,526	393,786	3,444,349
Current liabilities	(968,322)	-	-	(968,322)
Provisions	(812,060)	-	-	(812,060)
Total net assets	673,054	1,209,918	393,786	2,276,758

21 Analysis of net funds

	At 1 April 2023	Financing cash flows	At 31 March 2024
	£	£	£
Cash at bank and in hand	1,818,333	(953,748)	864,585
Current asset investments	360,326	6,556	366,882
Net debt	2,178,659	(947,192)	1,231,467

Perthyn

Notes to the Financial Statements for the Year Ended 31 March 2024

	At 1 April 2022	Financing cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	1,536,736	281,597	1,818,333
Current asset investments	374,331	(14,005)	360,326
Net debt	1,911,067	267,592	2,178,659

PERTHYN

England & Wales - Charity number 1046763

Accounts

REGISTERED COMPANY NUMBER: 03017158 (England and Wales)
REGISTERED CHARITY NUMBER: 1046763

Report of the Trustees and
Audited Financial Statements for the Year Ended 31 March 2023
for
Perthyn

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for the Year Ended 31 March 2023**

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**Report of the Trustees
for the Year Ended 31 March 2023**

INTRODUCTION

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2023. 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 2019).

Objectives and activities

PERTHYN'S PRINCIPAL ACTIVITY

The principal activity is that of a provider of care and support to people with learning disabilities and challenging behaviour so as to enable them to fulfil their maximum individual potential and to live full and valued lives in their communities.

PERTHYN'S VISION

Is for the people we support to be empowered to be active citizens, enjoying their lives, and having a sense of belonging.

PERTHYN'S MISSION

Is to work in partnership, using our expertise and resources to provide high quality, innovative and individualised services so that people can contribute positively to their communities and to society.

PUBLIC BENEFIT

Trustees review Perthyn's aims, objectives and activities each year. This review considers the outcomes and achievements of the previous twelve months, focussing on key departmental activities and the degree to which specified and agreed targets have been met. Trustees refer to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing aims and objectives and in planning future activities.

Strategic report

Achievement and performance

General Overview

Perthyn a large, well-regarded registered charity working in England and Wales. Despite the financial pressures of recent years, Perthyn remains robust and carefully manages year-on-year growth whilst always ensuring the dignity and wellbeing of the people it supports.

Key characteristics:

	<u>2022/23</u>	<u>2021/22</u>
Number of people supported (as at 31 March)	192	208
Number of staff (headcount as at 31 March)	727	771
Turnover	£23,011,597	£23,125,296

Local Authorities we worked with during 2022/23:

Wales - Cardiff, Powys, Swansea, Carmarthenshire, Ceredigion & Pembrokeshire
England - Nottinghamshire, Northamptonshire & Shropshire

Operational performance

Perthyn remains one of the largest and most well-respected charities based in Wales - a status and reputation that Trustees and management are careful to maintain. A charitable organisation of this size, complexity, and geographical spread, with aspirations to continually improve the quality of life of those we support, requires a well-structured and professional management approach with a clear focus upon its stated objectives and especially upon end-user satisfaction. In addition, it is essential that the Board of Trustees maintains a critical and challenging oversight of all the charity's activities.

Services provided in Swansea reduced following the implementation of a tender decision 2 years previously. One of our key objectives is to increase people's independence and reduce their reliance on paid support wherever possible, and as such we are committed to sharing this information with our commissioners, which will lead to a reduction in the overall hours we provide.

The Perthyn Leadership team continued regular reporting to the Board of Trustees on agreed Key Performance Indicators (KPIs). Monitoring visits from Commissioners and inspection visits from the Regulators (CIW for Wales and CQC for England) were very positive with areas of good practice highlighted and no or minor areas of improvement identified.

The Board of Trustees have had a new Trustee join them, with further new appointments due in the coming year. Scrutiny Committees continue to operate well, evaluating the progress of each key Department and monitoring progress and risk. Perthyn's CEO retired in March 2023, following a lengthy transition period and handover to his replacement.

**Report of the Trustees
for the Year Ended 31 March 2023**

Strategic report

Financial review

Financial performance

The overall deficit for the year ended 31 March 2023 was £596,594 (2022: £1,139,256 surplus). The overall level of funds carried forward into 2023/24 amounts to £2,401,550 compared to £2,998,144 brought into 2022/23.

Note:

- Funds are restricted either on geographical grounds to recognise the funding from various local authority areas, or by the terms and conditions laid down by the donor. Although local authority funds are restricted, their expenditure remains in support of Perthyn's primary objectives.
- 1 The funding for the year was received from those Local Authorities with whom Perthyn has service agreements. In addition Perthyn received Supporting People grant funding from those same local authorities, health funding from local health boards and payments from or on behalf of the people being supported in respect of housing benefit and other contributions.
 - 2 The principal cost for the year continued to be the salaries and related costs of the staff that are necessarily employed to meet Perthyn's contract obligations. Perthyn also meets the cost of accommodation on behalf of the people being supported, including rent, housing associations' service charges and other housing management costs.
 - 3 Perthyn continues to incur increased pension costs and actuarial losses as SHPS moves slowly towards financial stability, and also the annual graduated increases in the employer contributions of the 'Auto Enrolment' employee pension scheme.
 - 4

Investment policy

The investment policy the Trustees have adopted is designed to generate returns at low risk and is regularly reviewed by the Finance Scrutiny Committee. Any income not used during the year is re-invested with the original capital sum.

Any other investments relate only to surplus monies held from time to time, which are placed on short term deposit.

Significant financial risk considerations:

The Executive Management Team have identified to the Trustees that the following financial risks are most in need of protective policies:

- 1 The loss of service contracts and the resultant financial costs to Perthyn.
- 2 The cost of maintaining appropriate levels of support in the event of a reduction in the scope and/or value of any service contract.
- 3 The cost of ensuring that all properties, including the Residential Care Home, are safe, appropriately compliant and at all times fit for purpose.
- 4 The SHPS Defined Benefit pension scheme and the impact of fluctuating valuations.

To address these potential problems the Trustees have adopted the Reserves Policy outlined below.

Reserves policy

Analysis of risk to Perthyn's contracted operations and moral obligations to those we support has recognised the need to hold reserves in respect of eventualities which may include, inter alia, the following:

- 1 To ensure that if the funding levels for support are significantly reduced then appropriate levels of support can still be provided whilst an appropriate exit strategy is negotiated with the relevant funder.
- 2 To make provision for other potential liabilities as a result of contracts being terminated, reduced or withdrawn. Such liabilities could include redundancy costs, buying out leases, severance of contracted commitments etc.
- 3 Maintenance of Perthyn-owned properties and assets to meet safety standards, insurance and other obligations.
- 4 Replacement of essential assets.
- 5 To be able to respond to statutory changes

The level of available reserves (unrestricted funds less fixed assets and designated reserves) at the 2022/23 balance sheet date was £177,055 (2021/22 was £446,941)

Perthyn is subject to periodic contract retendering in all areas, which could result in the loss or reduction of a contract. Any such event would trigger pre-prepared action plans to minimise the impact on Perthyn's operations and financial stability. The advice of a contract reduction or loss would be immediately brought to the attention of the Trustees, and then considered at relevant Scrutiny Committee meetings.

The Trustees annually review Perthyn's reserves policy to ensure it protects against the identified risks.

**Report of the Trustees
for the Year Ended 31 March 2023**

Strategic report

Future plans

Perthyn operates in a constantly changing environment and needs to respond to legislative and regulatory changes, commissioning developments, cost pressures, and tender opportunities. Trustees meet regularly with the Executive Management Team to consider and agree how the organisation should respond and evolve. Perthyn considers tendering opportunities as they arise, taking into account our capacity and resources, weighing this up with the aims and requirements of the tender specifications, along with how they fit with our values and ethos. The 3 year Strategic Plan sets out Perthyn's overarching aims and objectives.

Structure, governance and management

Governing document

Perthyn is a limited company, registration number 03017158, and is governed by its Memorandum and Articles of Association. Perthyn is also registered with the Charity Commission, number 1046763. The Trustees are also directors of the Charitable company.

Recruitment, appointment and training of new trustees

New Trustees, who are appointed by existing Trustees, are provided with an induction pack (including relevant guidance on Trustee roles and responsibilities), an induction programme, and any additional training that might be required. This process is under regular review.

Organisational structure

The Board of Trustees meets five times each year and Trustees are responsible for formulating policies and procedures, for setting strategic direction, and for ensuring appropriate levels of internal control. The day to day running of Perthyn is the responsibility of the Chief Executive and the Executive management who report to Trustees at regular Board and Scrutiny Committee meetings.

Sub-committee / working group structure

The following groupings have been set up to assist and strengthen the Trustees' oversight activities - they all meet regularly as indicated below:

Finance Scrutiny Committee (5 meetings annually)
Human Resources Scrutiny Committee (quarterly meetings)
Risk Management Scrutiny Committee (quarterly meetings)
Service Delivery Scrutiny Committee (quarterly meetings)
Trustee and Executive Management Annual Governance Day

The Chair of the Board of Trustees meet monthly with the Chief Executive.

The Auditors have direct and confidential access to the Chair of the Board of Trustees should they so require.

EMPLOYMENT POLICIES

Employment of disabled persons

It is the policy that disabled persons shall be considered for employment, career development and promotion on the basis of their aptitude and abilities in common with all employees.

Employee involvement

The Trustees recognise the importance of good communications and relations with employees and management is encouraged to adopt employee consultations.

Reference and administrative details

Registered Company number

03017158 (England and Wales)

Registered Charity number

1046763

Registered office

Vivian Court
Llys Felin Newyd
Phoenix Way
SWANSEA
SA7 9FG

**Report of the Trustees
for the Year Ended 31 March 2023**

Trustees

Andrew Thomas - Chair
Sally Brown
Colin John Downham
Claire Margaret Clarke (resigned 16.9.22)
Beverley Wormald (resigned 20.7.22)
Mahammed Usmaan Hanif Rahman
Anne Dunbar (appointed 29.3.23)

Chief Executive Officer

Beth Radford

Auditors

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

Solicitors

Geldard's LLP
Dumfries House
Dumfries Place
Cardiff
CF10 3ZF

Bankers

Bank of Scotland
One Kingsway
Cardiff
CF10 3YB

HSBC
Portland Street
Swansea
SA1 3DF

Statement of trustees' responsibilities

The trustees (who are also the directors of Perthyn for the purposes of company law) are responsible for preparing the Report of the Trustees and 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 reasonable and prudent;
- 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.

Perthyn (Registered number: 03017158)

**Report of the Trustees
for the Year Ended 31 March 2023**

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 13/12/23..... and signed on the board's behalf by:

A handwritten signature in dark ink, appearing to read 'A. Thomas', written over a dotted line.

Andrew Thomas - Trustee

Report of the Independent Auditors to the Members of Perthyn

Opinion

We have audited the financial statements of Perthyn (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of 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).

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 2023 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.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Report of the Independent Auditors to the Members of Perthyn

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our planning procedures identify the legal and regulatory frameworks applicable to the operations and financial statements of the group. These are reviewed internally with the audit team including relevant industry experience and expectations as well as externally with the client management. The key laws and regulations we considered in this context were the UK Companies ACT 2006, Charities Act 2011 and relevant tax legislation.

Once identified, we assess the risks of material misstatements in relation to the laws and regulations, irregularities, including fraud and adjust our testing accordingly. Our audit procedures include:

- Discussing with Trustees and management which areas of the business they believe to be more susceptible to fraud, and whether they have any knowledge or suspicion of fraudulent activities;
- Obtaining an understanding of the key controls put in place by the group to address risks identified, assessing the effectiveness of those and discussing how these are maintained and monitored internally;
- Assessing the risk of management override and review and testing of journal entries made into the accounting system;
- Challenging assumptions and judgements made by the group in relation to the significant accounting estimates employed in the preparation of the financial statements;
- Discussions with Trustees and management the legal and regulatory obligations of the business and whether they have any knowledge or suspicion of non compliance.

Despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularities likely involve collusion, forgery, intentional misrepresentation, or the override of internal controls.

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 Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Victoria Carter (Senior Statutory Auditor)
for and on behalf of Haines Watts Wales LLP, Statutory Auditors
7 Neptune Court
Vanguard Way
Cardiff
CF24 5PJ

Date: 19th December 2023

Perthyn

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2023

		Unrestricted funds	Restricted funds	2023 Total funds	2022 Total funds as restated £
	Notes	£	£	£	
Income and endowments from					
Charitable activities	3				
Care services		6,081,636	16,928,027	23,009,663	23,125,211
Investment income	2	1,933	1	1,934	85
Total		<u>6,083,569</u>	<u>16,928,028</u>	<u>23,011,597</u>	<u>23,125,296</u>
Expenditure on					
Charitable activities	4				
Care services		<u>5,742,539</u>	<u>17,676,652</u>	<u>23,419,191</u>	<u>21,953,040</u>
NET INCOME/(EXPENDITURE)					
Transfers between funds	17	341,030	(748,624)	(407,594)	1,172,256
Other recognised gains/(losses)		<u>(937,974)</u>	<u>937,974</u>	<u>-</u>	<u>-</u>
Actuarial gains/(losses) on defined benefit schemes		(189,000)	-	(189,000)	(33,000)
Net movement in funds		<u>(785,944)</u>	<u>189,350</u>	<u>(596,594)</u>	<u>1,139,256</u>
Reconciliation of funds					
Total funds brought forward		2,793,708	204,436	2,998,144	1,858,888
Total funds carried forward		<u><u>2,007,764</u></u>	<u><u>393,786</u></u>	<u><u>2,401,550</u></u>	<u><u>2,998,144</u></u>

The notes form part of these financial statements

Balance Sheet
31 March 2023

		Unrestricted funds	Restricted funds	2023 Total funds	2022 Total funds as restated £
	Notes	£	£	£	
Fixed assets					
Tangible assets	10	612,791	-	612,791	629,322
Current assets					
Debtors	11	1,265,690	-	1,265,690	2,114,776
Investments	12	360,326	-	360,326	374,331
Cash at bank and in hand		1,424,547	393,786	1,818,333	1,536,736
		<u>3,050,563</u>	<u>393,786</u>	<u>3,444,349</u>	<u>4,025,843</u>
Creditors					
Amounts falling due within one year	13	(843,530)	-	(843,530)	(813,219)
Net current assets		<u>2,207,033</u>	<u>393,786</u>	<u>2,600,819</u>	<u>3,212,624</u>
Total assets less current liabilities		<u>2,819,824</u>	<u>393,786</u>	<u>3,213,610</u>	<u>3,841,946</u>
Provisions for liabilities	16	(812,060)	-	(812,060)	(843,802)
NET ASSETS		<u>2,007,764</u>	<u>393,786</u>	<u>2,401,550</u>	<u>2,998,144</u>
Funds	17				
Unrestricted funds				2,007,764	2,793,708
Restricted funds				393,786	204,436
Total funds				<u>2,401,550</u>	<u>2,998,144</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 15/12/23 and were signed on its behalf by:



Andrew Thomas - Trustee

Perthyn

Cash Flow Statement
for the Year Ended 31 March 2023

		2023	2022
	Notes	£	as restated £
Cash flows from operating activities			
Cash generated from operations	1	265,657	593,098
Net cash provided by operating activities		<u>265,657</u>	<u>593,098</u>
Cash flows from investing activities			
Movement on Investment		14,006	-
Interest received		1,934	85
Net cash provided by investing activities		<u>15,940</u>	<u>85</u>
Change in cash and cash equivalents in the reporting period		<u>281,597</u>	<u>593,183</u>
Cash and cash equivalents at the beginning of the reporting period		<u>1,536,736</u>	<u>943,553</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,818,333</u></u>	<u><u>1,536,736</u></u>

The notes form part of these financial statements

Perthyn

Notes to the Cash Flow Statement
for the Year Ended 31 March 2023

1.	Reconciliation of net (expenditure)/income to net cash flow from operating activities	2023	2022
		£	as restated £
	Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(407,594)	1,172,256
	Adjustments for:		
	Depreciation charges	16,780	16,780
	Losses on investments	-	1,773
	Interest received	(1,934)	(85)
	Movement on provisions	(31,743)	60,802
	Decrease/(increase) in debtors	848,836	(745,170)
	Increase in creditors	30,312	119,742
	Difference between pension charge and cash contributions	(189,000)	(33,000)
	Net cash provided by operations	265,657	593,098
2.	Analysis of changes in net funds	At 1.4.22	Cash flow
		£	£
	Net cash		At 31.3.23
	Cash at bank and in hand	1,536,736	1,818,333
		1,536,736	1,818,333
	Liquid resources		
	Deposits included in cash	-	-
	Current asset investments	374,331	360,326
		374,331	360,326
	Total	1,911,067	2,178,659

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 March 2023**

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 2019)', 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, as modified by the revaluation of certain assets.

The charity is a public benefit entity.

Income

Donations are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

Housing benefit claimed on behalf of all service users is accounted for on a receivable basis.

Grants and service level agreements to support the provision of care are accounted for in the financial year to which they relate. Grants received to finance the cost of fixed asset are recognised as restricted funds and used to finance the annual depreciation charge.

Carers allowance awarded by the Welsh Government relates to a one-off flat rate payment of £500 for eligible carers, to reward the hard work and commitment of social care staff who have provided essential care to the most vulnerable citizens during the COVID-19 pandemic.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Tangible fixed assets

Individual fixed assets costing £1,500 or more are initially recorded at cost.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

1. Accounting policies - continued

Tangible fixed assets

Motor Vehicles 25% straight line basis
 Fixtures and fittings 15% straight line
 Freehold buildings 2% straight line
 Freehold land nil

Taxation

The company is a registered charity and is, therefore, exempt from taxation on its primary activities.

Fund accounting

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose

Designated funds are unrestricted funds set aside at the discretion of the trustees for specific 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 Charity participates in the Social Housing Pension Scheme (SHPS). This is a defined benefit scheme for which the assets and liabilities are calculated by an independent qualified actuary. Contributions towards the current cost of the scheme as well as towards the past service deficit are recorded through the year. At the year end an Actuarial assessment is conducted and the impact of any gains or losses recorded in the financial statements.

Debtors, creditors and cash

Current assets and liabilities, including cash held at bank or as part of short term deposits, are recognised at cost or valuation as at the year end.

Aged debtors and liabilities are recognised at net present value in line with FRS 102.

Operating leases

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

2. Investment income

	2023	2022 as restated
	£	£
Deposit account interest	1,934	85

Perthyn

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

3. Income from charitable activities

		2023	2022 as restated
	Activity	£	£
Housing Benefit	Care services	1,101,346	1,139,129
Powys day care	Care services	-	53,934
Service user recharges	Care services	11,633	11,389
Care funding fees	Care services	20,806,642	20,748,627
Repairs, renewals & internal decoration	Care services	76,402	82,363
Care contribution	Care services	103,321	98,869
Training and other income	Care services	660,248	399,336
Carer allowance	Care services	230,280	239,102
Covid-19 local authority	Care services	19,791	352,462
		<u>23,009,663</u>	<u>23,125,211</u>

4. Charitable activities costs

	Direct Costs	Support costs (see note 5)	Totals
	£	£	£
Care services	<u>20,245,122</u>	<u>3,174,069</u>	<u>23,419,191</u>

5. Support costs

	Management	Governance costs	Totals
	£	£	£
Care services	<u>3,158,697</u>	<u>15,372</u>	<u>3,174,069</u>

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

	2023	2022 as restated
	Care services	Total activities
	£	£
Wages	2,008,048	1,830,761
Social security	221,971	195,087
Pensions	108,448	149,669
Operating leases	288,869	231,885
Travelling	128,706	96,567
Rates and water	6,626	13,334
Light, heat and power	24,214	15,910
Insurance	112,781	111,208
Repairs and maintenance	31,657	18,128
Telephone	5,263	6,429
Office expenses	37,052	124,842
Information and technology costs	185,062	201,776
Auditors' remuneration	12,255	11,000
Auditors' remuneration for non audit work	1,550	1,550
Trustee expenses	1,567	521
	<u>3,174,069</u>	<u>3,008,667</u>

Perthyn

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

6. Net income/(expenditure)

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

	2023	2022 as restated
	£	£
Auditors' remuneration	12,255	11,000
Auditors' remuneration for non audit work	1,550	1,550
Depreciation - owned assets	16,781	16,780
Other operating leases	288,869	231,885
	<u>288,869</u>	<u>231,885</u>

7. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

The trustees received no remuneration in either accounting period, but were reimbursed for travel and subsistence expenses amounting to £1,567 (2022: £521).

8. Staff costs

	2023	2022 as restated
	£	£
Wages and salaries	16,911,605	16,451,208
Social security costs	1,618,644	1,405,425
Other pension costs	670,874	698,935
	<u>19,201,123</u>	<u>18,555,568</u>

The average monthly number of employees during the year was as follows:

	2023	2022 as restated
Operational	617	705
Office	62	66
	<u>679</u>	<u>771</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	2022 as restated
£60,001 - £70,000	2	3
£70,001 - £80,000	3	1
£80,001 - £90,000	-	2
£90,001 - £100,000	1	1
£100,001 - £110,000	1	-
	<u>7</u>	<u>7</u>

During the year Perthyn paid key management gross salaries totalling £739,977 (2022: £793,495). Key management are considered to be 11 (2022: 12) individuals who directly impact upon the strategic direction of the Charity.

Perthyn

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

9. Prior year adjustment

A prior year adjustment has been completed to reallocate salaries to be held as a designated fund.

10. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Totals £
Cost				
At 1 April 2022 and 31 March 2023	750,000	40,746	13,800	804,546
Depreciation				
At 1 April 2022	124,633	38,792	11,549	174,974
Charge for year	15,000	431	1,350	16,781
At 31 March 2023	139,633	39,223	12,899	191,755
Net book value				
At 31 March 2023	610,367	1,523	901	612,791
At 31 March 2022	625,367	1,954	2,251	629,572

The freehold property was valued on 5 November 2015 by Lambert Smith Hampton an independent firm of Chartered Building Surveyors at £750,000. This valuation was based upon open market value which is deemed to be not materially different from the existing use basis.

The net carrying amount on a depreciated historic basis would have amounted to £407,000 as at 31 March 2023 (2022: £418,000).

11. Debtors: amounts falling due within one year

	2023 £	2022 as restated £
Trade debtors	892,514	1,976,931
Other debtors	-	2,360
Prepayments and accrued income	373,176	135,485
	1,265,690	2,114,776

12. Current asset investments

	2023 £	2022 as restated £
Unlisted investments	101,845	101,845
Monies held on deposit	258,481	272,486
	360,326	374,331

Perthyn

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

13. Creditors: amounts falling due within one year

	2023	2022 as restated
	£	£
Trade creditors	241,672	162,172
Social security and other taxes	372,275	372,766
Other creditors	210,253	179,704
Accruals and deferred income	19,330	98,577
	<u>843,530</u>	<u>813,219</u>
Deferred income brought forward	51,034	-
Amounts released to incoming resources	(51,034)	-
Amounts deferred in the year	-	51,034
Deferred income carried forward	<u>-</u>	<u>51,034</u>

Deferred income relates to income received for bonuses payable for carer allowances.

14. Leasing agreements

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

	2023	2022 as restated
	£	£
Within one year	97,325	124,701
Between one and five years	43,000	56,970
	<u>140,325</u>	<u>181,671</u>

Lease payments recognised as an expense in the year totalled £288,869 (2022: £231,855).

15. Secured debts

Standard Security over Commercial Freehold Property - Fairfield House 85 Ely Road, Cardiff, CF5 2BY, Wales, United Kingdom granted by Perthyn.

All monies Debenture granted by Perthyn over the whole assets of the Company.

16. Provisions for liabilities

	2023	2022 as restated
	£	£
Provisions	75,060	153,802
Pension Deficit Liability	737,000	690,000
	<u>812,060</u>	<u>843,802</u>
	2023	2022
	£	£
Balance brought forward	843,802	783,000
Amounts provided in the year	77,607	153,802
Amounts released in the year	(109,349)	(93,000)
Balance carried forward	<u>812,060</u>	<u>843,802</u>

During the year the Charity has been provided with its calculated share of the net liability position for its participation in SHPS. Full details of the pension scheme are shown in note 19.

Perthyn

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

17. Movement in funds

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General fund	1,596,522	156,255	(954,931)	797,846
Designated Revaluation reserve	145,392	-	(4,000)	141,392
Designated Maintenance	189,508	27,176	20,957	237,641
Designated Cyclical maintenance	33,286	(31,401)	-	1,885
Designated IT warranty reserve	34,000	-	-	34,000
Designated Occupancy reserve	45,000	-	-	45,000
Designated Contingency	100,000	-	-	100,000
Designated Salaries	650,000	-	-	650,000
	2,793,708	152,030	(937,974)	2,007,764
Restricted funds				
Local Authority funding	-	(730,534)	730,534	-
HB – SU Engagement through I.T	83,257	-	(26,058)	57,199
Donation from Celtic Community Consortium	121,179	(18,090)	-	103,089
Housing Benefit Reserve	-	-	233,498	233,498
	204,436	(748,624)	937,974	393,786
TOTAL FUNDS	2,998,144	(596,594)	-	2,401,550

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	6,056,393	(5,711,138)	(189,000)	156,255
Designated Maintenance	27,176	-	-	27,176
Designated Cyclical maintenance	-	(31,401)	-	(31,401)
	6,083,569	(5,742,539)	(189,000)	152,030
Restricted funds				
Local Authority funding	16,928,028	(17,658,562)	-	(730,534)
Donation from Celtic Community Consortium	-	(18,090)	-	(18,090)
	16,928,028	(17,676,652)	-	(748,624)
TOTAL FUNDS	23,011,597	(23,419,191)	(189,000)	(596,594)

Perthyn

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

17. Movement in funds - continued

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	1,076,263	1,173,965	(653,706)	1,596,522
Designated Revaluation reserve	149,392	-	(4,000)	145,392
Designated Maintenance	192,851	-	(3,343)	189,508
Designated Cyclical maintenance	54,477	(21,191)	-	33,286
Designated IT warranty reserve	34,000	-	-	34,000
Designated Occupancy reserve	45,000	-	-	45,000
Designated Contingency	100,000	-	-	100,000
Designated Salaries	-	-	650,000	650,000
	<u>1,651,983</u>	<u>1,152,774</u>	<u>(11,049)</u>	<u>2,793,708</u>
Restricted funds				
Local Authority funding	-	(11,049)	11,049	-
HB – SU Engagement through I.T	83,257	-	-	83,257
Donation from Celtic Community Consortium	123,648	(2,469)	-	121,179
	<u>206,905</u>	<u>(13,518)</u>	<u>11,049</u>	<u>204,436</u>
TOTAL FUNDS	<u>1,858,888</u>	<u>1,139,256</u>	<u>-</u>	<u>2,998,144</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	4,625,129	(3,418,164)	(33,000)	1,173,965
Designated Cyclical maintenance	-	(21,191)	-	(21,191)
	<u>4,625,129</u>	<u>(3,439,355)</u>	<u>(33,000)</u>	<u>1,152,774</u>
Restricted funds				
Local Authority funding	18,500,167	(18,511,216)	-	(11,049)
Donation from Celtic Community Consortium	-	(2,469)	-	(2,469)
	<u>18,500,167</u>	<u>(18,513,685)</u>	<u>-</u>	<u>(13,518)</u>
TOTAL FUNDS	<u>23,125,296</u>	<u>(21,953,040)</u>	<u>(33,000)</u>	<u>1,139,256</u>

General funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the Charity.

Revaluation Reserve - the freehold properties were valued in 2012 and then re-visited in 2015 at deemed cost. The reserve is debited with the depreciation related to the revaluation.

Maintenance - this funding has been set up to set aside the amount remaining unpaid from the repairs allowance for communal areas claimed from housing benefit, which would have to be paid over to a new provider in the event of the Scheme being transferred.

Cyclical Maintenance - To fund the on-going refurbishment of residential and day services property.

IT Warranty Reserve - represents balances designated by the Trustees to cover any potential costs in repairing or replacing servers which are no longer held under warranty.

Occupancy reserve - represents balances designated by the Trustees to cover forecast costs of under occupancy.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

17. Movement in funds - continued

Contingency reserve - represents balances set aside for anticipated expenditure.

Designated Salaries - represents balance set aside for anticipated wages expenditure.

Local Authority funding is given to meet the primary objectives of the Charity.

Housing Benefit - SU Engagement through I.T. - work to identify appropriate broadband connectivity in houses has progressed.

Donation from Celtic Community Consortium - funding is given to fund non-repayable grants or interest free loans to those already receiving the benefit of Perthyn's services and who require additional financial support to assist in the acquisition of property, furniture of legal services or any other financial support as the trustees consider reasonable.

Transfers between funds

During the year a balance of £3,343 was transferred from the Maintenance designated fund to the General Unrestricted Fund in line with activities during the year.

During the year, £11,049 was transferred to the Local Authority Funding restricted reserve from the General Unrestricted funds to account for the excess of expenditure compared to income.

During the year, £4,000 was transferred to the Designated Revaluation reserve from the General Unrestricted funds to account for the depreciation charge of the property based on historical cost.

18. Related party disclosures

There were no related party transactions for the year ended 31 March 2023.

19. Defined benefit pension scheme

Perthyn participates in the Social Housing Pension Scheme (the Scheme). The Scheme is funded and is contracted-out of the State Pension scheme.

SHPS is a multi-employer defined benefit scheme. Employer participation in the Scheme is subject to adherence with the employer responsibilities and obligations as set out in the 'SHPS House Policies and Rules Employer Guide'.

An employer can elect to operate different benefit structures for their active members and their new entrants. An employer can only operate one open defined benefit structure at any one time. An open benefit structure is one which new entrants are able to join.

Perthyn currently operates final salary with a 1/60th accrual rate, final salary with a 1/70th accrual rate and final salary with a 1/80th accrual rate benefit structure for active members.

The Trustee commissions an actuarial valuation of the Scheme every three years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required, in respect of each benefit structure, so that the Scheme can meet its pension obligations as they fall due. From April 2007 the split of the total contribution rate between member and employer is set at individual employer level, subject to the employer paying no less than 50% of the total contribution rate. From 1 April 2010 the requirement for employers to pay at least 50% of the total contribution rate no longer applies.

The actuarial valuation assesses whether the Scheme's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date. Asset values are calculated by reference to market levels. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

During the accounting period Perthyn paid contributions at the rate of 7.25% to 11.5% member contributions varied between 6.75% and 7.9%.

The company made an annual contribution of £164,000 towards the past service deficit during the year. For the year ending 31 March 2023 the contributions to be paid amount to £166,000 and will increase each year by 2% until September 2026.

Perthyn

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

19. Defined benefit pension scheme - continued

In accordance with FRS 102 reporting requirements the company is required to disclose certain information concerning assets, liabilities, income and expenditure in relation to the pension scheme.

Presentation values of Defined Benefit Obligation, fair value of assets and Defined Benefit Asset (liability)

	31 March 2023	31 March 2022
	£000s	£000s
Fair value of plan assets	3,271	5,030
Present value of defined benefit obligation	4,008	5,720
Surplus/(Deficit) in plan	(737)	(690)
Unrecognised surplus	-	-
Defined benefit asset (liability) to be recognised	(737)	(690)

Reconciliation of the impact of the asset ceiling

	31 March 2023
	£000s
Impact of asset ceiling at start of year	-
Effect of the asset ceiling included in net interest cost	-
Actuarial losses (gains) on asset ceiling	-
Impact of asset ceiling at end of period	-

Reconciliation of opening and closing balances of the defined benefit obligation

	31 March 2023
	£000s
Defined benefit obligation at start of period	5,720
Current service cost	-
Expenses	5
Interest Expense	157
Contributions by plan participants	-
Actuarial losses (gains) due to scheme experience	(38)
Actuarial losses (gains) due to changes in demographic assumptions	(25)
Actuarial losses (gains) due to changes in financial assumptions	(1,645)
Benefits paid and expenses	(166)
Liabilities acquired in a business combination	-
Liabilities extinguished on settlements	-
Losses (gains) on curtailments	-
Losses (gains) due to benefit changes	-
Exchange rate differences	-
Defined benefit obligation at end of period	4,008

Reconciliation of opening and closing balances of the fair value of plan assets

	31 March 2023
	£000s
Fair value of plan assets at start of period	5,030
Interest income	140
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	(1,897)
Contributions by the employer	164
Contributions by plan participants	-
Benefits paid and expenses	(166)
Assets acquired in a business combination	-
Assets distributed on settlements	-
Exchange rate changes	-
Fair value of plan assets at end of period	3,271

The actual return on the plan assets (including any changes in share of assets) over the period from 31 March 2022 to 31 March 2023 was (£1,757,000).

Defined benefit costs recognised in statement of financial activities - Net income and expenditure

	31 March 2023
	£000s
Current service cost	-
Expenses	5
Net interest Expense	17

Perthyn

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

19. Defined benefit pension scheme - continued

Losses (gains) on business combinations	-
Losses (gains) on settlements	-
Losses (gains) on curtailments	-
Losses (gains) due to benefit changes	-
Defined benefit costs recognised in statement of financial activities	22

Defined benefit costs recognised in statement of financial activities - Actuarial Gains/(losses)
31 March 2023
£000s

Experience on plan assets (excluding amounts included in net interest cost) - gain (loss)	(1,897)
Experience gains and losses arising on the plan liabilities - gain (loss)	38
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	25
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	1,645
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)	(189)
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost) - gain (loss)	-
Total amount recognised in Actuarial gains/(losses)	(189)

Assets

	31 March 2023 £000s	31 March 2022 £000s
Absolute Return	35	202
Alternative Risk Premia	6	166
Cash	24	17
Corporate Bond Fund	-	336
Credit Relative Value	123	167
Current Hedging	6	(20)
Distressed Opportunities	99	180
Emerging Markets Debt	18	146
Fund of Hedge Funds	-	-
Global Equity	61	966
High Yield	11	43
Infrastructure	374	358
Insurance Linked Securities	83	117
Liability Driven Investment	1,506	1,404
Long lease Property	99	129
Net current assets	8	14
Opportunistic Credit	-	18
Opportunistic Illiquid Credit	140	169
Private Debt	146	129
Liquid Credit	-	-
Property	141	136
Risk sharing	241	166
Secured income	150	187
Total assets	3,271	5,030

None of the fair values of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

Key Assumptions

	31 March 2023 % per annum	31 March 2022 % per annum
Discount rate	4.87	2.79
Inflation (RPI)	3.19	3.57
Inflation (CPI)	2.75	3.19
Salary Growth	4.00	2.00

Perthyn

Notes to the Financial Statements - continued for the Year Ended 31 March 2023

19. Defined benefit pension scheme - continued

Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance
---	-----------------------------	-----------------------------

The mortality assumptions adopted at 31 March 2023 imply the following life expectancies:

	Life expectancy at age 65 Years
Male retiring in 2023	21.0
Female retiring in 2023	23.4
Male retiring in 2043	22.2
Female retiring in 2043	24.9

Perthyn also participates in the Pensions Trust's Growth Plan

The Growth Plan is a multi-employer pension Plan which is in most respects a money purchase arrangement but it has some guarantees. Contributions paid into the Growth Plan up to and including September 2001 were converted to defined amounts of pension payable from Normal Retirement Date. From October 2001 contributions were invested in personal funds which have a Capital guarantee and which are converted to pension on retirement, either within the Growth Plan or by the purchase of an annuity.

The Plan is funded and is not contracted out of the state scheme. The rules of the Growth Plan allow for the declaration of bonuses and / or investment credits if this is within the financial capacity of the Plan assessed on a prudent basis.

Bonuses / investment credits are not guaranteed and are declared at the discretion of the Plan's Trustee. The Trustee commissions an actuarial valuation of the Growth Plan every 3 years. The main purpose of the valuation is to determine the financial position of the Plan and so determine the future prospects for discretionary bonuses and / or investment credits. The actuarial valuation assesses whether the Plan's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date. Asset values are calculated by reference to market levels. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

Perthyn offers the Growth Plan as an AVC investment option for members of the Social Housing Pension Scheme. The members pay contributions at a rate of their choice. The organisation does not pay any contributions to the Growth Plan.

20. Members' liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The company is registered in England and Wales and the registered office is shown within the Trustees report.

PERTHYN

England & Wales - Charity number 1046763

Accounts

REGISTERED COMPANY NUMBER: 03017158 (England and Wales)
REGISTERED CHARITY NUMBER: 1046763

**Report of the Trustees and
Audited Financial Statements for the Year Ended 31 March 2022
for
Perthyn**

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COMPANIES HOUSE

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for the Year Ended 31 March 2022**

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**Report of the Trustees
for the Year Ended 31 March 2022**

INTRODUCTION

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2022. 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 2019).

Objectives and activities

PERTHYN'S PRINCIPAL ACTIVITY

The principal activity is that of a provider of care and support to people with learning disabilities and challenging behaviour so as to enable them to fulfil their maximum individual potential and to live full and valued lives in their communities.

PERTHYN'S VISION

Is for the people we support to be empowered to be active citizens, enjoying their lives, and having a sense of belonging.

PERTHYN'S MISSION

Is to work in partnership, using our expertise and resources to provide high quality, innovative and individualised services so that people can contribute positively to their communities and to society.

PUBLIC BENEFIT

Trustees review Perthyn's aims, objectives and activities each year. This review considers the outcomes and achievements of the previous twelve months, focussing on key departmental activities and the degree to which specified and agreed targets have been met. Trustees refer to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing aims and objectives and in planning future activities.

**Report of the Trustees
for the Year Ended 31 March 2022**

Strategic report

Achievement and performance

General Overview

Perthyn is one of the largest and best-regarded care sector charities in England and Wales. Despite the financial pressures of recent years, Perthyn remains robust and carefully manages year-on-year growth whilst always ensuring the dignity and wellbeing of the people it supports.

Key characteristics:

	2021/22	2020/21
Number of people supported (as at 31 March)	208	226
Number of staff (headcount as at 31 March)	771	779
Turnover	£23,125,211	£22,010,404

Local Authorities we worked with during 2021/22:

Wales - Cardiff, Powys, Swansea, Carmarthenshire, Ceredigion & Pembrokeshire
England - Nottinghamshire, Northamptonshire & Shropshire

Operational performance

Perthyn remains one of the largest and most well-respected charities based in Wales - a status and reputation that Trustees and management are careful to maintain. A charitable organisation of this size, complexity, and geographical spread, with aspirations to continually improve the quality of life of those we support, requires a well-structured and professional management approach with a clear focus upon its stated objectives and especially upon end-user satisfaction. In addition, it is essential that the Board of Trustees maintains a critical and challenging oversight of all the charity's activities.

During the course of the year Perthyn responded to the continuing challenges arising from the Covid-19 Pandemic. Management and staff worked tirelessly to ensure the continued safety of the people we support, implementing specific policies and procedures in line with Government and Public Health requirements and guidelines. This response ensured that levels of infection were minimised, and additional funding and Personal Protective Equipment enabled the organisation to maintain service delivery across all areas of the organisation. Staff in all areas of the organisation looked for ways to support people in getting their lives back on track post-pandemic.

Services provided in Powys reduced following the final tender reconfiguration carried out by the Council, but elsewhere services levels remained and, in some areas, increased. The Perthyn Leadership team continued regular reporting to the Board of Trustees on agreed Key Performance Indicators (KPI's). Monitoring visits from Commissioners and inspection visits from the Regulators (CIW for Wales and CQC for England) were very positive with areas of good practise highlighted and no areas of concern or improvement identified.

The Board of Trustees saw some resignations during the year, but continued to meet despite the pandemic, making use of technology to ensure that their governance duties were still exercised and their responsibilities were fully met. Work is already underway to recruit additional Trustee members to bring the Board up to its desired strength.

Financial review

Financial performance

The overall surplus for the year ended 31 March 2022 was £517,558 (2021: deficit £47,271). The overall level of funds carried forward into 2022/23 amounts to £ 2,376,455 compared to £1,858,888 carried into 2021/22.

Note:

1. Funds are restricted either on geographical grounds to recognise the funding from various local authority areas, or by the terms and conditions laid down by the donor. Although local authority funds are restricted, their expenditure remains in support of Perthyn's primary objectives.
2. The funding for the year was received from those Local Authorities with whom Perthyn has service agreements. In addition Perthyn received Supporting People grant from those same Local Authorities as well as payments from some of the service users in respect of housing benefit and other contributions.
3. The principal cost for the year continued to be the salaries and related costs of the staff that are necessarily employed to meet Perthyn's contract obligations. Perthyn also meets the cost of accommodation on behalf of its service users, including rent, housing associations management charges and other housekeeping costs.
4. Perthyn continues to have to accept increased pension costs as SHPS moves slowly towards financial stability, and also the annual graduated increases in the employer contributions of the 'Auto Enrolment' employee pension scheme.

**Report of the Trustees
for the Year Ended 31 March 2022**

Strategic report

Financial review

Investment policy

The investment policy the Trustees have adopted is designed to generate returns at low risk and is regularly reviewed by the Finance Scrutiny Committee. Any income not used during the year is re-invested with the original capital sum.

Any other investments relate only to surplus monies held from time to time, which are placed on short term deposit.

Significant financial risk considerations:

The Executive Management have identified to the Trustees that the following financial risks are most in need of protective policies:

1. The loss of service contracts and the resultant financial costs to Perthyn.
2. The cost of maintaining appropriate levels of care in the event of a reduction in the scope and/or value of any service contract.
3. The cost of ensuring that all properties, including the Residential Services properties, are safe, appropriately compliant, and are at all times fit for purpose.
4. The SHPS Defined Benefit pension scheme and the impact of fluctuating valuations.

To address these potential problems the Trustees have adopted the Reserves Policy outlined below.

Reserves policy

Analysis of risk to Perthyn's contracted operations and moral obligations to those we support has recognised the need to hold reserves in respect of eventualities which may include, inter alia, the following:

1. To ensure that if the funding levels for care are significantly reduced then appropriate levels of care can still be provided whilst an appropriate exit strategy is negotiated with the relevant funder.
2. To make provision for other potential liabilities as a result of contracts being terminated, reduced or withdrawn. Such liabilities could include redundancy costs, buying out leases, severance of contracted commitments etc.
3. Maintenance of Perthyn-owned properties and assets to meet safety standards, insurance and other obligations.
4. Replacement of essential assets.
5. To be able to respond to statutory changes

The level of available reserves (unrestricted funds less fixed assets and designated reserves) at the 2021/22 balance sheet date was £967,200 (2020/21 - £430,161)

Perthyn is subject to periodic contract retendering in all areas, which could result in the loss or reduction of a contract. Any such event would trigger pre-prepared action plans to minimise the impact on Perthyn's operations and financial stability. The advice of a contract reduction or loss would be immediately brought to the attention of the Trustees, and then considered at relevant Scrutiny Committee meetings.

The Trustees annually review Perthyn's reserves policy to ensure it protects against the identified risks.

Future plans

Perthyn operates in a constantly changing environment and needs to respond to legislative and regulatory changes, commissioning developments, cost pressures, and tender opportunities. Trustees meet regularly with the executive management to consider and agree how the organisation should respond and evolve. Perthyn considers tendering opportunities as they arise, taking into account our capacity and resources, weighing this up with the aims and requirements of the tender specifications. The Strategic Plan sets out Perthyn's overarching aims and objectives.

Structure, governance and management

Governing document

Perthyn is a limited company, registration number 3017158, and is governed by its Memorandum and Articles of Association. Perthyn is also registered with the Charity Commission, number 1046763. The Trustees are also directors of the Charitable company. The Memorandum and Articles of Association have recently been reviewed, revised, and adopted by the Board of Trustees.

Recruitment, appointment and training of new trustees

New Trustees, who are appointed by existing Trustees, are provided with an induction pack (including relevant guidance on Trustee roles and responsibilities), an induction programme, and any additional training that might be required. This process is under regular review.

**Report of the Trustees
for the Year Ended 31 March 2022**

Structure, governance and management

Organisational structure

The Board of Trustees meets six times each year and Trustees are responsible for formulating policies and procedures, for setting strategic direction, and for ensuring appropriate levels of internal control. The day to day running of Perthyn is the responsibility of the Chief Executive and the executive management who report to Trustees at regular Board and Scrutiny Committee meetings.

Sub-committee / working group structure

The following groupings have been set up to assist and strengthen the Trustees' oversight activities - they all meet regularly as indicated below:

Finance Scrutiny Committee (6 meetings annually)
Human Resources Scrutiny Committee (quarterly meetings)
Risk Management Scrutiny Committee (quarterly meetings)
Service Delivery Scrutiny Committee (quarterly meetings)
Remuneration Committee (as and when required)
Trustee and Executive Management Annual Governance Day

The Chair of the Board of Trustees meets monthly with the Chief Executive.

The Auditors have direct and confidential access to the Chair of the Board of Trustees should they so require.

Related parties

During the year Tai Prydeinig a wholly owned subsidiary of the charity, which had not traded since the date of incorporation was dissolved on 7th September 2021. For this reason, consolidated accounts for the group have not been prepared.

EMPLOYMENT POLICIES

Employment of disabled persons

It is the policy that disabled persons shall be considered for employment, career development and promotion on the basis of their aptitude and abilities in common with all employees.

Employee involvement

The Trustees recognise the importance of good communications and relations with employees and management is encouraged to adopt employee consultations.

Reference and administrative details

Registered Company number

03017158 (England and Wales)

Registered Charity number

1046763

Registered office

Vivian Court
Llys Felin Newydd
Phoenix Way
SWANSEA
SA7 9FG

Trustees

Andrew Thomas Chair
Sally Brown
Colin John Downham
Claire Margaret Clarke
Beverley Wormald
Mahammed Usmaan Hanif Rahman (appointed 24.11.21)

Chief Executive Officer

Steve Cox

**Report of the Trustees
for the Year Ended 31 March 2022**

Reference and administrative details

Auditors

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

Solicitors

Geldard's LLP
Dumfries House
Dumfries Place
Cardiff
CF10 3ZF

Bankers

Bank of Scotland
One Kingsway
Cardiff
CF10 3YB

HSBC
Portland Street
Swansea
SA1 3DF

Statement of trustees' responsibilities

The trustees (who are also the directors of Perthyn for the purposes of company law) are responsible for preparing the Report of the Trustees and 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 reasonable and prudent;
- 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.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 20.7.2022 and signed on the board's behalf by:



Andrew Thomas - Trustee

Report of the Independent Auditors to the Members of Perthyn

Opinion

We have audited the financial statements of Perthyn (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of 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).

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 2022 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.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Report of the Independent Auditors to the Members of Perthyn

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our planning procedures identify the legal and regulatory frameworks applicable to the operations and financial statements of the company. These are reviewed internally with the audit team including relevant industry experience and expectations as well as externally with the client management. The key laws and regulations we considered in this context were the UK Companies Act 2006, 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', UK GAAP (FRS 102) and relevant tax legislation.

Once identified, we assess the risks of material misstatements in relation to the laws and regulations, irregularities, including fraud and adjust our testing accordingly. Our audit procedures include:

- Discussing with Trustees and management which areas of the business they believe to be more susceptible to fraud, and whether they have any knowledge or suspicion of fraudulent activities
- Obtaining an understanding of the key controls put in place by the charitable company to address risks identified, assessing the effectiveness of those and discussing how these are maintained and monitored internally
- Assessing the risk of management override and review and testing of journal entries made into the accounting system
- Challenging assumptions and judgements made by the charitable company in relation to the significant accounting estimates employed in the preparation of the financial statements
- Discussing with Trustees and Management the legal and regulatory obligations of the business and whether they have any knowledge or suspicion of non compliance

Despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularities likely involve collusion, forgery, intentional misrepresentation, or the override of internal controls.

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 Report of the Independent Auditors.

**Report of the Independent Auditors to the Members of
Perthyn**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Victoria Carter (Senior Statutory Auditor)
for and on behalf of Haines Watts Wales LLP, Statutory Auditors
7 Neptune Court
Vanguard Way
Cardiff
CF24 5PJ

Date: 30-08-2022

Perthyn

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
Income and endowments from					
Charitable activities	3				
Care services		4,625,044	18,500,167	23,125,211	21,998,593
Investment income	2	85	-	85	11,811
Total		<u>4,625,129</u>	<u>18,500,167</u>	<u>23,125,296</u>	<u>22,010,404</u>
Expenditure on					
Charitable activities	4				
Care services		4,089,355	18,513,685	22,603,040	21,549,675
NET INCOME/(EXPENDITURE)		<u>535,774</u>	<u>(13,518)</u>	<u>522,256</u>	<u>460,729</u>
Transfers between funds	17	<u>(11,049)</u>	<u>11,049</u>	<u>-</u>	<u>-</u>
Other recognised gains/(losses)					
Actuarial gains/(losses) on defined benefit schemes		<u>(33,000)</u>	<u>-</u>	<u>(33,000)</u>	<u>(508,000)</u>
Net movement in funds		<u>491,725</u>	<u>(2,469)</u>	<u>489,256</u>	<u>(47,271)</u>
Reconciliation of funds					
Total funds brought forward		<u>1,651,983</u>	<u>206,905</u>	<u>1,858,888</u>	<u>1,906,159</u>
Total funds carried forward		<u><u>2,143,708</u></u>	<u><u>204,436</u></u>	<u><u>2,348,144</u></u>	<u><u>1,858,888</u></u>

The notes form part of these financial statements

Balance Sheet
31 March 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
Fixed assets					
Tangible assets	10	629,322	-	629,322	646,102
Current assets					
Debtors	11	2,063,742	51,034	2,114,776	1,369,606
Investments	12	374,331	-	374,331	376,104
Cash at bank and in hand		1,327,300	209,436	1,536,736	943,553
		<u>3,765,373</u>	<u>260,470</u>	<u>4,025,843</u>	<u>2,689,263</u>
Creditors					
Amounts falling due within one year	13	(757,185)	(56,034)	(813,219)	(693,477)
Net current assets		<u>3,008,188</u>	<u>204,436</u>	<u>3,212,624</u>	<u>1,995,786</u>
Total assets less current liabilities		3,637,510	204,436	3,841,946	2,641,888
Provisions for liabilities	16	(1,493,802)	-	(1,493,802)	(783,000)
NET ASSETS		<u>2,143,708</u>	<u>204,436</u>	<u>2,348,144</u>	<u>1,858,888</u>
Funds	17				
Unrestricted funds				2,143,708	1,651,983
Restricted funds				204,436	206,905
Total funds				<u>2,348,144</u>	<u>1,858,888</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 20-7-2022 and were signed on its behalf by:



Andrew Thomas - Trustee

Perthyn

**Cash Flow Statement
for the Year Ended 31 March 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	593,098	649,733
Interest paid		-	(22,158)
Net cash provided by operating activities		<u>593,098</u>	<u>627,575</u>
Cash flows from investing activities			
Interest received		<u>85</u>	<u>11,811</u>
Net cash provided by investing activities		<u>85</u>	<u>11,811</u>
Cash flows from financing activities			
Loan repayments in year		<u>-</u>	<u>(403,870)</u>
Net cash provided by/(used in) financing activities		<u>-</u>	<u>(403,870)</u>
Change in cash and cash equivalents in the reporting period		<u>593,183</u>	<u>235,516</u>
Cash and cash equivalents at the beginning of the reporting period		<u>943,553</u>	<u>708,037</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,536,736</u></u>	<u><u>943,553</u></u>

The notes form part of these financial statements

Perthyn

Notes to the Cash Flow Statement
for the Year Ended 31 March 2022

1. Reconciliation of net income to net cash flow from operating activities

	2022 £	2021 £
Net income for the reporting period (as per the Statement of Financial Activities)	522,256	460,729
Adjustments for:		
Depreciation charges	16,780	16,780
Losses/(gain) on investments	1,773	(113,457)
Interest received	(85)	(11,811)
Interest paid	-	22,158
Movement on provisions	710,802	-
Decrease in stocks	-	507,500
Increase in debtors	(745,170)	(107,685)
Increase in creditors	119,742	7,519
Difference between pension charge and cash contributions	(33,000)	(132,000)
Net cash provided by operations	<u>593,098</u>	<u>649,733</u>

2. Analysis of changes in net funds

	At 1.4.21 £	Cash flow £	At 31.3.22 £
Net cash			
Cash at bank and in hand	943,553	593,183	1,536,736
	<u>943,553</u>	<u>593,183</u>	<u>1,536,736</u>
Liquid resources			
Deposits included in cash	-	-	-
Current asset investments	376,104	(1,773)	374,331
	<u>376,104</u>	<u>(1,773)</u>	<u>374,331</u>
Total	<u>1,319,657</u>	<u>591,410</u>	<u>1,911,067</u>

**Notes to the Financial Statements
for the Year Ended 31 March 2022**

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 2019)', 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, as modified by the revaluation of certain assets.

The charity is a public benefit entity.

The financial statements have been prepared on a going concern basis. The Trustees have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. In particular, in response to the COVID-19 pandemic, the Trustees have tested their cash flow analysis to take into account the impact on the charity of possible scenarios brought on by the impact of COVID-19, alongside the measures that they can take to mitigate the impact. Based on these assessments, given the measures that could be undertaken to mitigate the current adverse conditions, and the current resources available, the Trustees have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

Income

Donations are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

Housing benefit claimed on behalf of all service users is accounted for on a receivable basis.

Grants and service level agreements to support the provision of care are accounted for in the financial year to which they relate. Grants received to finance the cost of fixed asset are recognised as restricted funds and used to finance the annual depreciation charge.

Carers allowance awarded by the Welsh Government relates to a one-off flat rate payment of £500 for eligible carers, to reward the hard work and commitment of social care staff who have provided essential care to the most vulnerable citizens during the COVID-19 pandemic.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

1. Accounting policies - continued

Tangible fixed assets

Individual fixed assets costing £1,500 or more are initially recorded at cost.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Motor Vehicles 25% straight line basis
Fixtures and fittings 15% straight line
Freehold buildings 2% straight line
Freehold land nil

Taxation

The company is a registered charity and is, therefore, exempt from taxation on its primary activities.

Fund accounting

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose

Designated funds are unrestricted funds set aside at the discretion of the trustees for specific 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 Charity participates in the Social Housing Pension Scheme (SHPS). This is a defined benefit scheme for which the assets and liabilities are calculated by an independent qualified actuary. Contributions towards the current cost of the scheme as well as towards the past service deficit are recorded through the year. At the year end an Actuarial assessment is conducted and the impact of any gains or losses recorded in the financial statements.

Debtors, creditors and cash

Current assets and liabilities, including cash held at bank or as part of short term deposits, are recognised at cost or valuation as at the year end.

Aged debtors and liabilities are recognised at net present value in line with FRS 102.

Operating leases

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

2. Investment income

	2022 £	2021 £
Deposit account interest	85	11,811

Perthyn

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

3. Income from charitable activities

	Activity	2022 £	2021 £
Government grants	Care services	-	126,686
Housing Benefit	Care services	1,139,129	1,288,692
Powys day care	Care services	53,934	90,201
Service user recharges	Care services	11,389	7,063
Care funding fees	Care services	20,748,627	19,700,796
Repairs, renewals & internal decoration	Care services	82,363	81,810
Care contribution	Care services	98,869	65,554
Training and other income	Care services	399,336	74,316
Carer allowance	Care services	239,102	223,883
Covid-19 local authority	Care services	352,462	339,592
		<u>23,125,211</u>	<u>21,998,593</u>

4. Charitable activities costs

	Direct Costs £	Support costs (see note 5) £	Totals £
Care services	<u>19,594,373</u>	<u>3,008,667</u>	<u>22,603,040</u>

5. Support costs

	Management £	Governance costs £	Totals £
Care services	<u>2,995,596</u>	<u>13,071</u>	<u>3,008,667</u>

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

	2022 Care services £	2021 Total activities £
Wages	1,830,761	1,996,326
Social security	195,087	240,468
Pensions	149,669	78,674
Operating leases	231,885	241,838
Travelling	96,567	88,422
Rates and water	13,334	11,829
Light, heat and power	15,910	26,374
Insurance	111,208	104,467
Repairs and maintenance	18,128	22,737
Telephone	6,429	3,524
Office expenses	124,842	55,129
Information and technology costs	201,776	222,497
Auditors' remuneration	11,000	11,000
Auditors' remuneration for non audit work	1,550	1,550
Trustee expenses	521	464
	<u>3,008,667</u>	<u>3,105,299</u>

Perthyn

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

6. Net income/(expenditure)

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

	2022	2021
	£	£
Auditors' remuneration	11,000	11,000
Auditors' remuneration for non audit work	1,550	1,550
Depreciation - owned assets	16,780	16,781
Other operating leases	231,885	241,838
Loan interest	-	22,158
	<u> </u>	<u> </u>

7. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

The trustees received no remuneration in either accounting period, but were reimbursed for travel and subsistence expenses amounting to £521 (2021: £464).

8. Staff costs

	2022	2021
	£	£
Wages and salaries	17,101,208	16,432,619
Social security costs	1,405,425	1,335,935
Other pension costs	698,935	531,598
	<u> </u>	<u> </u>
	<u>19,205,568</u>	<u>18,300,152</u>

The average monthly number of employees during the year was as follows:

	2022	2021
Operational	705	752
Office	66	58
	<u> </u>	<u> </u>
	<u>771</u>	<u>810</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022	2021
£60,001 - £70,000	3	2
£70,001 - £80,000	1	1
£80,001 - £90,000	2	-
£90,001 - £100,000	1	1
	<u> </u>	<u> </u>
	<u>7</u>	<u>4</u>

During the year Perthyn paid key management gross salaries totalling £793,495 (2021: £669,536). Key management are considered to be 12 (2021: 12) individuals who directly impact upon the strategic direction of the Charity.

Perthyn

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

9. Comparatives for the statement of financial activities for 2020/21

	Unrestricted funds £	Restricted funds £	Total funds £
Income and endowments from			
Charitable activities			
Care services	4,399,719	17,598,874	21,998,593
Investment income	11,810	1	11,811
Total	4,411,529	17,598,875	22,010,404
Expenditure on			
Charitable activities			
Care services	3,848,947	17,700,728	21,549,675
NET INCOME/(EXPENDITURE)	562,582	(101,853)	460,729
Transfers between funds	(88,872)	88,872	-
Other recognised gains/(losses)			
Actuarial gains/(losses) on defined benefit schemes	(508,000)	-	(508,000)
Net movement in funds	(34,290)	(12,981)	(47,271)
Reconciliation of funds			
Total funds brought forward	1,686,273	219,886	1,906,159
Total funds carried forward	1,651,983	206,905	1,858,888

10. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Totals £
Cost				
At 1 April 2021 and 31 March 2022	750,000	40,746	13,800	804,546
Depreciation				
At 1 April 2021	109,883	38,362	10,199	158,444
Charge for year	15,000	430	1,350	16,780
At 31 March 2022	124,883	38,792	11,549	175,224
Net book value				
At 31 March 2022	625,117	1,954	2,251	629,322
At 31 March 2021	640,117	2,384	3,601	646,102

The freehold property was valued on 5 November 2015 by Lambert Smith Hampton an independent firm of Chartered Building Surveyors at £750,000. This valuation was based upon open market value which is deemed to be not materially different from the existing use basis.

The net carrying amount on a depreciated historic basis would have amounted to £418,000 as at 31 March 2022 (2021: £429,000).

Perthyn

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

11. Debtors: amounts falling due within one year

	2022	2021
	£	£
Trade debtors	1,976,931	1,240,489
Other debtors	2,360	2,439
Prepayments and accrued income	135,485	126,678
	<u>2,114,776</u>	<u>1,369,606</u>

12. Current asset investments

	2022	2021
	£	£
Unlisted investments	101,845	103,702
Monies held on deposit	272,486	272,402
	<u>374,331</u>	<u>376,104</u>

13. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	162,172	124,670
Social security and other taxes	372,766	325,565
Other creditors	179,704	219,748
Accruals and deferred income	98,577	23,494
	<u>813,219</u>	<u>693,477</u>

Deferred income brought forward	-	-
Amounts released to incoming resources	-	-
Amounts deferred in the year	51,034	-
Deferred income carried forward	<u>51,034</u>	<u>-</u>

Deferred income relates to income received for bonuses payable for carer allowances.

14. Leasing agreements

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

	2022	2021
	£	£
Within one year	124,701	137,117
Between one and five years	56,970	159,837
	<u>181,671</u>	<u>296,954</u>

Lease payments recognised as an expense in the year totalled £231,855. (2021: £241,838).

15. Secured debts

Standard Security over Commercial Freehold Property - Fairfield House 85 Ely Road, Cardiff, CF5 2BY, Wales, United Kingdom granted by Perthyn
All monies Debenture granted by Perthyn over the whole assets of the Company

Perthyn

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

16. Provisions for liabilities

	2022 £	2021 £
Provisions	803,802	-
Pension Deficit Liability	690,000	783,000
	<u>1,493,802</u>	<u>783,000</u>
	2022 £	2021 £
Balance brought forward	783,000	407,000
Amounts provided in the year	775,500	376,000
Amounts released in the year	93,000	-
Balance carried forward	<u>1,465,500</u>	<u>783,000</u>

During the year the Charity has been provided with its calculated share of the net liability position for its participation in SHPS. Full details of the pension scheme are shown in note 19.

17. Movement in funds

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	1,076,263	523,965	(3,706)	1,596,522
Designated Revaluation reserve	149,392	-	(4,000)	145,392
Designated Maintenance	192,851	-	(3,343)	189,508
Designated Cyclical maintenance	54,477	(21,191)	-	33,286
Designated IT warranty reserve	34,000	-	-	34,000
Designated Occupancy reserve	45,000	-	-	45,000
Designated Contingency	100,000	-	-	100,000
	<u>1,651,983</u>	<u>502,774</u>	<u>(11,049)</u>	<u>2,143,708</u>
Restricted funds				
Local Authority funding	-	(11,049)	11,049	-
HB – SU Engagement through I.T.	83,257	-	-	83,257
Donation from Celtic Community Consortium	123,648	(2,469)	-	121,179
	<u>206,905</u>	<u>(13,518)</u>	<u>11,049</u>	<u>204,436</u>
TOTAL FUNDS	<u>1,858,888</u>	<u>489,256</u>	<u>-</u>	<u>2,348,144</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	4,625,129	(4,068,164)	(33,000)	523,965
Designated Cyclical maintenance	-	(21,191)	-	(21,191)
	<u>4,625,129</u>	<u>(4,089,355)</u>	<u>(33,000)</u>	<u>502,774</u>
Restricted funds				
Local Authority funding	18,500,167	(18,511,216)	-	(11,049)
Donation from Celtic Community Consortium	-	(2,469)	-	(2,469)
	<u>18,500,167</u>	<u>(18,513,685)</u>	<u>-</u>	<u>(13,518)</u>
TOTAL FUNDS	<u>23,125,296</u>	<u>(22,603,040)</u>	<u>(33,000)</u>	<u>489,256</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

17. Movement in funds - continued**Comparatives for movement in funds**

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	988,190	54,582	33,491	1,076,263
Designated Revaluation reserve	299,172	-	(149,780)	149,392
Designated Maintenance	165,434	-	27,417	192,851
Designated Cyclical maintenance	54,477	-	-	54,477
Designated IT warranty reserve	34,000	-	-	34,000
Designated Occupancy reserve	45,000	-	-	45,000
Designated Contingency	100,000	-	-	100,000
	<u>1,686,273</u>	<u>54,582</u>	<u>(88,872)</u>	<u>1,651,983</u>
Restricted funds				
Local Authority funding	-	(88,872)	88,872	-
HB – SU Engagement through I.T.	83,257	-	-	83,257
Donation from Celtic Community Consortium	136,629	(12,981)	-	123,648
	<u>219,886</u>	<u>(101,853)</u>	<u>88,872</u>	<u>206,905</u>
TOTAL FUNDS	<u>1,906,159</u>	<u>(47,271)</u>	<u>-</u>	<u>1,858,888</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	4,411,529	(3,848,947)	(508,000)	54,582
Restricted funds				
Local Authority funding	17,598,875	(17,687,747)	-	(88,872)
Donation from Celtic Community Consortium	-	(12,981)	-	(12,981)
	<u>17,598,875</u>	<u>(17,700,728)</u>	<u>-</u>	<u>(101,853)</u>
TOTAL FUNDS	<u>22,010,404</u>	<u>(21,549,675)</u>	<u>(508,000)</u>	<u>(47,271)</u>

Perthyn

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

17. Movement in funds - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	988,190	578,547	29,785	1,596,522
Designated Revaluation reserve	299,172	-	(153,780)	145,392
Designated Maintenance	165,434	-	24,074	189,508
Designated Cyclical maintenance	54,477	(21,191)	-	33,286
Designated IT warranty reserve	34,000	-	-	34,000
Designated Occupancy reserve	45,000	-	-	45,000
Designated Contingency	100,000	-	-	100,000
	<u>1,686,273</u>	<u>557,356</u>	<u>(99,921)</u>	<u>2,143,708</u>
Restricted funds				
Local Authority funding	-	(99,921)	99,921	-
HB – SU Engagement through I.T.	83,257	-	-	83,257
Donation from Celtic Community Consortium	136,629	(15,450)	-	121,179
	<u>219,886</u>	<u>(115,371)</u>	<u>99,921</u>	<u>204,436</u>
TOTAL FUNDS	<u>1,906,159</u>	<u>441,985</u>	<u>-</u>	<u>2,348,144</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	9,036,658	(7,917,111)	(541,000)	578,547
Designated Cyclical maintenance	-	(21,191)	-	(21,191)
	<u>9,036,658</u>	<u>(7,938,302)</u>	<u>(541,000)</u>	<u>557,356</u>
Restricted funds				
Local Authority funding	36,099,042	(36,198,963)	-	(99,921)
Donation from Celtic Community Consortium	-	(15,450)	-	(15,450)
	<u>36,099,042</u>	<u>(36,214,413)</u>	<u>-</u>	<u>(115,371)</u>
TOTAL FUNDS	<u>45,135,700</u>	<u>(44,152,715)</u>	<u>(541,000)</u>	<u>441,985</u>

General funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the Charity.

Revaluation Reserve - the freehold properties were valued in 2012 and then re-visited in 2015 at deemed cost. The reserve is debited with the depreciation related to the revaluation.

Maintenance - this funding has been set up to set aside the amount remaining unpaid from the repairs allowance for communal areas claimed from housing benefit, which would have to be paid over to a new provider in the event of the Scheme being transferred.

Cyclical Maintenance - To fund the on-going refurbishment of residential and day services property.

IT Warranty Reserve - represents balances designated by the Trustees to cover any potential costs in repairing or replacing servers which are no longer held under warranty.

Occupancy reserve - represents balances designated by the Trustees to cover forecast costs of under occupancy.

Perthyn

Notes to the Financial Statements - continued for the Year Ended 31 March 2022

17. Movement in funds - continued

Contingency reserve - represents balances set aside for anticipated expenditure.

Local Authority funding is given to meet the primary objectives of the Charity.

Housing Benefit - SU Engagement through I.T. - work to identify appropriate broadband connectivity in houses has progressed.

Donation from Celtic Community Consortium - funding is given to fund non-repayable grants or interest free loans to those already receiving the benefit of Perthyn's services and who require additional financial support to assist in the acquisition of property, furniture of legal services or any other financial support as the trustees consider reasonable.

Transfers between funds

During the year a balance of £3,343 was transferred from the Maintenance designated fund to the General Unrestricted Fund in line with activities during the year.

During the year, £11,049 was transferred to the Local Authority Funding restricted reserve from the General Unrestricted funds to account for the excess of expenditure compared to income.

During the year, £4,000 was transferred to the Designated Revaluation reserve from the General Unrestricted funds to account for the depreciation charge of the property based on historical cost.

18. Related party disclosures

There were no related party transactions for the year ended 31 March 2022.

19. Defined benefit pension scheme

Perthyn participates in the Social Housing Pension Scheme (the Scheme). The Scheme is funded and is contracted-out of the State Pension scheme.

SHPS is a multi-employer defined benefit scheme. Employer participation in the Scheme is subject to adherence with the employer responsibilities and obligations as set out in the 'SHPS House Policies and Rules Employer Guide'.

An employer can elect to operate different benefit structures for their active members and their new entrants. An employer can only operate one open defined benefit structure at any one time. An open benefit structure is one which new entrants are able to join.

Perthyn currently operates final salary with a 1/60th accrual rate, final salary with a 1/70th accrual rate and final salary with a 1/80th accrual rate benefit structure for active members.

The Trustee commissions an actuarial valuation of the Scheme every three years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required, in respect of each benefit structure, so that the Scheme can meet its pension obligations as they fall due. From April 2007 the split of the total contribution rate between member and employer is set at individual employer level, subject to the employer paying no less than 50% of the total contribution rate. From 1 April 2010 the requirement for employers to pay at least 50% of the total contribution rate no longer applies.

The actuarial valuation assesses whether the Scheme's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date. Asset values are calculated by reference to market levels. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

During the accounting period Perthyn paid contributions at the rate of 7.25% to 11.5% member contributions varied between 6.75% and 7.9%.

The company made an annual contribution of £139,493 towards the past service deficit during the year. For the year ending 31 March 2022 the contributions to be paid amount to £142,283 and will increase each year by 2% until September 2026.

In accordance with FRS 102 reporting requirements the company is required to disclose certain information concerning assets, liabilities, income and expenditure in relation to the pension scheme.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

19. Defined benefit pension scheme - continued

Presentation values of Defined Benefit Obligation, fair value of assets and Defined Benefit Asset (liability)

	31 March 2022	31 March 2021
	£000s	£000s
Fair value of plan assets	5,030	4,781
Present value of defined benefit obligation	5,720	5,564
Surplus/(Deficit) in plan	(690)	(783)
Unrecognised surplus	-	-
Defined benefit asset (liability) to be recognised	(690)	(783)

Reconciliation of the impact of the asset ceiling

	31 March 2022
	£000s
Impact of asset ceiling at start of year	-
Effect of the asset ceiling included in net interest cost	-
Actuarial losses (gains) on asset ceiling	-
Impact of asset ceiling at end of period	-

Reconciliation of opening and closing balances of the defined benefit obligation

	31 March 2022
	£000s
Defined benefit obligation at start of period	5,564
Current service cost	-
Expenses	5
Interest Expense	121
Contributions by plan participants	-
Actuarial losses (gains) due to scheme experience	354
Actuarial losses (gains) due to changes in demographic assumptions	-
Actuarial losses (gains) due to changes in financial assumptions	(257)
Benefits paid and expenses	(67)
Liabilities acquired in a business combination	-
Liabilities extinguished on settlements	-
Losses (gains) on curtailments	-
Losses (gains) due to benefit changes	-
Exchange rate differences	-
Defined benefit obligation at end of period	5,720

Reconciliation of opening and closing balances of the fair value of plan assets

	31 March 2022
	£000s
Fair value of plan assets at start of period	4,781
Interest income	105
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	64
Contributions by the employer	147
Contributions by plan participants	-
Benefits paid and expenses	(67)
Assets acquired in a business combination	-
Assets distributed on settlements	-
Exchange rate changes	-
Fair value of plan assets at end of period	5,030

The actual return on the plan assets (including any changes in share of assets) over the period from 31 March 2021 to 31 March 2022 was £169,000.

Perthyn

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

19. Defined benefit pension scheme - continued

Defined benefit costs recognised in statement of financial activities - Net income and expenditure
31 March 2022

	£000s
Current service cost	-
Expenses	5
Net interest Expense	16
Losses (gains) on business combinations	-
Losses (gains) on settlements	-
Losses (gains) on curtailments	-
Losses (gains) due to benefit changes	-
Defined benefit costs recognised in statement of financial activities	21

Defined benefit costs recognised in statement of financial activities - Actuarial Gains/(losses)
31 March 2022
£000s

Experience on plan assets (excluding amounts included in net interest cost) - gain (loss)	64
Experience gains and losses arising on the plan liabilities - gain (loss)	(354)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	-
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	257
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)	(33)
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost) - gain (loss)	-
Total amount recognised in Actuarial gains/(losses)	(33)

Assets

	31 March 2022 £000s	31 March 2021 £000s
Absolute Return	202	264
Alternative Risk Premia	166	180
Cash	17	-
Corporate Bond Fund	336	282
Credit Relative Value	167	150
Current Hedging	(20)	-
Distressed Opportunities	180	138
Emerging Markets Debt	146	193
Fund of Hedge Funds	-	1
Global Equity	966	762
High Yield	43	143
Infrastructure	358	319
Insurance Linked Securities	117	115
Liability Driven Investment	1,404	1,215
Long lease Property	129	94
Net current assets	14	29
Opportunistic Credit	18	131
Opportunistic Illiquid Credit	169	122
Private Debt	129	114
Liquid Credit	-	57
Property	136	99
Risk sharing	166	174
Secured income	187	199
Total assets	5,030	4,781

None of the fair values of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

Perthyn

Notes to the Financial Statements - continued for the Year Ended 31 March 2022

19. Defined benefit pension scheme - continued

Key Assumptions

	31 March 2022 % per annum	31 March 2021 % per annum
Discount rate	2.79	2.28
Inflation (RPI)	3.57	3.15
Inflation (CPI)	3.19	2.65
Salary Growth	2.00	2.00
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31 March 2022 imply the following life expectancies:

	Life expectancy at age 65 Years
Male retiring in 2022	21.3
Female retiring in 2022	23.9
Male retiring in 2042	22.6
Female retiring in 2042	25.4

Perthyn also participates in the Pensions Trust's Growth Plan

The Growth Plan is a multi-employer pension Plan which is in most respects a money purchase arrangement but it has some guarantees. Contributions paid into the Growth Plan up to and including September 2001 were converted to defined amounts of pension payable from Normal Retirement Date. From October 2001 contributions were invested in personal funds which have a Capital guarantee and which are converted to pension on retirement, either within the Growth Plan or by the purchase of an annuity.

The Plan is funded and is not contracted out of the state scheme. The rules of the Growth Plan allow for the declaration of bonuses and / or investment credits if this is within the financial capacity of the Plan assessed on a prudent basis.

Bonuses / investment credits are not guaranteed and are declared at the discretion of the Plan's Trustee. The Trustee commissions an actuarial valuation of the Growth Plan every 3 years. The main purpose of the valuation is to determine the financial position of the Plan and so determine the future prospects for discretionary bonuses and / or investment credits. The actuarial valuation assesses whether the Plan's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date. Asset values are calculated by reference to market levels. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

Perthyn offers the Growth Plan as an AVC investment option for members of the Social Housing Pension Scheme. The members pay contributions at a rate of their choice. The organisation does not pay any contributions to the Growth Plan.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

20. Members' liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The company is registered in England and Wales and the registered office is shown within the Trustees report.

PERTHYN

England & Wales - Charity number 1046763

Accounts

REGISTERED COMPANY NUMBER: 03017158 (England and Wales)
REGISTERED CHARITY NUMBER: 1046763

Report of the Trustees and
Audited Financial Statements for the Year Ended 31 March 2021
for
Perthyn

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for the Year Ended 31 March 2021**

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Perthyn
Report of the Trustees
for the Year Ended 31 March 2021

INTRODUCTION

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2020. 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 2019).

Objectives and activities

PERTHYN'S PRINCIPAL ACTIVITY

The principal activity is that of a provider of care and support to people with learning disabilities and challenging behaviour so as to enable them to fulfil their maximum individual potential and to live full and valued lives in their communities.

PERTHYN'S VISION

Is for the people we support to be empowered to be active citizens, enjoying their lives, and having a sense of belonging.

PERTHYN'S MISSION

Is to work in partnership, using our expertise and resources to provide high quality, innovative and individualised services so that people can contribute positively to their communities and to society.

PUBLIC BENEFIT

Trustees review Perthyn's aims, objectives and activities each year. This review considers the outcomes and achievements of the previous twelve months, focussing on key departmental activities and the degree to which specified and agreed targets have been met. Trustees refer to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing aims and objectives and in planning future activities.

Perthyn

Report of the Trustees for the Year Ended 31 March 2021

Strategic report

Achievement and performance

General Overview

Perthyn is one of the largest and best-regarded care sector charities in England and Wales. Despite the financial pressures of recent years, Perthyn remains robust and carefully manages year-on-year growth whilst always ensuring the dignity and wellbeing of the people it supports.

Key characteristics:

	<u>2020/21</u>	<u>2019/20</u>
Number of people supported (as at 31 March)	226	228
Number of staff (headcount as at 31 March)	779	848
Turnover	£22,010,404	£20,552,225

Local Authorities we worked with during 2020/21:

Wales - Cardiff, Powys, Swansea, Carmarthenshire, Ceredigion & Pembrokeshire
England - Nottinghamshire, Northamptonshire & Shropshire

Operational performance

Perthyn remains one of the largest and most well-respected charities based in Wales - a status and reputation that Trustees and management are careful to maintain. A charitable organisation of this size, complexity, and geographical spread, with aspirations to continually improve the quality of life of those we support, requires a well-structured and professional management approach with a clear focus upon its stated objectives and especially upon end-user satisfaction. In addition, it is essential that the Board of Trustees maintains a critical and challenging oversight of all the charity's activities.

During the course of the year Perthyn responded to the challenges arising from the Covid-19 Pandemic. Management and staff worked tirelessly to ensure the continued safety of the people we support, implementing specific policies and procedures in line with Government and Public Health requirements and guidelines. This response ensured that levels of infection were minimised and additional funding and Personal Protective Equipment enabled the organisation to maintain service delivery across all areas of the organisation.

Following the decision taken in 2017/18 to close our residential services at Pen Y Coed, the final group of four people moved to their new home in the community. Though this was delayed due to the pandemic, they have all settled in well. The sale of Pen Y Coed was finally completed in the last quarter of 2020/21.

In the final quarter, the Leadership Team finalised the Strategic Plan for 2021-2024, which was subsequently approved by the full Board. This provides the framework for Perthyn during the next three years, and regular detailed reporting will be made to the appropriate Scrutiny Committees.

The Board of Trustees saw some resignations during the year, but continued to meet despite the pandemic, making use of technology to ensure that their governance duties were still exercised and their responsibilities were fully met. Work is already underway to recruit additional Trustee members to bring the Board up to its desired strength.

Financial review

Financial performance

The overall deficit for the year ended 31 March 2021 was £47,271 (2020 surplus: £250,8259). The overall level of funds carried forward into 2021/22 amounts to £ 1,858,888 compared to £1,906,159 carried into 2020/21.

The deficit incurred results from the increased SHPS DB Pension liability. Before adjusting for this, the surplus was £460,729.

Note:

1. Funds are restricted either on geographical grounds to recognise the funding from various local authority areas, or by the terms and conditions laid down by the donor. Although local authority funds are restricted, their expenditure remains in support of Perthyn's primary objectives.
2. The funding for the year was received from those Local Authorities with whom Perthyn has service agreements. In addition Perthyn received Supporting People grant from those same Local Authorities as well as payments from some of the service users in respect of housing benefit and other contributions.
3. The principal cost for the year continued to be the salaries and related costs of the staff that are necessarily employed to meet Perthyn's contract obligations. Perthyn also meets the cost of accommodation on behalf of its service users, including rent, housing associations management charges and other housekeeping costs.
4. Perthyn continues to have to accept increased pension costs as SHPS moves slowly towards financial stability, and also the annual graduated increases in the employer contributions of the 'Auto Enrolment' employee pension scheme.

Perthyn
Report of the Trustees
for the Year Ended 31 March 2021

Strategic report

Financial review

Investment policy

The investment policy the Trustees have adopted is designed to generate returns at low risk and is regularly reviewed by the Finance Scrutiny Committee. Any income not used during the year is re-invested with the original capital sum.

Any other investments relate only to surplus monies held from time to time, which are placed on short term deposit.

Significant financial risk considerations:

The Executive Management have identified to the Trustees that the following financial risks are most in need of protective policies:

1. The loss of service contracts and the resultant financial costs to Perthyn.
2. The cost of maintaining appropriate levels of care in the event of a reduction in the scope and/or value of any service contract.
3. The cost of ensuring that all properties, including the Residential Services properties, are safe, appropriately compliant, and are at all times fit for purpose.
4. The SHPS Defined Benefit pension scheme and the impact of fluctuating valuations.

To address these potential problems the Trustees have adopted the Reserves Policy outlined below.

Reserves policy

Analysis of risk to Perthyn's contracted operations and moral obligations to those we support has recognised the need to hold reserves in respect of eventualities which may include, inter alia, the following:

1. To ensure that if the funding levels for care are significantly reduced then appropriate levels of care can still be provided whilst an appropriate exit strategy is negotiated with the relevant funder.
2. To make provision for other potential liabilities as a result of contracts being terminated, reduced or withdrawn. Such liabilities could include redundancy costs, buying out leases, severance of contracted commitments etc.
3. Maintenance of Perthyn-owned properties and assets to meet safety standards, insurance and other obligations.
4. Replacement of essential assets.
5. To be able to respond to statutory changes

The level of available reserves (unrestricted funds less fixed assets and designated reserves) at the 2020/21 balance sheet date was £430,161 (2019/20 - £305,307)

Perthyn is subject to periodic contract retendering in all areas, which could result in the loss or reduction of a contract. Any such event would trigger pre-prepared action plans to minimise the impact on Perthyn's operations and financial stability. The advice of a contract reduction or loss would be immediately brought to the attention of the Trustees, and then considered at relevant Scrutiny Committee meetings.

The Trustees annually review Perthyn's reserves policy to ensure it protects against the identified risks.

Future plans

Perthyn operates in a constantly changing environment and needs to respond to legislative and regulatory changes, commissioning developments, cost pressures, and tender opportunities. Trustees meet regularly with the executive management to consider and agree how the organisation should respond and evolve. Perthyn considers tendering opportunities as they arise, taking into account our capacity and resources, weighing this up with the aims and requirements of the tender specifications. The Strategic Plan sets out Perthyn's overarching aims and objectives.

Structure, governance and management

Governing document

Perthyn is a limited company, registration number 3017158, and is governed by its Memorandum and Articles of Association. Perthyn is also registered with the Charity Commission, number 1046763. The Trustees are also directors of the Charitable company. The Memorandum and Articles of Association have recently been reviewed, revised, and adopted by the Board of Trustees.

Recruitment, appointment and training of new trustees

New Trustees, who are appointed by existing Trustees, are provided with an induction pack (including relevant guidance on Trustee roles and responsibilities), an induction programme, and any additional training that might be required. This process is under regular review.

Perthyn

Report of the Trustees for the Year Ended 31 March 2021

Structure, governance and management

Organisational structure

The Board of Trustees meets six times each year and Trustees are responsible for formulating policies and procedures, for setting strategic direction, and for ensuring appropriate levels of internal control. The day to day running of Perthyn is the responsibility of the Chief Executive and the executive management who report to Trustees at regular Board and Scrutiny Committee meetings.

Sub-committee / working group structure

The following groupings have been set up to assist and strengthen the Trustees' oversight activities - they all meet regularly as indicated below:

Finance Scrutiny Committee (6 meetings annually)
Human Resources Scrutiny Committee (quarterly meetings)
Risk Management Scrutiny Committee (quarterly meetings)
Service Delivery Scrutiny Committee (quarterly meetings)
Remuneration Committee (as and when required)
Trustee and Executive Management Annual Governance Day

The Chair and Deputy Chair of the Board of Trustees meet monthly with the Chief Executive.

The Auditors have direct and confidential access to the Chair of the Board of Trustees should they so require.

Related parties

The Charity owns all of the share capital of a subsidiary company, Tai Prydeinig Limited which was incorporated on 22 August 2008. Tai Prydeinig has not traded since that date and nor does it have any assets or liabilities. For this reason, consolidated accounts for the group have not been prepared.

EMPLOYMENT POLICIES

Employment of disabled persons

It is the policy that disabled persons shall be considered for employment, career development and promotion on the basis of their aptitude and abilities in common with all employees.

Employee involvement

The Trustees recognise the importance of good communications and relations with employees and management is encouraged to adopt employee consultations.

Reference and administrative details

Registered Company number

03017158 (England and Wales)

Registered Charity number

1046763

Registered office

Vivian Court
Llys Felin Newyd
Phoenix Way
SWANSEA
SA7 9FG

Trustees

Andrew Thomas Chair
John Lord Chair of the Board of Trustees (resigned 16.10.20)
Fay Blakeley (resigned 15.11.20)
Sally Brown
Colin John Downham
Claire Margaret Clarke
Beverley Wormald (appointed 15.7.20)

Chief Executive Officer

Steve Cox

Perthyn

**Report of the Trustees
for the Year Ended 31 March 2021**

Reference and administrative details

Auditors

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

Solicitors

Geldard's LLP
Dumfries House
Dumfries Place
Cardiff
CF10 3ZF

Bankers

Bank of Scotland
One Kingsway
Cardiff
CF10 3YB

HSBC
Portland Street
Swansea
SA1 3DF

Statement of trustees' responsibilities

The trustees (who are also the directors of Perthyn for the purposes of company law) are responsible for preparing the Report of the Trustees and 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 reasonable and prudent;
- 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.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 21 July 2021 and signed on the board's behalf by:



Andrew Thomas - Trustee

Report of the Independent Auditors to the Members of Perthyn

Opinion

We have audited the financial statements of Perthyn (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of 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).

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 2021 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.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Report of the Independent Auditors to the Members of Perthyn

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our planning procedures identify the legal and regulatory frameworks applicable to the operations and financial statements of the company. These are reviewed internally with the audit team including relevant industry experience and expectations as well as externally with the client management. The key laws and regulations we considered in this context were the UK Companies Act 2006, 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', UK GAAP (FRS 102) and relevant tax legislation.

Once identified, we assess the risks of material misstatements in relation to the laws and regulations, irregularities, including fraud and adjust our testing accordingly. Our audit procedures include:

- Discussing with Trustees and management which areas of the business they believe to be more susceptible to fraud, and whether they have any knowledge or suspicion of fraudulent activities
- Obtaining an understanding of the key controls put in place by the charitable company to address risks identified, assessing the effectiveness of those and discussing how these are maintained and monitored internally
- Assessing the risk of management override and review and testing of journal entries made into the accounting system
- Challenging assumptions and judgements made by the charitable company in relation to the significant accounting estimates employed in the preparation of the financial statements

Despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularities likely involve collusion, forgery, intentional misrepresentation, or the override of internal controls.

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 Report of the Independent Auditors.

**Report of the Independent Auditors to the Members of
Perthyn**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Stephen Lucey (Senior Statutory Auditor)
for and on behalf of Haines Watts Wales LLP, Statutory Auditors
7 Neptune Court
Vanguard Way
Cardiff
CF24 5PJ

Date: 19 Aug 2021

Perthyn

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Income and endowments from					
Charitable activities	3				
Care services		4,399,719	17,598,874	21,998,593	20,544,820
Investment income	2	11,810	1	11,811	7,405
Total		<u>4,411,529</u>	<u>17,598,875</u>	<u>22,010,404</u>	<u>20,552,225</u>
 Expenditure on					
Charitable activities	4				
Care services		3,848,947	17,700,728	21,549,675	20,823,750
NET INCOME/(EXPENDITURE)		<u>562,582</u>	<u>(101,853)</u>	<u>460,729</u>	<u>(271,525)</u>
Transfers between funds	20	<u>(88,872)</u>	<u>88,872</u>	<u>-</u>	<u>-</u>
 Other recognised gains/(losses)					
Gains/(losses) on revaluation of fixed assets		-	-	-	(162,616)
Actuarial gains/(losses) on defined benefit schemes		<u>(508,000)</u>	<u>-</u>	<u>(508,000)</u>	<u>685,000</u>
Net movement in funds		<u>(34,290)</u>	<u>(12,981)</u>	<u>(47,271)</u>	<u>250,859</u>
 Reconciliation of funds					
Total funds brought forward		<u>1,686,273</u>	<u>219,886</u>	<u>1,906,159</u>	<u>1,655,300</u>
Total funds carried forward		<u><u>1,651,983</u></u>	<u><u>206,905</u></u>	<u><u>1,858,888</u></u>	<u><u>1,906,159</u></u>

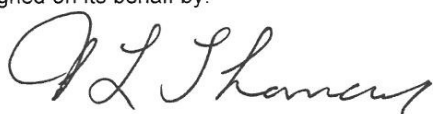
The notes form part of these financial statements

Perthyn (Registered number: 03017158)

Balance Sheet
31 March 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Fixed assets					
Tangible assets	10	646,102	-	646,102	662,883
Current assets					
Stocks	11	-	-	-	507,500
Debtors	12	1,369,606	-	1,369,606	1,261,921
Investments	13	376,104	-	376,104	262,647
Cash at bank and in hand		736,648	206,905	943,553	768,954
		<u>2,482,358</u>	<u>206,905</u>	<u>2,689,263</u>	<u>2,801,022</u>
Creditors					
Amounts falling due within one year	14	(693,477)	-	(693,477)	(830,822)
		<u>1,788,881</u>	<u>206,905</u>	<u>1,995,786</u>	<u>1,970,200</u>
Net current assets					
		<u>1,788,881</u>	<u>206,905</u>	<u>1,995,786</u>	<u>1,970,200</u>
Total assets less current liabilities		<u>2,434,983</u>	<u>206,905</u>	<u>2,641,888</u>	<u>2,633,083</u>
Creditors					
Amounts falling due after more than one year	15	-	-	-	(319,924)
Provisions for liabilities	19	(783,000)	-	(783,000)	(407,000)
		<u>1,651,983</u>	<u>206,905</u>	<u>1,858,888</u>	<u>1,906,159</u>
NET ASSETS		<u>1,651,983</u>	<u>206,905</u>	<u>1,858,888</u>	<u>1,906,159</u>
Funds	20				
Unrestricted funds				1,651,983	1,686,273
Restricted funds				206,905	219,886
Total funds				<u>1,858,888</u>	<u>1,906,159</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 21 July 2021 and were signed on its behalf by:



Andrew Thomas - Trustee

Perthyn

**Cash Flow Statement
for the Year Ended 31 March 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	649,733	(288,847)
Interest paid		(22,158)	(29,805)
Net cash provided by/(used in) operating activities		<u>627,575</u>	<u>(318,652)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(8,270)
Interest received		11,811	7,405
Net cash provided by/(used in) investing activities		<u>11,811</u>	<u>(865)</u>
Cash flows from financing activities			
Loan repayments in year		(403,870)	(50,142)
Net cash used in financing activities		<u>(403,870)</u>	<u>(50,142)</u>
Change in cash and cash equivalents in the reporting period			
		235,516	(369,659)
Cash and cash equivalents at the beginning of the reporting period	2	<u>708,037</u>	<u>1,077,696</u>
Cash and cash equivalents at the end of the reporting period	2	<u><u>943,553</u></u>	<u><u>708,037</u></u>

The notes form part of these financial statements

Perthyn

**Notes to the Cash Flow Statement
for the Year Ended 31 March 2021**

1. Reconciliation of net income/(expenditure) to net cash flow from operating activities			
	2021	2020	
	£	£	
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	460,729	(271,525)	
Adjustments for:			
Depreciation charges	16,780	15,542	
Gain on investments	(113,457)	(3,288)	
Interest received	(11,811)	(7,405)	
Interest paid	22,158	29,805	
Decrease in stocks	507,500	-	
(Increase)/decrease in debtors	(107,685)	102,443	
Increase/(decrease) in creditors	7,519	(44,419)	
Difference between pension charge and cash contributions	(132,000)	(110,000)	
Net cash provided by/(used in) operations	<u>649,733</u>	<u>(288,847)</u>	
2. Analysis of cash and cash equivalents			
	2021	2020	
	£	£	
Cash in hand	8,216	12,710	
Notice deposits (less than 3 months)	935,337	756,244	
Overdrafts included in bank loans and overdrafts falling due within one year	-	(60,917)	
Total cash and cash equivalents	<u>943,553</u>	<u>708,037</u>	
3. Analysis of changes in net funds			
	At 1.4.20	Cash flow	At 31.3.21
	£	£	£
Net cash			
Cash at bank and in hand	768,954	174,599	943,553
Bank overdraft	(60,917)	60,917	-
	<u>708,037</u>	<u>235,516</u>	<u>943,553</u>
Liquid resources			
Deposits included in cash	-	-	-
Current asset investments	262,647	113,457	376,104
	<u>262,647</u>	<u>113,457</u>	<u>376,104</u>
Debt			
Debts falling due within 1 year	(79,946)	79,946	-
Debts falling due after 1 year	(319,924)	319,924	-
	<u>(399,870)</u>	<u>399,870</u>	<u>-</u>
Total	<u>570,814</u>	<u>748,843</u>	<u>1,319,657</u>

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 March 2021**

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 2019)', 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, as modified by the revaluation of certain assets.

The charity is a public benefit entity.

The financial statements have been prepared on a going concern basis. The Trustees have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. In particular, in response to the COVID-19 pandemic, the Trustees have tested their cash flow analysis to take into account the impact on the charity of possible scenarios brought on by the impact of COVID-19, alongside the measures that they can take to mitigate the impact. Based on these assessments, given the measures that could be undertaken to mitigate the current adverse conditions, and the current resources available, the Trustees have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

Income

Donations are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

Housing benefit claimed on behalf of all service users is accounted for on a receivable basis.

Grants and service level agreements to support the provision of care are accounted for in the financial year to which they relate. Grants received to finance the cost of fixed asset are recognised as restricted funds and used to finance the annual depreciation charge.

Government grants represents income receivable in relation to the UK government COVID-19 job retention scheme. This is recognised in the period in which it becomes receivable.

Carers allowance awarded by the Welsh Government relates to a one-off flat rate payment of £500 for eligible carers, to reward the hard work and commitment of social care staff who have provided essential care to the most vulnerable citizens during the COVID-19 pandemic.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Perthyn

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

1. Accounting policies - continued

Expenditure

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Tangible fixed assets

Individual fixed assets costing £1,500 or more are initially recorded at cost.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Motor Vehicles 25% straight line basis
Fixtures and fittings 15% straight line
Freehold buildings 2% straight line
Freehold land nil

Properties held for sale

Where a sale of a fixed asset is anticipated the net book value is transferred to properties held for sale and included in stock. An impairment review of the balance is conducted with net book value compared to projected sales price and any write down expensed. Any profit on sale is recorded in the financial year in which the sale occurs.

Taxation

The company is a registered charity and is, therefore, exempt from taxation on its primary activities.

Fund accounting

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose

Designated funds are unrestricted funds set aside at the discretion of the trustees for specific 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 Charity participates in the Social Housing Pension Scheme (SHPS). This is a defined benefit scheme for which the assets and liabilities are calculated by an independent qualified actuary. Contributions towards the current cost of the scheme as well as towards the past service deficit are recorded through the year. At the year end an Actuarial assessment is conducted and the impact of any gains or losses recorded in the financial statements.

Debtors, creditors and cash

Current assets and liabilities, including cash held at bank or as part of short term deposits, are recognised at cost or valuation as at the year end.

Aged debtors and liabilities are recognised at net present value in line with FRS 102.

Operating leases

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

Perthyn

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

2. Investment income

	2021	2020
	£	£
Deposit account interest	11,811	7,405

3. Income from charitable activities

	Activity	2021	2020
		£	£
Government grants	Care services	126,686	-
Housing Benefit	Care services	1,288,692	1,165,539
Powys day care	Care services	90,201	106,412
Service user recharges	Care services	7,063	25,415
Care funding fees	Care services	19,700,796	19,104,869
Repairs, renewals & internal decoration	Care services	81,810	93,551
DSS Income Support	Care services	-	3,519
Care contribution	Care services	65,554	17,649
Training and other income	Care services	74,316	27,866
Carer allowance	Care services	223,883	-
Covid-19 local authority	Care services	339,592	-
		21,998,593	20,544,820

4. Charitable activities costs

	Direct Costs	Support costs (see note 5)	Totals
	£	£	£
Care services	18,444,376	3,105,299	21,549,675

5. Support costs

	Management	Governance costs	Totals
	£	£	£
Care services	3,092,285	13,014	3,105,299

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

	2021	2020
	Care services	Total activities
	£	£
Wages	1,996,326	1,599,516
Social security	240,468	158,776
Pensions	78,674	98,237
Operating leases	241,838	229,223
Travelling	88,422	140,105
Rates and water	11,829	15,768
Light, heat and power	26,374	36,475
Insurance	104,467	101,404
Repairs and maintenance	22,737	47,837
Telephone	3,524	3,347
Office expenses	55,129	43,034
Information and technology costs	222,497	149,116
Auditors' remuneration	11,000	11,000
Auditors' remuneration for non audit work	1,550	1,030
Trustee expenses	464	3,467
	3,105,299	2,638,335

Perthyn

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

6. Net income/(expenditure)

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

	2021	2020
	£	£
Auditors' remuneration	11,000	11,000
Auditors' remuneration for non audit work	1,550	1,030
Depreciation - owned assets	16,781	15,542
Other operating leases	241,838	229,223
Loan interest	22,158	29,805
	<u>282,227</u>	<u>286,600</u>

7. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

The trustees received no remuneration in either accounting period, but were reimbursed for travel and subsistence expenses amounting to £464 (2020: £3,467).

8. Staff costs

	2021	2020
	£	£
Wages and salaries	16,432,619	15,252,018
Social security costs	1,335,935	1,192,897
Other pension costs	531,598	548,772
	<u>18,300,152</u>	<u>16,993,687</u>

The average monthly number of employees during the year was as follows:

	2021	2020
Operational	752	750
Office	58	53
	<u>810</u>	<u>803</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021	2020
£60,001 - £70,000	2	2
£70,001 - £80,000	1	1
£90,001 - £100,000	1	1
	<u>4</u>	<u>4</u>

During the year Perthyn paid key management gross salaries totalling £669,536 (2020: £670,022). Key management are considered to be 12 (2020: 12) individuals who directly impact upon the strategic direction of the Charity.

Perthyn

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

9. Comparatives for the statement of financial activities for 2018/19

	Unrestricted funds £	Restricted funds £	Total funds £
Income and endowments from			
Charitable activities			
Care services	4,108,964	16,435,856	20,544,820
Investment income	7,405	-	7,405
Total	4,116,369	16,435,856	20,552,225
Expenditure on			
Charitable activities			
Care services	3,738,394	17,085,356	20,823,750
NET INCOME/(EXPENDITURE)	377,975	(649,500)	(271,525)
Transfers between funds	(632,644)	632,644	-
Other recognised gains/(losses)			
Gains/(losses) on revaluation of fixed assets	(162,616)	-	(162,616)
Actuarial gains on defined benefit schemes	685,000	-	685,000
Net movement in funds	267,715	(16,856)	250,859
Reconciliation of funds			
Total funds brought forward	1,418,558	236,742	1,655,300
Total funds carried forward	1,686,273	219,886	1,906,159

10. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Totals £
Cost				
At 1 April 2020 and 31 March 2021	750,000	40,746	13,800	804,546
Depreciation				
At 1 April 2020	94,883	37,931	8,849	141,663
Charge for year	15,000	431	1,350	16,781
At 31 March 2021	109,883	38,362	10,199	158,444
Net book value				
At 31 March 2021	640,117	2,384	3,601	646,102
At 31 March 2020	655,117	2,815	4,951	662,883

The freehold property was valued on 5 November 2015 by Lambert Smith Hampton an independent firm of Chartered Building Surveyors at £750,000. This valuation was based upon open market value which is deemed to be not materially different from the existing use basis.

The net carrying amount on a depreciated historic basis would have amounted to £418,000 as at 31 March 2020 (2020: £429,000).

Perthyn

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

11. Stocks

	2021 £	2020 £
Property held for sale	-	507,500

Pen y Coed Mansion was held for sale in 2020. The property sold in February 2021 for £507,500.

12. Debtors: amounts falling due within one year

	2021 £	2020 £
Trade debtors	1,240,489	1,113,889
Other debtors	2,439	4,184
Prepayments and accrued income	126,678	143,848
	<u>1,369,606</u>	<u>1,261,921</u>

13. Current asset investments

	2021 £	2020 £
Unlisted investments	103,702	93,839
Monies held on deposit	272,402	168,808
	<u>376,104</u>	<u>262,647</u>

14. Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans and overdrafts (see note 16)	-	140,863
Trade creditors	124,670	142,938
Social security and other taxes	325,565	289,155
Other creditors	219,748	216,023
Accruals and deferred income	23,494	41,843
	<u>693,477</u>	<u>830,822</u>

15. Creditors: amounts falling due after more than one year

	2021 £	2020 £
Bank loans (see note 16)	-	319,924

16. Loans

An analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year on demand:		
Bank overdrafts	-	60,917
Bank loans	-	79,946
	<u>-</u>	<u>140,863</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	-	79,946
	<u>-</u>	<u>-</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	-	159,891
	<u>-</u>	<u>-</u>

Perthyn

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

16. Loans - continued

	2021 £	2020 £
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	-	80,087

17. Leasing agreements

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

	2021 £	2020 £
Within one year	137,117	133,323
Between one and five years	159,837	111,727
	<u>296,954</u>	<u>245,050</u>

18. Secured debts

Standard Security over Commercial Freehold Property - Fairfield House 85 Ely Road, Cardiff, CF5 2BY, Wales, United Kingdom granted by Perthyn
All monies Debenture granted by Perthyn over the whole assets of the Company

19. Provisions for liabilities

	2021 £	2020 £
Pension Deficit Liability	<u>783,000</u>	<u>407,000</u>
	2021 £	2020 £
Balance brought forward	407,000	1,202,000
Amounts provided in the year	376,000	-
Amounts released in the year	-	795,000
Balance carried forward	<u>783,000</u>	<u>407,000</u>

During the year the Charity has been provided with its calculated share of the net liability position for its participation in SHPS. Full details of the pension scheme are shown in note 22.

Perthyn

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

20. Movement in funds

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	988,190	54,582	33,491	1,076,263
Designated Revaluation reserve	299,172	-	(149,780)	149,392
Designated Maintenance	165,434	-	27,417	192,851
Designated Cyclical maintenance	54,477	-	-	54,477
Designated IT warranty reserve	34,000	-	-	34,000
Designated Occupancy reserve	45,000	-	-	45,000
Designated Contingency	100,000	-	-	100,000
	<u>1,686,273</u>	<u>54,582</u>	<u>(88,872)</u>	<u>1,651,983</u>
Restricted funds				
Local Authority funding	-	(88,872)	88,872	-
HB – SU Engagement through I.T.	83,257	-	-	83,257
Donation from Celtic Community Consortium	136,629	(12,981)	-	123,648
	<u>219,886</u>	<u>(101,853)</u>	<u>88,872</u>	<u>206,905</u>
TOTAL FUNDS	<u>1,906,159</u>	<u>(47,271)</u>	<u>-</u>	<u>1,858,888</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	4,411,529	(3,848,947)	(508,000)	54,582
Restricted funds				
Local Authority funding	17,598,875	(17,687,747)	-	(88,872)
Donation from Celtic Community Consortium	-	(12,981)	-	(12,981)
	<u>17,598,875</u>	<u>(17,700,728)</u>	<u>-</u>	<u>(101,853)</u>
TOTAL FUNDS	<u>22,010,404</u>	<u>(21,549,675)</u>	<u>(508,000)</u>	<u>(47,271)</u>

Perthyn

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

20. Movement in funds - continued

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
Unrestricted funds				
General fund	512,074	1,062,975	(586,859)	988,190
Designated Revaluation reserve	465,788	(162,616)	(4,000)	299,172
Designated Maintenance	136,203	-	29,231	165,434
Designated Cyclical maintenance	64,576	-	(10,099)	54,477
Designated IT warranty reserve	34,000	-	-	34,000
Designated Occupancy reserve	105,917	-	(60,917)	45,000
Designated Contingency	100,000	-	-	100,000
	<u>1,418,558</u>	<u>900,359</u>	<u>(632,644)</u>	<u>1,686,273</u>
Restricted funds				
Local Authority funding	-	(643,174)	643,174	-
HB – SU Engagement through I.T.	93,787	-	(10,530)	83,257
Donation from Celtic Community Consortium	142,955	(6,326)	-	136,629
	<u>236,742</u>	<u>(649,500)</u>	<u>632,644</u>	<u>219,886</u>
TOTAL FUNDS	<u>1,655,300</u>	<u>250,859</u>	<u>-</u>	<u>1,906,159</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	4,116,369	(3,738,394)	685,000	1,062,975
Designated Revaluation reserve	-	-	(162,616)	(162,616)
	<u>4,116,369</u>	<u>(3,738,394)</u>	<u>522,384</u>	<u>900,359</u>
Restricted funds				
Local Authority funding	16,435,856	(17,079,030)	-	(643,174)
Donation from Celtic Community Consortium	-	(6,326)	-	(6,326)
	<u>16,435,856</u>	<u>(17,085,356)</u>	<u>-</u>	<u>(649,500)</u>
TOTAL FUNDS	<u>20,552,225</u>	<u>(20,823,750)</u>	<u>522,384</u>	<u>250,859</u>

Perthyn

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

20. Movement in funds - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	512,074	1,117,557	(553,368)	1,076,263
Designated Revaluation reserve	465,788	(162,616)	(153,780)	149,392
Designated Maintenance	136,203	-	56,648	192,851
Designated Cyclical maintenance	64,576	-	(10,099)	54,477
Designated IT warranty reserve	34,000	-	-	34,000
Designated Occupancy reserve	105,917	-	(60,917)	45,000
Designated Contingency	100,000	-	-	100,000
	<u>1,418,558</u>	<u>954,941</u>	<u>(721,516)</u>	<u>1,651,983</u>
Restricted funds				
Local Authority funding	-	(732,046)	732,046	-
HB – SU Engagement through I.T.	93,787	-	(10,530)	83,257
Donation from Celtic Community Consortium	142,955	(19,307)	-	123,648
	<u>236,742</u>	<u>(751,353)</u>	<u>721,516</u>	<u>206,905</u>
TOTAL FUNDS	<u>1,655,300</u>	<u>203,588</u>	<u>-</u>	<u>1,858,888</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	8,527,898	(7,587,341)	177,000	1,117,557
Designated Revaluation reserve	-	-	(162,616)	(162,616)
	<u>8,527,898</u>	<u>(7,587,341)</u>	<u>14,384</u>	<u>954,941</u>
Restricted funds				
Local Authority funding	34,034,731	(34,766,777)	-	(732,046)
Donation from Celtic Community Consortium	-	(19,307)	-	(19,307)
	<u>34,034,731</u>	<u>(34,786,084)</u>	<u>-</u>	<u>(751,353)</u>
TOTAL FUNDS	<u>42,562,629</u>	<u>(42,373,425)</u>	<u>14,384</u>	<u>203,588</u>

General funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the Charity.

Revaluation Reserve - the freehold properties were valued in 2012 and then re-visited in 2015 at deemed cost. The reserve is debited with the depreciation related to the revaluation.

Maintenance - this funding has been set up to set aside the amount remaining unpaid from the repairs allowance for communal areas claimed from housing benefit, which would have to be paid over to a new provider in the event of the Scheme being transferred.

Cyclical Maintenance - To fund the on-going refurbishment of residential and day services property.

SHPS Past Service Deficit - this fund was established in relation to the past service payments that were included as a creditor in the financial statements. As the charity has now implemented the full inclusion of the pension provision this fund has been released back to general funds.

Perthyn

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

20. Movement in funds - continued

IT Warranty Reserve - represents balances designated by the Trustees to cover any potential costs in repairing or replacing servers which are no longer held under warranty.

Occupancy reserve - represents balances designated by the Trustees to cover forecast costs of under occupancy.

Contingency reserve - represents balances set aside for anticipated expenditure.

Local Authority funding is given to meet the primary objectives of the Charity.

Housing Benefit - SU Engagement through I.T. - work to identify appropriate broadband connectivity in houses has progressed.

Donation from Celtic Community Consortium - funding is given to fund non-repayable grants or interest free loans to those already receiving the benefit of Perthyn's services and who require additional financial support to assist in the acquisition of property, furniture of legal services or any other financial support as the trustees consider reasonable.

Transfers between funds

During the year £149,780 was transferred from the Designated Revaluation reserve to the General Unrestricted Fund in line with the movements on the assets and fund. Pen Y Coed was sold in February 2021.

During the year a balance of £27,416 was transferred to the Maintenance designated fund from the General Unrestricted Fund in line with activities during the year.

During the year, £88,873 was transferred to the Local Authority Funding restricted reserve from General Unrestricted funds to account for the excess of expenditure compared to income.

21. Related party disclosures

There were no related party transactions for the year ended 31 March 2021.

22. Defined benefit pension scheme

Perthyn participates in the Social Housing Pension Scheme (the Scheme). The Scheme is funded and is contracted-out of the State Pension scheme.

SHPS is a multi-employer defined benefit scheme. Employer participation in the Scheme is subject to adherence with the employer responsibilities and obligations as set out in the 'SHPS House Policies and Rules Employer Guide'.

An employer can elect to operate different benefit structures for their active members and their new entrants. An employer can only operate one open defined benefit structure at any one time. An open benefit structure is one which new entrants are able to join.

Perthyn currently operates final salary with a 1/60th accrual rate, final salary with a 1/70th accrual rate and final salary with a 1/80th accrual rate benefit structure for active members.

The Trustee commissions an actuarial valuation of the Scheme every three years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required, in respect of each benefit structure, so that the Scheme can meet its pension obligations as they fall due. From April 2007 the split of the total contribution rate between member and employer is set at individual employer level, subject to the employer paying no less than 50% of the total contribution rate. From 1 April 2010 the requirement for employers to pay at least 50% of the total contribution rate no longer applies.

The actuarial valuation assesses whether the Scheme's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date. Asset values are calculated by reference to market levels. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

Perthyn

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

22. Defined benefit pension scheme - continued

During the accounting period Perthyn paid contributions at the rate of 7.25% to 11.5% member contributions varied between 6.75% and 7.9% .

The company made an annual contribution of £139,493 towards the past service deficit during the year. For the year ending 31 March 2022 the contributions to be paid amount to £142,283 and will increase each year by 2% until September 2026.

In accordance with FRS 102 reporting requirements the company is required to disclose certain information concerning assets, liabilities, income and expenditure in relation to the pension scheme.

Presentation values of Defined Benefit Obligation, fair value of assets and Defined Benefit Asset (liability)

	31 March 2021 £000s	31 March 2020 £000s
Fair value of plan assets	4,781	4,208
Present value of defined benefit obligation	5,564	4,615
Surplus/(Deficit) in plan	(783)	(407)
Unrecognised surplus	-	-
Defined benefit asset (liability) to be recognised	(783)	(407)

Reconciliation of the impact of the asset ceiling

	31 March 2021 £000s
Impact of asset ceiling at start of year	-
Effect of the asset ceiling included in net interest cost	-
Actuarial losses (gains) on asset ceiling	-
Impact of asset ceiling at end of period	-

Reconciliation of opening and closing balances of the defined benefit obligation

	31 March 2021 £000s
Defined benefit obligation at start of period	4,615
Current service cost	-
Expenses	5
Interest Expense	109
Contributions by plan participants	-
Actuarial losses (gains) due to scheme experience	(59)
Actuarial losses (gains) due to changes in demographic assumptions	(38)
Actuarial losses (gains) due to changes in financial assumptions	979
Benefits paid and expenses	(47)
Liabilities acquired in a business combination	-
Liabilities extinguished on settlements	-
Losses (gains) on curtailments	-
Losses (gains) due to benefit changes	-
Exchange rate differences	-
Defined benefit obligation at end of period	5,564

Reconciliation of opening and closing balances of the fair value of plan assets

	31 March 2021 £000s
Fair value of plan assets at start of period	4,208
Interest income	101
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	374

Perthyn

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

22. Defined benefit pension scheme - continued

Contributions by the employer	145
Contributions by plan participants	-
Benefits paid and expenses	(47)
Assets acquired in a business combination	-
Assets distributed on settlements	-
Exchange rate changes	-
Fair value of plan assets at end of period	4,781

The actual return on the plan assets (including any changes in share of assets) over the period from 31 March 2020 to 31 March 2021 was £475,000.

Defined benefit costs recognised in statement of financial activities - Net income and expenditure

	31 March 2021
	£000s
Current service cost	-
Expenses	5
Net interest Expense	8
Losses (gains) on business combinations	-
Losses (gains) on settlements	-
Losses (gains) on curtailments	-
Losses (gains) due to benefit changes	-
Defined benefit costs recognised in statement of financial activities	13

Defined benefit costs recognised in statement of financial activities - Actuarial Gains/(losses)

	31 March 2020
	£000s
Experience on plan assets (excluding amounts included in net interest cost) - gain (loss)	374
Experience gains and losses arising on the plan liabilities - gain (loss)	59
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	38
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	(979)
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)	(508)
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost) - gain (loss)	-
Total amount recognised in Actuarial gains/(losses)	(508)

Assets

	31 March 2021	31 March 2020
	£000s	£000s
Absolute Return	264	219
Alternative Risk Premia	180	294
Corporate Bond Fund	282	240
Credit Relative Value	150	115
Distressed Opportunities	138	81
Emerging Markets Debt	193	127
Fund of Hedge Funds	1	3
Global Equity	762	616
High Yield	143	-
Infrastructure	319	313
Insurance Linked Securities	115	129
Liability Driven Investment	1,215	1,397
Long lease Property	94	73
Net current assets	29	18
Opportunistic Credit	131	-
Opportunistic Illiquid Credit	122	102

Perthyn

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

22. Defined benefit pension scheme - continued

Private Debt	114	85
Liquid Credit	57	2
Property	99	93
Risk sharing	174	142
Secured income	199	160
Total assets	4,781	4,208

None of the fair values of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

Key Assumptions

	31 March 2021 % per annum	31 March 2020 % per annum
Discount rate	2.18	2.38
Inflation (RPI)	3.15	2.62
Inflation (CPI)	2.65	1.62
Salary Growth	2.00	1.50
	75% of maximum allowance	75% of maximum allowance
Allowance for commutation of pension for cash at retirement		

The mortality assumptions adopted at 31 March 2021 imply the following life expectancies:

	Life expectancy at age 65 Years
Male retiring in 2021	21.6
Female retiring in 2021	23.2
Male retiring in 2041	22.6
Female retiring in 2041	24.8

Perthyn also participates in the Pensions Trust's Growth Plan

The Growth Plan is a multi-employer pension Plan which is in most respects a money purchase arrangement but it has some guarantees. Contributions paid into the Growth Plan up to and including September 2001 were converted to defined amounts of pension payable from Normal Retirement Date. From October 2001 contributions were invested in personal funds which have a Capital guarantee and which are converted to pension on retirement, either within the Growth Plan or by the purchase of an annuity.

The Plan is funded and is not contracted out of the state scheme. The rules of the Growth Plan allow for the declaration of bonuses and / or investment credits if this is within the financial capacity of the Plan assessed on a prudent basis.

Bonuses / investment credits are not guaranteed and are declared at the discretion of the Plan's Trustee. The Trustee commissions an actuarial valuation of the Growth Plan every 3 years. The main purpose of the valuation is to determine the financial position of the Plan and so determine the future prospects for discretionary bonuses and / or investment credits. The actuarial valuation assesses whether the Plan's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date. Asset values are calculated by reference to market levels. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

Perthyn

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

22. Defined benefit pension scheme - continued

Perthyn offers the Growth Plan as an AVC investment option for members of the Social Housing Pension Scheme. The members pay contributions at a rate of their choice. The organisation does not pay any contributions to the Growth Plan.

23. Members' liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The company is registered in England and Wales and the registered office is shown within the Trustees report.

Perthyn

Detailed Statement of Financial Activities
for the Year Ended 31 March 2021

	2021 £	2020 £
Income and endowments		
Investment income		
Deposit account interest	11,811	7,405
Charitable activities		
Government grants	126,686	-
Housing Benefit	1,288,692	1,165,539
Powys day care	90,201	106,412
Service user recharges	7,063	25,415
Care funding fees	19,700,796	19,104,869
Repairs, renewals & internal decoration	81,810	93,551
DSS Income Support	-	3,519
Care contribution	65,554	17,649
Training and other income	74,316	27,866
Carer allowance	223,883	-
Covid-19 local authority	339,592	-
	21,998,593	20,544,820
Total incoming resources	22,010,404	20,552,225
Expenditure		
Charitable activities		
Wages	14,436,293	13,652,502
Social security	1,095,467	1,034,121
Pensions	452,924	450,535
Agency staff	212,843	998,832
Training, course fees and room hire	167,929	176,649
Recruitment and retention	136,482	154,780
Rates and water	4,830	7,975
Housing Association management charges	920,976	819,769
Light, heat and power	98,742	102,550
Repairs and maintenance	150,646	156,901
Scheme expenses	185,465	248,448
Telephone	24,224	26,134
Subscriptions, publications and other sundry expenses	155,979	117,820
Travel costs	84,055	177,979
Bank charges	260	1,982
Bad debts	13,762	6,765
Legacy fund expenditure	12,981	6,326
Covid-19 expenses	251,580	-
Freehold property	15,000	15,000
Fixtures and fittings	430	92
Motor vehicles	1,350	450
Bank loan interest	22,158	29,805
	18,444,376	18,185,415
Support costs		
Management		
Wages	1,996,326	1,599,516
Social security	240,468	158,776
Carried forward	2,236,794	1,758,292

This page does not form part of the statutory financial statements

Perthyn

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2021**

	2021 £	2020 £
Management		
Brought forward	2,236,794	1,758,292
Pensions	78,674	98,237
Operating leases	241,838	229,223
Travelling	88,422	140,105
Rates and water	11,829	15,768
Light, heat and power	26,374	36,475
Insurance	104,467	101,404
Repairs and maintenance	22,737	47,837
Telephone	3,524	3,347
Office expenses	55,129	43,034
Information and technology costs	222,497	149,116
	3,092,285	2,622,838
Governance costs		
Auditors' remuneration	11,000	11,000
Auditors' remuneration for non audit work	1,550	1,030
Trustee expenses	464	3,467
	13,014	15,497
Total resources expended	21,549,675	20,823,750
Net income/(expenditure)	460,729	(271,525)