

# **Canllaw (Eryri) Cyfyngedig**

Report and Financial Statements

Year Ended

31 March 2025

Registered with the Welsh Government  
NO. J125

Company Number 3699768

Registered Charity 1075667

# Canllaw (Eryri) Cyfyngedig

Report and Financial Statements  
for the year ended 31 March 2025

---

## Contents

### Page:

1	Report of the Board of Management
5	Independent auditor's report
8	Statement of Comprehensive Income
9	Statement of Financial Position
10	Statement of Changes in Reserves
11	Notes forming part of the financial statements

# Canllaw (Eryri) Cyfyngedig

Information  
for the year ended 31 March 2025

Registered office:	Tŷ Silyn Y Sgwâr Penygroes Caernarfon LL54 6LY	
Auditor:	Beever and Struthers The Colmore Building 20, Colmore Circus Queensway Birmingham B4 6AT	
Bankers:	HSBC 24 Y Maes Caernarfon Gwynedd LL55 2NB	
Solicitors:	Pritchard Jones Lane 37 Y Maes Caernarfon Gwynedd LL55 2NN	
Members of the Management Board:	Geraint George Stephen Edwards Melville Ellis Evans Sally Baxter Sion G Roberts Dylan Herbert Meilir Rhys Pritchard	(appointed September 2024) (resigned September 2024)    (resigned February 2025)
Management Officers of the Board:	Geraint George Helen Wyn Jones	Chair Company Secretary

Registered Company number 3699768

Registered with the Welsh Government,  
Number J125

# Canllaw (Eryri) Cyfyngedig

## Report of the Board of Management for the year ended 31 March 2025

---

The Board present their report and the audited financial statements for the year ended 31 March 2025.

### Principal activities and public benefit

The principal activity of Canllaw (Eryri) Cyfyngedig is providing housing services to older people or vulnerable people to remain living independently and safely at home. The Company is registered as a social landlord with the Welsh Government, is registered under the Companies Act 2006 and is a charity registered with the Charity Commission.

### Key policies and strategies

The Company reviews its Business Plan annually which includes key policies such as reserves, risk management and treasury management.

### Review of business

The results for year ended 31 March 2025 reflect Canllaw (Eryri) Cyf's financial strength and commitment to providing quality housing services to older people or vulnerable people to remain living independently and safely at home.

Turnover for the year was £1,596K, operating costs were £1,474K producing an operating surplus of £123K. The Company held reserves totalling £229K at the end of the year (£70K in 2024). Defined benefit scheme pension provision for the year is £260K (2024 - £383K).

### Fixed assets

Details of fixed assets are set out in note 8. The Board of Management has not considered it appropriate to re-value the fixed assets.

### Employees

The Company recognises that to achieve its business objectives of providing a quality service based on best practice it needs skilled, enthusiastic and committed staff. Significant investment continues to be made in the education and training programmes to further develop its workforce. The Company has achieved the Investors in People basic standard.

In all areas of its work the Company is committed to fair treatment regardless of race, colour, ethnic or national origin, disability, religion, age, gender, health, marital status or sexual orientation and endeavours to ensure that there are no obstacles to equality of opportunity.

The Company has Health and Safety policies for its employees, who are also involved in the determination of Company policies and their performance.

### The Board of Management

The Board of Management of the Company who served throughout the year to 31 March 2025 and up to the date the accounts are signed, unless otherwise stated, are listed on the information page. Canllaw (Eryri) Cyf is a subsidiary Company to Grŵp Cynefin which is also registered with the Welsh Government and is registered under the Co-operative and Community Benefit Societies Act 2014.

# Canllaw (Eryri) Cyfyngedig

## Report of the Board of Management for the year ended 31 March 2025 (*continued*)

---

### The Board of Management (continued)

Canllaw (Eryri) Cyf. is governed by a Board and complies with the Community Housing Cymru (CHC) Code of Governance. The Board reviews its own performance formally each year in order to identify where additional experience may be needed. In December 2022, Canllaw undertook a Governance Review against the requirements of 'The Governance Forum', by an external specialist. The assessment found that Canllaw Cyf achieved a **Level 2**, being a medium level. However, it should be noted that the organisation scored 85% in Resources and 92% in Execution at Level 3 but was unable to be scored at Level 3 overall due to a score of 78% in Competency. A score of 80% is required in each of the areas to achieve the required level. Organisations that achieve this level demonstrate that 'governance is more than compliance' and that the organisation is seeking to maximise its performance through the efficiency and the effectiveness of protocol, procedures and practice.

The Board members are all Non-executive Directors and receive only nominal out of pocket expenses.

The Board is ultimately responsible for strategy and control of the Company. The group's Audit and Risk Committee is responsible for Internal Audit and the group's Finance and Growth Committee is responsible for the external audit.

Day to day operational control of the Company is delegated to the Chief Officer who is appointed on a standard contract of employment in common with all the staff.

### Corporate governance

The Group Management Board have adopted Mazars as their internal auditors effective from 1 April 2022 following a mini competition tender process. Their remit for programme planning meets the requirements of the Public Sector Internal Audit Standards (PSIAS) and the requirements of the Welsh Governments Housing Directorate 'Circular RSL 02/10 Internal Controls and Reporting', also the 'Regulatory Framework for Housing Associations in Wales'. Standard internal audit work has not revealed any major areas of weakness and has led to added confidence in the Company's system of internal control.

In line with corporate governance requirements the Board is confident that the Company has adequate resources to continue in existence for the foreseeable future and accordingly continues to adopt the going concern basis in preparing the financial statements.

### The Board's statement on the Company's system of internal controls

The Board of Management has responsibility for ensuring that a system of internal financial controls is in place in order to provide a reasonable assurance for safeguarding the assets of the Company, that appropriate accounting records are kept and that the financial information is provided on a timely basis.

The following have been implemented in order to ensure that effective internal financial controls are in place:

- clearly defined management and reporting structures
- fixed financial regulations
- secure and reliable financial systems with key performance indicators and management accounts presented quarterly to the Board of Management
- a 3-year financial plan
- monitoring by the internal auditor and external auditor of the adherence to the financial regulations

The Board accepts its responsibilities for ensuring that suitable internal controls operate which are designed to give reasonable assurance of the following:

- that suitable accounting records are kept
- that the financial information produced and used by the Company is reliable
- that the assets of the Company are safeguarded from misuse.

# **Canllaw (Eryri) Cyfyngedig**

## **Report of the Board of Management for the year ended 31 March 2025 (continued)**

---

### **The Board's statement on the Company's system of internal Controls (continued)**

It is the Board's responsibility to adopt and maintain internal financial controls. The Board accepts that these systems give reasonable assurance against misstatement or material losses.

The key arrangements which have been established as internal controls include:

- ensuring that arrangements and formal policies exist which include documenting systems and the key regulations relating to delegation of authority
- ensuring that staff with suitable skills and experience are responsible for the important business tasks
- ensuring that budgets, business plans and management accounts are produced and reviewed regularly
- ensuring that best practice regarding risk management is adhered to and reviewed regularly
- ensuring that the Board and committees review the reports of the Chief Officer, Internal Auditors and External Auditor to ensure that internal controls are followed.

The Board has reviewed the internal financial controls of the Company for the year ending 31 March 2025 and the period to the date the accounts are signed. No significant weaknesses were found in the internal controls of the Company which could have caused losses to the Company, nor were there any unexpected events or material uncertainties which required disclosure in the Financial Statements or the Audit Report.

### **Board of Management's responsibilities**

The Board are responsible for preparing the report of the Board of Management and the financial statements in accordance with applicable law and regulations.

Company law and social housing legislation require the Board to prepare financial statements for each financial year. Under that law/legislation the Board have elected to prepare the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Company law the Board must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the surplus of the Company for that period.

In preparing these financial statements, the Board are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice for registered social housing providers 2018 (SORP) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Requirements for Registered Social Landlords General Determination (Wales) 2015. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board are responsible for ensuring that the report of the Board of Management is prepared in accordance with the Companies Act 2006 and the Statement of Recommended Practice for registered social housing providers 2020 (SORP).

# Canllaw (Eryri) Cyfyngedig

## Report of the Board of Management for the year ended 31 March 2025 (*continued*)

---

### Appointment of the Auditor

We will appoint the group's auditors in line with the requirements of our registered rules

By order of the Management Board

So far as the members of the Management Board is aware at the time the report is approved:

- there is no relevant audit information of which the Company's auditor is unaware; and
- the members of the Management Board have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of the information.



---

Helen Wyn Jones  
**Company Secretary**  
Tŷ Silyn, Y Sgwâr  
Penygroes, Caernarfon

Date: 2<sup>nd</sup> September 2025

# Canllaw (Eryri) Cyfyngedig

## Independent Auditor's report

---

### TO THE MEMBERS OF CANLLAW (ERYRI) CYFYNGEDIG

#### Opinion

We have audited the financial statements of Canllaw (Eryri) Cyfyngedig (the 'Company') for the year ended 31 March 2025 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Reserves and the notes to the financial statements, including a summary of significant accounting policies in note 1. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2025 and of its surplus 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, the Housing and Regeneration Act 2008 and the Accounting Requirements for Registered Social Landlords General Determination (Wales) 2015.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 Board's 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 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 Board with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Board is responsible for the other information contained within the annual report. 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.

We have reviewed the Board's statement on the Company's compliance with the Welsh Government circular RSL 02/10 'Internal controls and reporting'. We are not required to express an opinion on the effectiveness of the Company's system of internal control.

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 course of 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.



# Canllaw (Eryri) Cyfyngedig

## Independent Auditor's report

---

We have nothing to report in this regard.

### **Opinion on other matters prescribed by the Welsh Government circular RSL 02/10 'Internal controls and reporting'**

In our opinion, based on the work undertaken in the course of the audit with respect to the Board's statement on internal control:

- the Board has provided the disclosures required by the Welsh Government circular RSL 02/10 'Internal controls and reporting'; and
- the statement is not inconsistent with the information of which we are aware from our audit work on the financial statements.

### **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 Board of Management for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Board of Management 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 Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Board of Management.

We have nothing to report in respect of the following matters in relation to which 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of the Board**

As explained more fully in the Board of Management's Responsibilities statement set out on page 3, the Board is 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 Board 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 Board is responsible for assessing the 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 Board either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

# Canllaw (Eryri) Cyfyngedig

## Independent auditor's report

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Extent to which the audit was considered capable of detecting irregularities, including fraud

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:

- We obtained an understanding of laws and regulations that affect the Company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the Companies Act 2006 and health and safety legislation.
- We enquired of the Board and reviewed correspondence and Board meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Board has in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Board has in place to prevent and detect fraud. We enquired of the Board about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations was discussed within the audit team and tests were planned and performed to address these risks.
- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the Board about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

### Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and Section 128 of the Housing and Regeneration Act 2008. Our audit work has been undertaken so that we might state to the Company's members 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 Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



For and on behalf of  
Beever and Struthers, Statutory Auditor  
The Colmore Building  
20, Colmore Circus Queensway  
Birmingham  
B4 6AT

Date: 22 September 2025

# Canllaw (Eryri) Cyfyngedig

Company Number 3699768

## Statement of Comprehensive Income for the year ended 31 March 2025

	Note	2025 £	2024 £
<b>Turnover</b>	2	<b>1,596,305</b>	<b>1,371,378</b>
Operating costs	2	<b>(1,473,623)</b>	<b>(1,351,183)</b>
<b>Operating surplus</b>		<b>122,682</b>	<b>20,195</b>
Interest receivable and similar income	6	<b>6,545</b>	<b>4,144</b>
Interest payable on defined benefit pension scheme	16	<b>(16,000)</b>	<b>(14,000)</b>
<b>Surplus for the year</b>	5	<b>113,228</b>	<b>10,339</b>
Other comprehensive income	16	<b>46,000</b>	<b>(108,000)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>159,228</b>	<b>(97,661)</b>

All amounts relate to continuing activities.

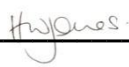
The notes on pages 11 to 21 form part of these financial statements.

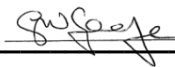
**Canllaw (Eryri) Cyfyngedig**  
Company number 3699768

**Statement of Financial Position**  
at 31 March 2025

	Note	2025 £	2025 £	2024 £	2024 £
<b>Tangible assets</b>					
Fixed assets	8		22,430		37,017
<b>Current assets</b>					
Debtors	9	248,307		409,172	
Stock	10	46,190		53,666	
Cash at bank and in hand		392,265		198,726	
		<u>686,762</u>		<u>661,564</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(219,923)</u>	<u>466,838</u>	<u>(246,045)</u>	<u>415,519</u>
<b>Total assets less current liabilities</b>			<u>489,268</u>		<u>452,536</u>
<b>Defined benefit pension liability</b>	16		<u>(260,076)</u>		<u>(382,571)</u>
<b>Net assets</b>			<u><u>229,192</u></u>		<u><u>69,965</u></u>
<b>Capital and reserves</b>					
Revenue reserve			224,567		66,025
Restricted reserves			4,625		3,940
<b>Company's funds</b>			<u><u>229,192</u></u>		<u><u>69,965</u></u>

The financial statements were approved and authorised by the Board of Management on the 2 September 2025 and were signed on its behalf by:

  
\_\_\_\_\_  
**Helen Wyn Jones**  
Company Secretary

  
\_\_\_\_\_  
**Geraint George**  
Chair

  
\_\_\_\_\_  
**Dylan Herbert**  
Board Member

The notes on pages 11 to 21 form part of these financial statements.

# Canllaw (Eryri) Cyfyngedig

## Statement of Changes in Reserves at 31 March 2025

	Hardship Fund (restricted) £	Revenue Reserve £	Total 2025 £
At 1 April 2024	3,940	66,025	69,965
Surplus for the year	685	112,542	113,227
Other comprehensive income			
- Actuarial gain (loss)	-	46,000	46,000
Reserves at 31 March 2025	<b>4,625</b>	<b>224,567</b>	<b>229,192</b>

	Hardship Fund (restricted) £	Revenue Reserve £	Total 2024 £
At 1 April 2023	3,940	163,686	167,626
Surplus for the year	-	10,339	10,339
Other comprehensive income			
- Actuarial gain (loss)	-	(108,000)	(108,000)
Reserves at 31 March 2024	<b>3,940</b>	<b>66,025</b>	<b>69,965</b>

The notes on pages 11 to 21 form part of these financial statements.

# Canllaw (Eryri) Cyfyngedig

## Notes forming part of the financial statements for the year ended 31 March 2025

### 1 Accounting policies

#### *Principal accounting policies*

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

#### *Basis of accounting*

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, in accordance with Financial Reporting Standard 102 (March 2020) (FRS 102) issued by the Financial Reporting Council and comply with the Statement of Recommended Practice for registered social housing providers 2018 (SORP), the Housing and Regeneration Act 2008 and the Accounting Requirements for Registered Social Landlords General Determination (Wales) 2015. Canllaw (Eryri) Cyfyngedig is a public benefit entity, as defined in FRS 102 and applies the relevant paragraphs prefixed 'PBE' in FRS 102.

#### *Turnover*

Turnover represents grants and fees received for activities undertaken. Fees are recognised when work is completed. Donated services are included at the value to the charity when this can be quantifiable.

#### *Statement of Cash flows*

Canllaw (Eryri) Cyfyngedig meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of a Statement of Cash Flows.

#### *Fixed assets and depreciation*

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is charged on a straight-line basis over the expected economic useful lives of the assets as follows:

Vehicles	-	over 4 years straight line
Office furniture and equipment	-	over 4 years straight line
Container	-	over 4 years straight line

#### *Multi-employer defined benefit pension scheme: Social Housing Pension Scheme (SHPS)*

The cost of providing retirement pensions and related benefits is charged over the periods benefiting from the employees' services. The disclosures in the accounts follow the requirements of Section 28 of FRS102 in relation to multi-employer funded schemes in which the Company has a participating interest.

#### *Financial instruments*

##### Financial assets carried at amortised cost

Financial assets carried at amortised cost comprise rent arrears, trade and other receivables and cash and cash equivalents. Financial assets are initially recognised at fair value plus directly attributable transaction costs. After initial recognition, they are measured at amortised cost using the effective interest method. At the reporting date, the effect of discounting is not material to the value of the financial assets of Canllaw (Eryri) Cyfyngedig, therefore discounting is omitted.

A financial asset is derecognised when the contractual rights to the cash flows expire, or when the financial asset and all substantial risks and reward are transferred.

##### Financial liabilities carried at amortised cost

Financial liabilities include trade and other payables and interest-bearing loans and borrowings.

Loans which are classified as basic financial instruments under FRS102 are measured at amortised cost using the effective interest method, with interest and related charges recognised as an expense in finance costs in the Statement of Comprehensive Income. Discounting is omitted where the effect of discounting is immaterial.

A financial liability is derecognised only when the contractual obligation is extinguished, that is, when the obligation is discharged, cancelled or expires.

# Canllaw (Eryri) Cyfyngedig

## Notes forming part of the financial statements for the year ended 31 March 2025 (*continued*)

---

### 1 Accounting policies (*continued*)

#### *Management expenses*

Management expenses are allocated to activities either directly or on the basis of staff time spent on the activity.

#### *Operating leases*

Operating leases are charged annually over the period of the relevant lease agreement.

#### *Provisions*

Provision is made for VAT payable on taxable income from the 1st October 2010. These provisions require management's best estimate of the costs that will be incurred based on legislative and contractual requirements.

#### *Grants*

Grants are released to the Statement of Comprehensive Income over the life of the project to which they relate. Unspent grants are included in creditors as grants received in advance.

#### *Restricted reserves*

Restricted funds are funds which are to be used in accordance with the specific restrictions imposed by the donor or trust deed.

#### *Key Sources of Estimation uncertainty*

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

#### Defined benefit pension scheme

The Company has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including life expectancy, salary increases and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends. Variations in these assumptions could significantly impact the liability (see note 16)

## Canllaw (Eryri) Cyfyngedig

Notes forming part of the financial statements  
for the year ended 31 March 2025 (*continued*)

### 2 Income and expenditure

#### a) Particulars of turnover, operating costs, operating surplus and surplus for the year by class of business

	Turnover 2025 £	Operating costs 2025 £	Operating surplus 2025 £	Total 2025 £		Turnover 2024 £	Operating costs 2024 £	Operating surplus 2024 £	Total 2024 £
<b>Non-social housing activities</b>									
Care and Repair services	1,384,500	(1,316,924)	67,576	67,576		1,180,551	(1,216,730)	(36,179)	(36,179)
Technical Service	211,805	(156,699)	55,106	55,106		190,827	(134,453)	56,374	56,374
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>		<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total</b>	<b>1,596,305</b>	<b>(1,473,623)</b>	<b>122,682</b>	<b>122,682</b>		<b>1,371,378</b>	<b>(1,351,183)</b>	<b>20,195</b>	<b>20,195</b>
	<u>          </u>	<u>          </u>	<u>          </u>			<u>          </u>	<u>          </u>	<u>          </u>	
Interest receivable				6,545					4,144
Interest payable on defined benefit pension				(16,000)					(14,000)
				<u>          </u>					<u>          </u>
<b>Surplus on ordinary activities before other comprehensive income</b>				<b>113,227</b>					<b>10,339</b>
				<u>          </u>					<u>          </u>



# Canllaw (Eryri) Cyfyngedig

Notes forming part of the financial statements  
for the year ended 31 March 2025 (*continued*)

## 2 Income and expenditure (*continued*)

### 2b) Income analysis

	2025 £	2024 £
Grants from local authorities and other agencies	651,714	615,362
Fees	878,491	685,835
Grŵp Cynefin contribution	61,949	61,949
Other	4,151	8,233
	<u>1,596,305</u>	<u>1,371,378</u>

## 3 Employee information

	2025 £	2024 £
Staff costs:		
Wages and salaries	797,687	698,328
Social security costs	73,025	60,909
Pension costs	59,933	52,880
	<u>930,645</u>	<u>812,117</u>

The average weekly number of persons, full time equivalent, (including the Chief Officer) employed during the year was:

Number	Number
<u>24</u>	<u>22</u>

The pension costs represent the defined contributions payments and scheme expenses only. Further information on the closed defined benefit pension scheme is included in note 16 of the accounts.'

# Canllaw (Eryri) Cyfyngedig

## Notes forming part of the financial statements for the year ended 31 March 2025 (*continued*)

### 4 Directors' emoluments

Directors comprise the Board as listed on the information page and Chief Officer.

	2025 £	2024 £
Aggregate emoluments paid to or receivable by Chief Officer (including travelling and pension contributions)	65,755	62,654

	2025 £	2024 £
Emoluments (excluding pension contributions) paid to the Chief Officer	60,583	57,886

The pension for the Chief Officer (who was an ordinary member of the pension scheme) is on the same basis as for all other employees.

In accordance with the Community Housing Cymru (CHC) Code of Governance, the Board has established a policy and procedure in relation to the payment of expenses to Board members. The Company is prepared to reimburse out of pocket expenses incurred on Company business.

	2025 £	2024 £
Total Board member expenses claimed	0	0

All expenses claimed by the Chief Officer are processed through the payroll and included in the emoluments above.

### 5 Surplus for the year

	2025 £	2024 £
The surplus for the year is stated after charging;		
Depreciation on owned assets	21,180	22,487
Operating lease payments – equipment	51,447	47,400
Auditor's remuneration (including VAT) - in their capacity as auditor	4,800	2,800

## Canllaw (Eryri) Cyfyngedig

Notes forming part of the financial statements  
for the year ended 31 March 2025 (*continued*)

### 6 Interest receivable and similar income

	2025 £	2024 £
Bank interest receivable	6,545	4,144

### 7 Taxation

The Company is not liable to UK Corporation Tax as it is a registered charity entitled to the exemptions afforded by Section 505 of the Income and Corporation Taxes Act 1988.

### 8 Tangible fixed assets

	Office furniture and Equipment £	Vehicles £	Container £	Total £
<i>Cost</i>				
At 1 April 2024	38,097	85,350	3,780	127,227
Additions	6,592	-	-	6,592
Disposals	(10,358)	-	-	(10,358)
At 31 March 2025	34,331	85,350	3,780	123,461
<i>Depreciation</i>				
At 1 April 2024	31,382	55,048	3,780	90,210
Charge for the year	6,028	15,152	-	21,180
Disposals	(10,358)	-	-	(10,358)
At 31 March 2025	27,053	70,199	3,780	101,032
<i>Net book value</i>				
At 31 March 2025	7,278	15,152	-	22,429
At 1 April 2024	6,715	30,302	-	37,017

### 9 Debtors

	2025 £	2024 £
Other debtors	281,931	439,043
Bad Debt Provision	(41,478)	(34,941)
Prepayments	7,854	5,070
	248,307	409,172

# Canllaw (Eryri) Cyfyngedig

Notes forming part of the financial statements  
for the year ended 31 March 2025 (*continued*)

## 10 Stock

	2025 £	2024 £
Stock	46,190	53,666
	<u>46,190</u>	<u>53,666</u>

## 11 Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	55,918	32,905
Grants in advance	104,477	150,074
Amounts due to parent Company	20,318	32,561
Accruals	16,925	24,637
Other taxes and social security costs	22,285	5,868
	<u>219,923</u>	<u>246,045</u>

## 12 Operating leases

	2025 £	2024 £
<b>Total amounts payable under operating leases</b>		
Rent of office:		
Within 12 months	24,300	18,000
One to two years	10,800	13,500
Two to five years	6,300	-
	<u></u>	<u></u>
Rent of office equipment:		
Within 12 months	1,279	1,795
One to two years	763	1,278
Two to five years	954	1,717
	<u></u>	<u></u>
Vehicles:		
Within 12 months	27,152	27,152
One to two years	27,152	27,152
Two to five years	-	27,152
	<u></u>	<u></u>

## 13 Related party transactions

Under FRS 102 disclosure is not required of transactions within the Group as the results of Grŵp Cynefin and its subsidiaries are included within the consolidated financial statements of Grŵp Cynefin.

# Canllaw (Eryri) Cyfyngedig

## Notes forming part of the financial statements for the year ended 31 March 2025 (*continued*)

### 14 Company status

The Company 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 £10 towards the assets of the Company in the event of liquidation.

### 15 Ultimate controlling party

The Company is controlled by Board of Management, but the ultimate controlling party is Grŵp Cynefin.

### 16 Pension obligations

#### Social housing pension scheme (SHPS)

The company participates in the Social Housing Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 500 non-associated employers. The Scheme is a defined benefit scheme in the UK.

The Scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The last completed triennial valuation of the scheme for funding purposes was carried out as at 30 September 2023. This valuation revealed a deficit of £693M. A Recovery Plan has been put in place with the aim of removing this deficit by 31 March 2028.

The Scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the Scheme. Participating employers are legally required to meet their share of the Scheme deficit on an annuity purchase basis on withdrawal from the Scheme.

For accounting purposes, a valuation of the scheme is carried out with an effective date of 30 September each year. The liability figures from this valuation are rolled forward for accounting year-ends from the following 31 March to 28 February inclusive. The latest accounting valuation was carried out with an effective date of 30 September 2024. The liability figures from this valuation were rolled forward for accounting year-ends from the following 31 March 2025 to 28 February 2026 inclusive.

The liabilities are compared, at the relevant accounting date, with the company's fair share of the Scheme's total assets to calculate the company's net deficit or surplus.

<b>Present values of defined benefit obligation, fair value of assets and defined benefit asset (liability)</b>	<b>31 March 2025 (£000s)</b>	<b>31 March 2024 (£000s)</b>
Fair value of plan assets	1,575	1,535
Present value of defined benefit obligation	1,835	1,917
Deficit in plan	(260)	(382)

<b>Reconciliation of opening and closing balances of the defined benefit obligation</b>	<b>Year ending 31 March 2025 (£000s)</b>	<b>Year ending 31 March 2024 (£000s)</b>
Defined benefit obligation at start of period	1,917	1,877
Expenses	4	4
Interest expense	93	90
Actuarial losses due to scheme experience	114	12
Actuarial gains due to changes in demographic assumptions	-	(17)
<b>Actuarial gains due to changes in financial assumptions</b>	<b>(265)</b>	<b>(22)</b>
Benefits paid and expenses	(28)	(27)
Defined benefit obligation at end of period	1,835	1,917

# Canllaw (Eryri) Cyfyngedig

Notes forming part of the financial statements  
for the year ended 31 March 2025 (continued)

## 16 Pension obligations (continued)

Reconciliation of opening and closing balances of the fair value of plan assets	Year ending 31 March 2025 (£000s)	Year ending 31 March 2024 (£000s)
Fair value of plan assets at start of period	1,535	1,529
Interest income	77	76
Experience on plan assets (excl. amounts included in interest income)	-	(135)
Contributions by the employer	96	92
Benefits paid and expenses	(28)	(27)
Fair value of plan assets at end of period	1,575	1,535

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2025 was (£28,000).

Defined benefit costs recognised in statement of comprehensive income	Year ending 31 March 2025 (£000s)	Year ending 31 March 2024 (£000s)
Expenses	4	4
Net interest expense	16	14
Defined benefit costs recognised in statement of comprehensive income	20	18

Defined benefit costs recognised in other comprehensive income	Year ending 31 March 2025 (£000s)	Year ending 31 March 2024 (£000s)
Experience on plan assets (excluding amounts included in net interest cost)	(135)	(105)
Experience gains and losses arising on the plan liabilities – gain (loss)	(12)	(114)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation	-	-
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation – gain (loss)	17	265
Total amount recognised in other comprehensive income – gain (loss)	22	46

Key assumptions	31 March 2025 % per annum	31 March 2024 % per annum
Discount Rate	5.87%	4.91%
Inflation (RPI)	3.08%	3.12%
Inflation (CPI)	2.80%	2.79%
Salary Growth	3.80%	3.79%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

# Canllaw (Eryri) Cyfyngedig

Notes forming part of the financial statements  
for the year ended 31 March 2025 (*continued*)

## 16 Pension obligations (*continued*)

The mortality assumptions adopted at 31 March 2025 imply the following life expectancies:

	Life expectancy at age 65 (Years)
Male retiring in 2025	20.5
Female retiring in 2025	23.0
Male retiring in 2045	21.7
Female retiring in 2045	24.5

	31 March 2025 (£000s)	31 March 2024 (£000s)
<b>Assets</b>		
Global Equity	177	153
Absolute Return	-	60
Distressed Opportunities	-	54
Credit Relative Value	-	50
Alternative Risk Premia	-	49
Liquid Alternatives	292	-
Emerging Markets Debt		20
Risk Sharing		90
Insurance-Linked Securities	5	8
Property	79	62
Infrastructure	-	155
Private Equity	1	1
Private Debt	189	60
Opportunistic Illiquid Credit	-	60
Private Client	193	-
Credit	60	-
Investment Grade Credit	49	-
Cash	21	30
Long Lease Property	-	10
Secured Income	26	46
Liability Driven Investment	477	625
Currency Hedging	3	(1)
Net Current Assets	3	3
<b>Total assets</b>	<b>1,575</b>	<b>1,535</b>

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.

### Sensitivity analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at 31 March 2025	Approximate % increase to employer liability	Approximate monetary amount (£'000)
0.1% decrease in real discount rate	10.00%	26
0.1% increase in the salary increase rate	1.15%	3
0.1% increase in CPI	7.69%	20

# Canllaw (Eryri) Cyfyngedig

Appendix  
for the year ended 31 March 2025

	2025 £	2024 £
<b>Income</b>		
Welsh Government Grant	444,356	444,356
Gwynedd County Council Grant	76,526	76,527
Local Health Board Grant	53,307	51,883
Grŵp Cynefin Contribution	61,949	61,949
Managing Better / ICF Income	77,525	42,596
Fees	878,492	685,834
Administration, services and other income	10,696	12,377
	<hr/>	<hr/>
<b>TOTAL INCOME</b>	<b>1,602,851</b>	<b>1,375,522</b>
	<hr/>	<hr/>
<b>Expenditure</b>		
Staff Costs	966,089	847,658
Office costs	106,715	109,680
Business costs	116,360	84,054
Materials	284,460	309,791
Interest payable on defined benefit pension scheme	16,000	14,000
	<hr/>	<hr/>
<b>TOTAL EXPENDITURE</b>	<b>1,489,624</b>	<b>1,365,183</b>
	<hr/>	<hr/>
<b>Surplus for the year before transfers</b>	<b>113,227</b>	<b>10,339</b>
	<hr/>	<hr/>

The Welsh Government also provided Capital Grants of £382,453 (2024 - £289,232)

This appendix does not form part of the audited financial statements.