

DIGARTREF CYF

England & Wales · Charity number 1076680

Details

Other names	DIGARTREF YNYS MON CYF, DYM CYF, DYM LTD
Status	Registered
Legal form	Charitable company
Company number	03516328
Registered	1999-07-22
Register	View on the Charity Commission register

Contact

Address
Digartref Cyf
Unit 1-12
Enterprise Centre
Kingsland Road
Holyhead
LL65 2HY

Phone 07740183274

Email enquiries@digartref.co.uk

Website www.digartref.co.uk

Activities

Objects: TO PROMOTE THE RELIEF OF THOSE WHO ARE HOMELESS IN YNYS MON, TO OFFER THEM PERSONAL SUPPORT IN THEIR AREAS OF NEED AND TO SUPPORT THEM IN ACHIEVING INDEPENDENT LIVING

Activities: Supported accommodation charity with Drop-in centre for homeless people.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training, Accommodation/housing
- **Who:** Children/young People, The General Public/mankind

Geography

- **Area of benefit:** YNYS MON
- Gwynedd
- Isle Of Anglesey

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,688,230	£1,553,672	£1,461,130	40
2024-03-31	£1,436,093	£1,423,846	£1,283,572	40
2023-03-31	£1,349,366	£1,301,690	£1,277,325	40
2022-03-31	£1,297,068	£1,139,422	£1,228,649	38
2021-03-31	£1,203,097	£1,146,598	£1,018,003	38

Trustees

Name	Role	Appointed
Barbara Hughes	Chair	2014-03-21
Eleri Lloyd Burns		2024-10-04
Hannah Buckingham		2024-10-11
John Glynne Fraser		2023-03-13
Julia Morgan		2014-03-21
Kathryn Robinson		2024-01-19
Keith Alan Griffiths		2016-12-12
Marilyn Blackburn		2014-03-21
Mary Elizabeth Roberts		2021-02-12
Michael David Pulford		2025-04-01

DIGARTREF CYF

England & Wales - Charity number 1076680

Accounts

Charity registration number 1076680 (England and Wales)

Company registration number 3516328

DIGARTREF CYF.
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

THURSDAY



AEH6Y0AB

A11

11/12/2025

#19

COMPANIES HOUSE

DIGARTREF CYF.

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	M Blackburn J G Fraser K A Griffiths B A Hughes J Morgan M E Roberts K Griffiths E Lloyd Burns H Buckingham M Pulford	(Appointed 4 October 2024) (Appointed 11 October 2024) (Appointed 1 April 2025)
Secretary	A Greenough	
Charity number	1076680	
Company number	3516328	
Registered office	Units 1, 2, 4 & 5 Holyhead Enterprise Centre Kingsland Road Holyhead Anglesey LL65 2HY	
Auditor	Crestmere Limited Unit F1, Intec Ffordd y Parc Parc Menai Bangor Gwynedd United Kingdom LL57 4FG	
Accountant	Azets Brynford House 21 Brynford Street Holywell Flintshire United Kingdom CH8 7RD	

DIGARTREF CYF.

CONTENTS

	Page
Trustees' report	1 - 4
Statement of Trustees' responsibilities	5
Independent auditor's report	6 - 8
Statement of financial activities	9
Balance sheet	10 - 11
Statement of cash flows	12
Notes to the financial statements	13 - 27

DIGARTREF CYF.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their annual report and financial statements for the year ended 31 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 governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)".

Objectives and activities

The company was formed to promote the relief of those who are homeless in Northwest Wales, to offer them support in their areas of need, and to support them in achieving independent living.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake and how successful outcomes should be evaluated.

Achievements and performance

Significant activities and achievements against objectives

The overall performance of the charity throughout 2024/25 has been excellent and all services have been able to meet the needs of those within our community affected by homelessness.

An in-depth overview of Digartref Cyf's achievements and performance over the year will be outlined in its 2025 Annual Report, which will be published in time for the AGM in October 2025.

Digartref Cyf's Supported housing services for young people aged 16 to 25 continue to be highly utilized, with a steady source of referrals being received via the local authority, with few voids suffered during the financial year. What is notable is that it is becoming more difficult to move people on to an affordable long-term home due to the lack of options available to them e.g. very few one bed accommodation in the social housing sector, along with high number of people on the housing allocations register, and limited choice in the private rented sector where competition is high and weekly rent charges are unaffordable for the client group. This means that young people are staying with the charity for longer than was the case a couple of years ago.

To prevent homelessness from occurring in the first place for young people in particular, the local authority has been keen to utilise the Charity's highly successful Mediation and Family Led Intervention programme. One of the main aims of this service is to reduce the instances of family relationship breakdown which can often lead to young people being asked to leave the family home, causing the young person to have to present as homeless to the local authority. In seeking to adopt a preventative approach to this situation, the local authority has allocated just under 40k of Housing Support Grant to this service, providing longer term financial security for the charity's Mediation and Family Led Intervention programme and increasing its ability to continue to positively impact on reducing youth homelessness.

DIGARTREF CYF.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

The Lighthouse Day Centre has continued to deliver much needed services to a range of vulnerable people over 18 years of age, who are homeless and at risk of homelessness including rough sleepers and those accommodated in temporary emergency accommodation by the local authority. During 2024/25, 121 individuals accessed the service, many multiple times. Amongst other things, 1,256 meals were prepared and provided to those using the Lighthouse, and 30 rough sleeper packs were given out free of charge to those experiencing rough sleeping.

During 2024/25, following the loss of a substantial grant in the previous financial year, the charity worked hard to address this by successfully securing several grants from supportive grant givers including, Moondance, The Nationwide, and Children in Need. This enabled the charity to continue delivering and further developing a range of much needed and utilised services.

Digartref Cyf was also successful in securing a further one year's funding from the Welsh Government under the Youth Innovation Grant, and through working in partnership with the Isle of Anglesey County Council was able to continue delivering the Llety Pontio Project. This project enables the provision of temporary accommodation with support for young people aged 16 to 25 who might otherwise have to be accommodated in emergency B&B provision.

To summarise, this has been a challenging and busy 12 months for the charity financially, due mainly to the loss of long term established funding and the requirement to secure new funding streams as well as maintaining others through the retendering process. Thanks to the hard work of key staff and the support of the Trustees, the financial challenges that presented themselves were overcome, allowing for the continuation and expansion of Digartref Cyf's homeless prevention services.

Financial review

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

DIGARTREF CYF.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2025**

Plans for future periods

The aim of the charity continues to be focused on gradually increasing the range of homelessness prevention services it provides and the areas of North Wales it covers, along with the remodeling of existing services where necessary, to meet the growing demand for homeless related assistance and support for those within our community against the ever-challenging funding stream changes.

In addition to the continued successful delivery of some of the charity's core services, Digartref Cyf have been fortunate following the successful submission of an Expression of Interest to a philanthropic private property developer, in acquiring a magnificent, high quality, 18-unit, supported housing facility in Bangor, Gwynedd. Time was spent during 2024/25 developing relationships with potential referring bodies and other key partners, recruiting the project manager and other key staff, with an aim of young people aged 16 to 25, who are homeless or at risk of homelessness, being able to access the 24-hour staff covered supported housing provision. As we move in 2025/26, we are highly optimistic that we will be able to report on its success in meeting the needs of young people in the next year's annual accounts, and the charity's annual report.

The charity has been able to realise one of its long-term goals, which is to redevelop one of its assets, the Holyhead Enterprise Centre into a Homeless Hub. Enabling the re-siting of the Lighthouse Day Centre into a purpose designed facility. This will assist in ensuring there is capacity to support the increased numbers of individuals accessing the service over the last few years and support an effective partnership approach to providing wrap around services to some of the most vulnerable individuals in our society. This has been made possible through the support of the National Lottery Community Fund "People & Places" having awarded a capital grant allocation of £500,000. In addition the Community Facilities Programme has awarded a further £300,000. Without this substantial financial support, the exciting new development would not have been possible. The related construction work is currently under way, and we anticipate a return to the building in late August early September 2025. The success of its future operation will be reported on in the coming years.

Unfortunately, the charity and its close working partners such as the local authority continue to have to manage the high level of demand on related services. It is highly likely that this will continue to be the case for the foreseeable future. The charity continues to work with and support people with complex needs, those that may find it difficult to access and maintain accommodation for multiple reasons. This is further compounded by issues of affordability, accessibility, and limited suitable housing stock.

The high cost-of-living continues to impact our service users and our staff daily. The aim of the charity it to continue to provide support for those that needed it and provide a competitive salary and remuneration package for those who work Diagtref Cyf.

Structure, governance and management

The charity is a company limited by guarantee and governed in accordance with its Memorandum and Articles of Association.

DIGARTREF CYF.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

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

M Blackburn

J G Fraser

K A Griffiths

B A Hughes

D LI Jones

(Resigned 19 May 2025)

C A Kirkwood

(Resigned 13 July 2024)

N Lane

(Resigned 26 February 2025)

J Morgan

F D P Morgan-Hamilton

(Resigned 10 January 2025)

M E Roberts

K Griffiths

E Lloyd Burns

(Appointed 4 October 2024)

H Buckingham

(Appointed 11 October 2024)

M Pulford

(Appointed 1 April 2025)

Recruitment and appointment of trustees

Trustees are recruited from professional and related backgrounds, and training is available to them. The organisational structure is based on formal governance. The Board meets at regular intervals to consider strategic matters and monitor operations

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Auditor

In accordance with the company's articles, a resolution proposing that Azets be reappointed as auditor of the company will be put at a General Meeting.

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

A Greenough



9 December 2025

DIGARTREF CYF.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2025

The trustees, who are also the directors of Digartref Cyf. for the purpose of company law, are responsible for preparing the Trustees' Report 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIGARTREF CYF.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF DIGARTREF CYF.

Opinion

We have audited the financial statements of Digartref Cyf. (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

DIGARTREF CYF.

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF DIGARTREF CYF.

Responsibilities of trustees

As explained more fully in the statement of Trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

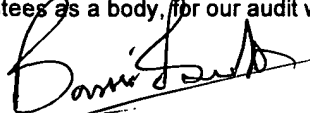
- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

DIGARTREF CYF.

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF DIGARTREF CYF.

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Barrie Buels FCCA FCIE
For and on behalf of

(Senior Statutory Auditor)
Crestmere Limited

9 December 2025

Chartered Certified Accountants
Statutory Auditor

Unit F1, Intec
Ffordd y Parc
Parc Menai
Bangor
United Kingdom
LL57 4FG

DIGARTREF CYF.

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income from:							
Donations and legacies	3	11,907	-	11,907	7,845	-	7,845
Charitable activities	4	1,583,308	-	1,583,308	1,352,820	-	1,352,820
Other trading activities	5	74,283	-	74,283	65,826	-	65,826
Investments	6	18,732	-	18,732	9,602	-	9,602
Total income		1,688,230	-	1,688,230	1,436,093	-	1,436,093
Expenditure on:							
Charitable activities	7	1,553,672	-	1,553,672	1,423,846	-	1,423,846
Actuarial gains/(losses) in respect of pension schemes	13	43,000	-	43,000	(6,000)	-	(6,000)
Net incoming resources before transfers		177,558	-	177,558	6,247	-	6,247
Gross transfers between funds		18,444	(18,444)	-	18,444	(18,444)	-
Net income/(expenditure) for the year/							
Net movement in funds		196,002	(18,444)	177,558	24,691	(18,444)	6,247
Fund balances at 1 April 2024		1,024,245	259,327	1,283,572	999,554	277,771	1,277,325
Fund balances at 31 March 2025		1,220,247	240,883	1,461,130	1,024,245	259,327	1,283,572

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

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

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

DIGARTREF CYF.

BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	15		1,028,192		534,640
Current assets					
Debtors	16	391,744		63,016	
Cash at bank and in hand		1,226,115		1,188,458	
		<u>1,617,859</u>		<u>1,251,474</u>	
Creditors: amounts falling due within one year	17	<u>(634,405)</u>		<u>(399,542)</u>	
Net current assets			<u>983,454</u>		<u>851,932</u>
Total assets less current liabilities			<u>2,011,646</u>		<u>1,386,572</u>
Creditors: amounts falling due after more than one year	18		(490,516)		-
Provisions for liabilities	19		(60,000)		(103,000)
Net assets			<u><u>1,461,130</u></u>		<u><u>1,283,572</u></u>
Income funds					
Restricted funds	21		240,883		259,327
<u>Unrestricted funds</u>					
Designated funds	22	228,314		228,314	
General unrestricted funds		<u>991,933</u>		<u>795,931</u>	
			<u>1,220,247</u>		<u>1,024,245</u>
			<u><u>1,461,130</u></u>		<u><u>1,283,572</u></u>

DIGARTREF CYF.

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2025

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2025.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 9 December 2025

B A Hughes
Trustee



J Morgan
Trustee



Company registration number 3516328

DIGARTREF CYF.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash generated from operations	25		486,880		384,850
Investing activities					
Purchase of tangible fixed assets		(510,955)		-	
Proceeds from disposal of investments		43,000		(6,000)	
Investment income received		18,732		9,602	
Net cash (used in)/generated from investing activities			(449,223)		3,602
Financing activities					
Repayment of bank loans		-		(6,317)	
Net cash used in financing activities			-		(6,317)
Net increase in cash and cash equivalents			37,657		382,135
Cash and cash equivalents at beginning of year			1,188,458		806,323
Cash and cash equivalents at end of year			<u>1,226,115</u>		<u>1,188,458</u>

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

Digartref Cyf. is a private company limited by guarantee incorporated in England and Wales. The registered office is Units 1, 2, 4 & 5 Holyhead Enterprise Centre, Kingsland Road, Holyhead, Anglesey, LL65 2HY.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)". The charity is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

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

1.3 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

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

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

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

Freehold land and buildings	Not depreciated
Leasehold land and buildings	25 years straight line
Freehold improvements	25 years straight line
Equipment, fixtures and fittings	30% reducing balance
Office Equipment	30% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Depreciation is provided at the rate of 30% (reducing balance) per annum on equipment, fixture and fittings. Individual items costing less than £1,000 are not capitalised. Premises acquired and developed by the Charity are depreciated on a straight line basis over a period of 25 years starting in the year of commencement of operations from these premises following their acquisition and redevelopment. Impairment reviews are carried out on a regular basis.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

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

1.9 Financial instruments

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

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.10 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation 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.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

1.11 Employee benefits

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

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

2 Critical accounting estimates and judgements

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

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

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

3 Income from donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations and gifts	<u>11,907</u>	<u>7,845</u>

4 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Unrestricted funds		
Grants and rents	<u>1,583,308</u>	<u>1,352,820</u>

Grants received amounted to £1,205,621 (2024: £1,141,825)

Rents received amounted to £377,687 (2024: £210,995)

5 Income from other trading activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Office charges and contributions	74,283	56,073
Management income	-	9,753
Other trading activities	<u>74,283</u>	<u>65,826</u>

6 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Bank interest received	<u>18,732</u>	<u>9,602</u>

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

7 Expenditure on charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Direct costs		
Staff costs	1,116,801	936,882
Depreciation and impairment	17,403	19,731
Rent, rates and insurance	161,477	138,734
Heat and light	38,918	36,011
Advertising and recruitment	3,058	2,134
Support, travel and subsistence	21,815	18,074
Training costs	14,078	14,809
Other charitable expenditure	168,198	252,152
	<u>1,541,748</u>	<u>1,418,527</u>
Share of support and governance costs (see note 8)		
Governance	11,924	5,319
	<u>1,553,672</u>	<u>1,423,846</u>
Analysis by fund		
Unrestricted funds	<u>1,553,672</u>	<u>1,423,846</u>

8 Support costs allocated to activities

	2025 £	2024 £
Governance costs	<u>11,924</u>	<u>5,319</u>
Analysed between:		
Unrestricted funds	<u>11,924</u>	<u>5,319</u>
Governance costs comprise:	2025 £	2024 £
Audit fees	3,120	3,120
Legal and professional	8,055	1,512
AGM costs	749	687
	<u>11,924</u>	<u>5,319</u>

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

9	Net movement in funds	2025	2024
		£	£
	The net movement in funds is stated after charging/(crediting):		
	Fees payable for the audit of the charity's financial statements	3,120	3,120
	Depreciation of owned tangible fixed assets	17,403	19,731
		<u> </u>	<u> </u>

10 Trustees

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

Expenses paid to trustees amounted to £nil (2024: £nil)

11 Employees

The average monthly number of employees during the year was:

	2025	2024
	Number	Number
Llys y Gwynt and Floating Support staff	8	8
Coedlys and Floating Support staff	7	7
Outreach staff	3	3
Learning for Life and Mediation	3	3
Lighthouse & Resettlement/Canada Gardens	5	5
Rural Homelessness (Lottery)	3	3
Relief staff	2	2
Chief Executive Officer and managers	4	4
Finance and administration staff	3	3
Cleaners and caretakers	2	2
	<u> </u>	<u> </u>
Total	40	40
	<u> </u>	<u> </u>

Employment costs	2025	2024
	£	£
Wages and salaries	1,116,801	936,882
	<u> </u>	<u> </u>

Only one employee received emoluments in excess of £60,000, falling in the band of £60,000 to £70,000.

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

12 Pension scheme - Defined Benefit

The company participates in the 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 triennial valuation of the scheme for funding purposes was carried out as at 30 September 2017. This valuation revealed a deficit of £1,522m. A Recovery Plan has been put in place with the aim of removing this deficit by 30 September 2026.

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 financing years ending on or after 31 March 2019, it is possible to obtain sufficient information to enable the company to account for the Scheme as a defined benefit scheme.

Actuarial valuations of the scheme were carried out as at 30 September 2024 to inform the liabilities for the accounting year ended 31 March 2025.

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

Present Values of Defined Benefit Obligation, Fair Value of Assets and Defined Benefit Asset (Liability)

	31 March 2025 £000's	31 March 2024 £000's
Fair value of plan assets	382	447
Present value of defined benefit obligation	442	550
Surplus (deficit) in plan	(60)	(103)
Defined benefit asset (liability) to be recognised	(60)	(103)

Reconciliation of the Impact of the Asset Ceiling

	Period ended 31 March 2025 £000's
Impact of asset ceiling at start of period	-
Effect of the asset ceiling included in net interest cost	-
Actuarial losses (gains) on asset ceiling	-
Impact of assets ceiling at end of period	-

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

12 Pension scheme - Defined Benefit

(Continued)

Reconciliation of Opening and Closing Balances of the Defined Benefit Obligations

	Period ended 31 March 2025 £000's
Defined benefit obligation at start of period	550
Current service cost	-
Expenses	3
Interest expense	27
Member contributions	-
Actuarial losses (gains) due to scheme experience	(60)
Actuarial losses (gains) due to changes in demographic assumptions	-
Actuarial losses (gains) due to changes in financial assumptions	(62)
Benefits paid and expenses	(16)
Defined benefit obligation at end of period	442

Reconciliation of Opening and Closing Balances of the Fair Value of Plan Assets

	Period ended 31 March 2025 £000's
Fair value of plan assets at start of period	447
Interest income	22
Experience on plan assets (excluding amounts included in interest income) — gain (loss)	(100)
Employer contributions	29
Member contributions	-
Benefits paid and expenses	(16)
Fair value of plan assets at end of period	382

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2025 was (£78,000)

Defined Benefit Costs Recognised in Statement of Comprehensive Income (SOCl)

	Period from 31 March 2024 to 31 March 2025 £000's
Current service cost	-
Expenses	3
Net interest expense	5
Defined benefit costs recognised in Statement of Comprehensive Income (SoCI)	8

Defined Benefit Costs Recognised in Other Comprehensive Income (OCI)

	Period ended 31 March 2025 (£000's)
Experience on plan assets (excluding amounts included in net interest cost) — gain(loss)	(100)
Experience gains and losses arising on the plan liabilities — gain(loss)	60
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)	62
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) — gain(loss)	22
Total amount recognised in Other Comprehensive Income - gain (loss)	22

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

12 Pension scheme - Defined Benefit

(Continued)

Key Assumptions

	31 March 2025 % per annum	31 March 2024 % per annum
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	75% of max allowance	75% of max allowance

The mortality assumptions adopted at 31 March 2024 imply the following life expectancies:

	Life expectancy at age 65 (Years)
Male retiring in 2024	20.5
Female retiring in 2024	23.0
Male retiring in 2044	21.7
Female retiring in 2044	24.5

Assets

	31 March 2025 (£000's)	31 March 2024 (£000's)
Global Equity	43	45
Absolute Return	-	17
Distressed Opportunities	-	16
Credit Relative Value	-	15
Alternative Risk Premia	-	14
Liquid Alternatives	71	-
Emerging Market Debt	-	6
Risk Sharing	-	26
Insurance-Linked Securities	1	2
Property	19	18
Infrastructure	-	45
Real Assets	46	-
Private Debt	-	18
Opportunistic Illiquid Credit	-	17
Private Debt	47	-
Credit	15	-
Investment Grade Credit	12	-
High Yield	-	-
Opportunistic Credit	-	-
Cash	5	9
Corporate Bond Fund	-	-
Liquid Credit	-	-
Long Lease Property	-	3
Secured Income	6	13
Liability Driven Investment	115	182
Currency Hedging	1	-
Net Current Assets	1	1
Total Assets	382	447

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.

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

13 Actuarial gains/(losses) in respect of pension schemes

	Unrestricted funds	Unrestricted funds
	2025	2024
	£	£
Actuarial gain/(loss) in respect of pension schemes	43,000	(6,000)

14 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

15 Tangible fixed assets

	Freehold land and buildings	Freehold improvements	Equipment, fixtures and fittings	Total
	£	£	£	£
Cost				
At 1 April 2024	697,949	-	177,781	875,730
Additions	-	510,955	-	510,955
At 31 March 2025	697,949	510,955	177,781	1,386,685
Depreciation and impairment				
At 1 April 2024	181,412	-	159,678	341,090
Depreciation charged in the year	11,972	-	5,431	17,403
At 31 March 2025	193,384	-	165,109	358,493
Carrying amount				
At 31 March 2025	504,565	510,955	12,672	1,028,192
At 31 March 2024	516,537	-	18,103	534,640

The Trustees are of the opinion that the net book value of buildings does not exceed open market value at the balance sheet date.

16 Debtors

	2025	2024
	£	£
Amounts falling due within one year:		
Trade debtors	144,409	10,373
Other debtors	236,023	34,030
Prepayments and accrued income	11,312	18,613
	391,744	63,016

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

17 Creditors: amounts falling due within one year

	Notes	2025 £	2024 £
Other taxation and social security		14,870	13,694
Deferred grants	20	386,463	322,435
Trade creditors		215,991	19,239
Other creditors		5,882	14,951
Accruals		11,199	29,223
		<u>634,405</u>	<u>399,542</u>

18 Creditors: amounts falling due after more than one year

	Notes	2025 £	2024 £
Capital grants	20	<u>490,516</u>	<u>-</u>

19 Provisions for liabilities

	2025 £	2024 £
Retirement benefit obligations	<u>60,000</u>	<u>103,000</u>

Movements on provisions:

	£
At 1 April 2024	103,000
Reversal of provision	<u>(43,000)</u>
At 31 March 2025	<u>60,000</u>

20 Government grants

Deferred income is included in the financial statements as follows:

	2025 £	2024 £
Deferred income is included within:		
Current liabilities	386,463	322,435
Non-current liabilities	<u>490,516</u>	<u>-</u>
	<u>876,979</u>	<u>322,435</u>

Movements in the year:

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

20 Government grants

(Continued)

Deferred income at 1 April 2024	322,435	36,811
Released from previous periods	(322,435)	(36,811)
Resources deferred in the year	<u>876,979</u>	<u>322,435</u>
Deferred income at 31 March 2025	<u><u>876,979</u></u>	<u><u>322,435</u></u>

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

21 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	Movement in funds				Movement in funds				Balance at 31 March 2025
	Balance at 1 April 2023	Incoming resources	Resources expended	Transfers	Balance at 1 April 2024	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£	£	£	£	£
Restricted Income fund	277,771	-	-	(18,444)	259,327	-	-	(18,444)	240,883

22 Designated funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	Movement in funds				Movement in funds				Balance at 31 March 2025
	Balance at 1 April 2023	Incoming resources	Resources expended	Transfers	Balance at 1 April 2024	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£	£	£	£	£
Designated major repair fund	37,979	-	-	(9,665)	28,314	-	-	-	28,314
Designated HEC redevelopment fund	200,000	-	-	-	200,000	-	-	-	200,000
	237,979	-	-	(9,665)	228,314	-	-	-	228,314

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

23 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
At 31 March 2025:			
Tangible assets	1,028,192	-	1,028,192
Current assets/(liabilities)	742,571	240,883	983,454
Long term liabilities	(490,516)	-	(490,516)
Provisions	(60,000)	-	(60,000)
	<u>1,220,247</u>	<u>240,883</u>	<u>1,461,130</u>
	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 March 2024:			
Tangible assets	534,640	-	534,640
Current assets/(liabilities)	592,605	259,327	851,932
Provisions	(103,000)	-	(103,000)
	<u>1,024,245</u>	<u>259,327</u>	<u>1,283,572</u>

24 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).

25 Cash generated from operations

	2025 £	2024 £
Surplus for the year	177,558	6,247
Adjustments for:		
Investment income recognised in statement of financial activities	(18,732)	(9,602)
(Gain)/loss on disposal of investments	(43,000)	6,000
Depreciation and impairment of tangible fixed assets	17,403	19,731
Movements in working capital:		
(Increase)/decrease in debtors	(328,728)	37,102
Increase in creditors	170,835	33,748
Increase/(decrease) in provisions	(43,000)	6,000
Increase in deferred income	554,544	285,624
Cash generated from operations	<u>486,880</u>	<u>384,850</u>

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

26 Analysis of changes in net funds

The charity had no material debt during the year.

DIGARTREF CYF

England & Wales - Charity number 1076680

Accounts

Charity registration number 1076680

Company registration number 3516328 (England and Wales)

DIGARTREF CYF.
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

TUESDAY



ADCB184X

A4

24/09/2024

#271

COMPANIES HOUSE

DIGARTREF CYF.

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	M Blackburn J G Fraser K A Griffiths B A Hughes D Ll Jones C A Kirkwood N Lane J Morgan F D P Morgan-Hamilton M E Roberts
Secretary	A Greenough
Charity number	1076680
Company number	3516328
Registered office	Units 1, 2, 4 & 5 Holyhead Enterprise Centre Kingsland Road Holyhead Anglesey LL65 2HY
Auditor	Crestmere Limited Unit F1, Intec Ffordd y Parc Parc Menai Bangor Gwynedd United Kingdom LL57 4FG
Accountant	Azets Brynford House 21 Brynford Street Holywell Flintshire United Kingdom CH8 7RD

DIGARTREF CYF.

CONTENTS

	Page
Trustees' report	1 - 3
Statement of Trustees' responsibilities	4
Independent auditor's report	5 - 7
Statement of financial activities	8
Balance sheet	9 - 10
Statement of cash flows	11
Notes to the financial statements	12 - 26

DIGARTREF CYF.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their annual report and financial statements for the year ended 31 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 [governing document], 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 1 January 2019).

Objectives and activities

The company was formed to promote the relief of those who are homeless in Northwest Wales, to offer them support in their areas of need, and to support them in achieving independent living.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake and how successful outcomes should be evaluated.

Achievements and performance

The overall performance of the charity throughout 2023/24 has been excellent. An in-depth overview of Digartref Cyf's achievements and performance will be outlined in its 2024 Annual Report, which will be published in time for the AGM in October 2024.

One of the main issues affecting the charity during 2023/24 relates to income via grants and longer term funding streams, therefore the focus for this years Trustees Report will predominantly refer to these matters.

Digartref Cyf is pleased to report that the partnership project, Gwreiddiau Mon Roots, a 5-year project funded by the National Lottery Community Fund, which aims to help end rural homelessness commenced delivery during the reporting period, enabling all organisations involved to better respond to the challenges rural homelessness presents for those experiencing related difficulties as well as in delivering responsive wrap around services.

Digartref Cyf was also successful in securing a further 1 year's funding from the Welsh Government under the Youth Innovation Grant, enabling the continued delivery of the Llety Pontio Project. This project works with the private rented sector and the local authority to provide temporary accommodation with support for young people aged 16 to 25 who might otherwise have to be accommodated in emergency B&B provision.

Via funding from the Area Planning Board, the charity secured an additional 3-year contract to continue to deliver an outreach service across Gwynedd and Ynys Mon. This provides for the provision of 4 outreach workers to support those with complex needs including substance use and mental health issues, who are homeless or at risk of homelessness.

The charity was also successful in retendering for the continued delivery for a further 6 years of its range of supported housing services for young people aged 16 to 24, including the provision of 2 x 24 hour staffed hostels, a range of self-contained properties with support and 2 x floating support services with the Isle of Anglesey County Council.

The Homeless Prevention Grant (previously administered by the Welsh Government) has for many years funded several of the charity's homeless prevention services including: the Lighthouse Day Centre, the mediation and family intervention service, the Learn4Life programme and a generic floating support service. From April 2024, the Homeless Prevention Grant under a redistribution formula was passed over for local authorities to administer, becoming part of its Housing Support Grant allocation. Under this process, Digartref Cyf lost over £175,000 of its income, putting the delivery of these key services at risk. Over the course of 2023/24, various successful applications were made to a range of funders, allowing for the continuation of the above services, accessed by vulnerable beneficiaries. These funders included: Nationwide, Children in Need, Moondance and Y Gymdeithas.

To summaries, this has been a challenging and busy 12 months for the charity financially, due mainly to the loss of long term established funding and the requirement to secure new funding streams as well as maintaining others through the retendering process. Thanks to the hard work of key staff and the support of the Trustees, the financial challenges that presented themselves were overcome, allowing for the continuation and expansion of Digartref Cyf's homeless prevention services.

DIGARTREF CYF.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2024**

Financial review

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Plans for future periods

The aim of the charity continues to be focused on gradually increasing the range of homelessness prevention services it provides and the areas of North Wales it covers, along with the remodeling of existing services where necessary, to meet the growing demand for homeless related assistance and support for those within our community.

Unfortunately, the charity and its close working partners such as the local authority continue to have to strive to address the demand on related services. It is highly likely that this will continue to be the case for the foreseeable future. The charity continues to forecast that more people will find it difficult to access and maintain accommodation for several reasons including the matter of affordability, accessibility, and the depletion of suitable housing stock. In addition, it is also extremely likely that the cost-of-living crisis, interest rate increases and the hike in energy and food costs will continue to impact, pushing people further into housing difficulty, being unable to heat their homes, feed themselves and their families, while keeping on top of high rent charges in the private rented sector in particular.

The charity's plans for future development and delivery of services will need to take account of all the issues above as well as those that occur at a local level, for example, the loss of private rented accommodation across the Isle of Anglesey and Gwynedd, with the related stock being lost to more lucrative holiday let models. This is continuing to have a detrimental effect on available properties for those people the charity supports.

The aim to develop a homeless hub at the Holyhead Enterprise Centre remains a key priority for the charity. Some capital funding has already been secured for this development with the outcome of one final related application pending. If this is secured, then the charity aims to commence redevelopment work within the next two to three months and realise a long-term strategic goal. In achieving this aim, Digartref Cyf will be able to provide a range of homeless and other community services under one roof, ensure a more modern, spacious Day Centre with capacity to support the increasing number of people who access that service year on year.

The charity is also currently working with a private property developer who has a purpose-built facility in Gwynedd that could be utilised to provide a supported housing service to those currently accommodated in emergency/temporary accommodation by the local authority. One of Digartref Cyf's business aims is to expand its services into other local authority areas, this would be achieved if revenue funding can be secured for this project.

Structure, governance and management

The charity is a company limited by guarantee and governed in accordance with its Memorandum and Articles of Association.

DIGARTREF CYF.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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

M Blackburn

J G Fraser

K A Griffiths

B A Hughes

D Ll Jones

S R Jones

(Resigned 10 October 2023)

C A Kirkwood

N Lane

J Morgan

F D P Morgan-Hamilton

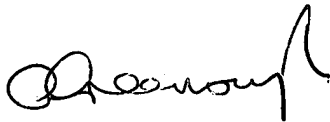
M E Roberts

Trustees are recruited from professional and related backgrounds, and training is available to them. The organisational structure is based on formal governance. The Board meets at regular intervals to consider strategic matters and monitor operations

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

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

A Greenough



2 September 2024

DIGARTREF CYF.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2024

The trustees, who are also the directors of Digartref Cyf. for the purpose of company law, are responsible for preparing the Trustees' Report 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIGARTREF CYF.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF DIGARTREF CYF.

Opinion

We have audited the financial statements of Digartref Cyf. (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

DIGARTREF CYF.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DIGARTREF CYF.

Responsibilities of trustees

As explained more fully in the statement of Trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

DIGARTREF CYF.

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF DIGARTREF CYF.

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Barrie Buels FCCA FCIE
For and on behalf of

(Senior Statutory Auditor)
Crestmere Limited

3 September 2024

Chartered Certified Accountants
Statutory Auditor

Unit F1, Intec
Ffordd y Parc
Parc Menai
Bangor
United Kingdom
LL57 4FG

DIGARTREF CYF.

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Income from:							
Donations and legacies	3	7,845	-	7,845	17,735	-	17,735
Charitable activities	4	1,352,820	-	1,352,820	1,277,066	-	1,277,066
Other trading activities	5	65,826	-	65,826	53,121	-	53,121
Investments	6	9,602	-	9,602	1,444	-	1,444
Total income		1,436,093	-	1,436,093	1,349,366	-	1,349,366
Expenditure on:							
Charitable activities	7	1,423,846	-	1,423,846	1,301,690	-	1,301,690
Actuarial gains/(losses) in respect of pension schemes	12	(6,000)	-	(6,000)	1,000	-	1,000
Net incoming resources before transfers		6,247	-	6,247	48,676	-	48,676
Gross transfers between funds		18,444	(18,444)	-	18,444	(18,444)	-
Net income/(expenditure) for the year/ Net movement in funds		24,691	(18,444)	6,247	67,120	(18,444)	48,676
Fund balances at 1 April 2023		999,554	277,771	1,277,325	932,434	296,215	1,228,649
Fund balances at 31 March 2024		1,024,245	259,327	1,283,572	999,554	277,771	1,277,325

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

All income and expenditure derive from continuing activities.

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

DIGARTREF CYF.

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	14		534,640		554,371
Current assets					
Debtors	15	63,016		100,118	
Cash at bank and in hand		1,188,458		806,323	
		<u>1,251,474</u>		<u>906,441</u>	
Creditors: amounts falling due within one year	17	<u>(399,542)</u>		<u>(86,487)</u>	
Net current assets			851,932		819,954
Total assets less current liabilities			1,386,572		1,374,325
Provisions for liabilities	18		<u>(103,000)</u>		<u>(97,000)</u>
Net assets			<u>1,283,572</u>		<u>1,277,325</u>
Income funds					
Restricted funds	20		259,327		277,771
<u>Unrestricted funds</u>					
Designated funds	21	228,314		237,979	
General unrestricted funds		<u>795,931</u>		<u>761,575</u>	
			<u>1,024,245</u>		<u>999,554</u>
			<u>1,283,572</u>		<u>1,277,325</u>

DIGARTREF CYF.

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2024

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2024, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 2 September 2024

B A Hughes
Trustee



D LI Jones
Trustee



Company registration number 3516328

DIGARTREF CYF.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from operations	24		384,850		60,190
Investing activities					
Proceeds from disposal of investments		(6,000)		1,000	
Investment income received		9,602		1,444	
Net cash generated from investing activities			3,602		2,444
Financing activities					
Repayment of bank loans		(6,317)		(49,086)	
Net cash used in financing activities			(6,317)		(49,086)
Net increase in cash and cash equivalents			382,135		13,548
Cash and cash equivalents at beginning of year			806,323		792,775
Cash and cash equivalents at end of year			1,188,458		806,323

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

Digartref Cyf. is a private company limited by guarantee incorporated in England and Wales. The registered office is Units 1, 2, 4 & 5 Holyhead Enterprise Centre, Kingsland Road, Holyhead, Anglesey, LL65 2HY.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

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

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

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

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Depreciation is provided at the rate of 30% (reducing balance) per annum on equipment, fixture and fittings. Individual items costing less than £1,000 are not capitalised. Premises acquired and developed by the Charity are depreciated on a straight line basis over a period of 25 years starting in the year of commencement of operations from these premises following their acquisition and redevelopment. Impairment reviews are carried out on a regular basis.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

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

1.9 Financial instruments

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

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.10 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation 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.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

1.11 Employee benefits

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

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

2 Critical accounting estimates and judgements

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

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

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Donations and gifts	7,845	17,735

4 Charitable activities

	2024	2023
	£	£
Grants and Rents	1,352,820	1,277,066

Grants received amounted to £1,141,825 (2023: 962,663)

Rents received amounted to £210,995 (2023: 314,403)

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Office charges and contributions	56,073	40,887
Management income	9,753	12,234
Other trading activities	65,826	53,121

6 Investments

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Bank interest received	9,602	1,444

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

7 Charitable activities

	2024 £	2023 £
Staff costs	936,882	882,993
Depreciation and impairment	19,731	23,055
Rent, rates and insurance	138,734	129,744
Heat and Light	36,011	26,917
Advertising and recruitment	2,134	2,718
Support, travel & subsistence	18,074	13,319
Training costs	14,809	9,639
Other charitable expenditure	252,152	207,232
	<u>1,418,527</u>	<u>1,295,617</u>
Share of governance costs (see note 8)	5,319	6,073
	<u>1,423,846</u>	<u>1,301,690</u>

8 Support costs

	Support costs £	Governance costs £	2024 £	2023 £
Audit fees	-	3,120	3,120	3,120
Legal and professional	-	1,512	1,512	2,142
AGM Costs	-	687	687	811
	<u>-</u>	<u>5,319</u>	<u>5,319</u>	<u>6,073</u>
Analysed between Charitable activities	-	5,319	5,319	6,073

Governance costs include payments to the auditors of £3,120 (2022: £3,120) for audit fees.

9 Trustees

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

Expenses paid to trustees amounted to £nil (2023: £127)

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

10 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Llys y Gwynt and Floating Support staff	8	8
Coedlys and Floating Support staff	7	7
Outreach staff	3	3
Learning for Life and Mediation	3	3
Lighthouse & Resettlement/Canada Gardens	5	5
Rural Homelessness (Lottery)	3	3
Relief staff	2	2
Chief Executive Officer and managers	4	4
Finance and administration staff	3	3
Cleaners and caretakers	2	2
Total	<u>40</u>	<u>40</u>

Employment costs	2024 £	2023 £
Wages and salaries	<u>936,882</u>	<u>882,993</u>

Only one employee received emoluments in excess of £60,000, falling in the band of £60,000 to £70,000.

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

11 Pension scheme - Defined Benefit

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 triennial valuation of the scheme for funding purposes was carried out as at 30 September 2017. This valuation revealed a deficit of £1,522m. A Recovery Plan has been put in place with the aim of removing this deficit by 30 September 2026.

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 financing years ending on or after 31 March 2019, it is possible to obtain sufficient information to enable the company to account for the Scheme as a defined benefit scheme.

Actuarial valuations of the scheme were carried out as at 30 September 2023 to inform the liabilities for the accounting year ended 31 March 2024.

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

Present Values of Defined Benefit Obligation, Fair Value of Assets and Defined Benefit Asset (Liability)

	31 March 2024	31 March 2023
	£000's	£000's
Fair value of plan assets	447	450
Present value of defined benefit obligation	550	547
Surplus (deficit) in plan	(103)	(97)
Defined benefit asset (liability) to be recognised	(103)	(97)

Reconciliation of the Impact of the Asset Ceiling

	Period ended 31 March 2024 £000's
Impact of asset ceiling at start of period	-
Effect of the asset ceiling included in net interest cost	-
Actuarial losses (gains) on asset ceiling	-
Impact of assets ceiling at end of period	-

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

11 Pension scheme - Defined Benefit

(Continued)

Reconciliation of Opening and Closing Balances of the Defined Benefit Obligations

	Period ended 31 March 2024 £000's
Defined benefit obligation at start of period	547
Current service cost	-
Expenses	3
Interest expense	26
Member contributions	-
Actuarial losses (gains) due to scheme experience	2
Actuarial losses (gains) due to changes in demographic assumptions	(7)
Actuarial losses (gains) due to changes in financial assumptions	(3)
Benefits paid and expenses	(18)
Defined benefit obligation at end of period	550

Reconciliation of Opening and Closing Balances of the Fair Value of Plan Assets

	Period ended 31 March 2024 £000's
Fair value of plan assets at start of period	450
Interest income	22
Experience on plan assets (excluding amounts included in interest income) — gain (loss)	(33)
Employer contributions	26
Member contributions	-
Benefits paid and expenses	(18)
Fair value of plan assets at end of period	447

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2024 was (£11,000)

Defined Benefit Costs Recognised in Statement of Comprehensive Income (SOI)

	Period from 31 March 2023 to 31 March 2024 £000's
Current service cost	-
Expenses	3
Net interest expense	4
Defined benefit costs recognised in Statement of Comprehensive Income (SoCI)	7

Defined Benefit Costs Recognised in Other Comprehensive Income (OCI)

	Period ended 31 March 2024 (£000's)
Experience on plan assets (excluding amounts included in net interest cost) — gain(loss)	(33)
Experience gains and losses arising on the plan liabilities — gain(loss)	(2)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain(loss)	7
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation — gain(loss)	3
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) — gain(loss)	(25)
Total amount recognised in Other Comprehensive Income - gain (loss)	(25)

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

11 Pension scheme - Defined Benefit

(Continued)

Key Assumptions

	31 March 2024 % per annum	31 March 2023 % per annum
Discount Rate	4.90	4.86
inflation (RPI)	3.15	3.19
Inflation (CPI)	2.78	2.77
Salary Growth	3.78	3.77
Allowance for commutation of pension for cash at retirement	75% of max allowance	75% of max allowance

The mortality assumptions adopted at 31 March 2024 imply the following life expectancies:

	Life expectancy at age 65 (Years)
Male retiring in 2024	20.5
Female retiring in 2024	23.0
Male retiring in 2044	21.8
Female retiring in 2044	24.4

Assets

	31 March 2024 (£000's)	31 March 2023 (£000's)
Global Equity	45	8
Absolute Return	17	5
Distressed Opportunities	16	14
Credit Relative Value	15	17
Alternative Risk Premia	14	1
Emerging Market Debt	6	2
Risk Sharing	26	33
Insurance-Linked Securities	2	11
Property	18	19
Infrastructure	45	51
Private Debt	18	20
Opportunistic Illiquid Credit	17	19
High Yield	-	2
Opportunistic Credit	-	-
Cash	9	3
Corporate Bond Fund	-	-
Liquid Credit	-	-
Long Lease Property	3	14
Secured Income	13	21
Liability Driven Investment	182	208
Currency Hedging	-	1
Net Current Assets	1	1
Total Assets	447	450

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.

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

12 Actuarial gains/(losses) in respect of pension schemes

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Actuarial gain/(loss) in respect of pension schemes	(6,000)	1,000

13 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

14 Tangible fixed assets

	Freehold land and buildings	Equipment, fixtures and fittings	Total
	£	£	£
Cost			
At 1 April 2023	697,949	177,781	875,730
At 31 March 2024	697,949	177,781	875,730
Depreciation and impairment			
At 1 April 2023	169,440	151,919	321,359
Depreciation charged in the year	11,972	7,759	19,731
At 31 March 2024	181,412	159,678	341,090
Carrying amount			
At 31 March 2024	516,537	18,103	534,640
At 31 March 2023	528,509	25,862	554,371

The Trustees are of the opinion that the net book value of buildings does not exceed open market value at the balance sheet date.

15 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	10,373	63,151
Other debtors	34,030	18,674
Prepayments and accrued income	18,613	18,293
	63,016	100,118

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

16 Loans and overdrafts

	2024 £	2023 £
Bank loans	-	6,317
Payable within one year	-	6,317

The bank loan has been fully repaid and the legal charge over the Holyhead Enterprise Centre property has been discharged.

17 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Bank loans	16	-	6,317
Other taxation and social security		13,694	12,612
Deferred grants	19	322,435	36,811
Trade creditors		19,239	4,781
Other creditors		14,951	2,582
Accruals		29,223	23,384
		399,542	86,487

18 Provisions for liabilities

	2024 £	2023 £
Retirement benefit obligations	103,000	97,000

Movements on provisions:

	£
At 1 April 2023	97,000
Actuarial (gain)/loss	6,000
At 31 March 2024	103,000

19 Government grants

Deferred income is included in the financial statements as follows:

	2024 £	2023 £
Deferred income is included within:		
Current liabilities	322,435	36,811

Movements in the year:

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

19	Government grants		(Continued)
	Deferred income at 1 April 2023	36,811	18,811
	Released from previous periods	(36,811)	-
	Resources deferred in the year	322,435	18,000
		<u> </u>	<u> </u>
	Deferred income at 31 March 2024	<u>322,435</u>	<u>36,811</u>

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

20 Restricted funds

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

	Movement in funds				Movement in funds				Balance at 31 March 2024
	Balance at 1 April 2022	Incoming resources	Resources expended	Transfers	Balance at 1 April 2023	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£	£	£	£	£
Restricted Income fund	296,215	-	-	(18,444)	277,771	-	-	(18,444)	259,327

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

21 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2022 £	Transfers £	Balance at 1 April 2023 £	Transfers £	Balance at 31 March 2024 £
Designated major repair fund	33,423	4,556	37,979	(9,665)	28,314
Designated HEC redevelopment fund	200,000	-	200,000	-	200,000
	<u>233,423</u>	<u>4,556</u>	<u>237,979</u>	<u>(9,665)</u>	<u>228,314</u>

22 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total Unrestricted funds 2024 £	Restricted funds 2023 £	Total 2023 £
Fund balances at 31 March 2024 are represented by:					
Tangible assets	534,640	-	534,640	-	554,371
Current assets/(liabilities)	592,605	259,327	851,932	277,771	819,954
Provisions	(103,000)	-	(103,000)	-	(97,000)
	<u>1,024,245</u>	<u>259,327</u>	<u>1,283,572</u>	<u>277,771</u>	<u>1,277,325</u>

23 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

24 Cash generated from operations

	2024 £	2023 £
Surplus for the year	6,247	48,676
Adjustments for:		
Investment income recognised in statement of financial activities	(9,602)	(1,444)
Loss/(gain) on disposal of investments	6,000	(1,000)
Depreciation and impairment of tangible fixed assets	19,731	23,055
Movements in working capital:		
Decrease in debtors	37,102	2,664
Increase/(decrease) in creditors	33,748	(28,761)
(Decrease)/increase in provisions	6,000	(1,000)
Increase in deferred income	285,624	18,000
Cash generated from operations	<u>384,850</u>	<u>60,190</u>

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

25 Analysis of changes in net funds

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	806,323	382,135	1,188,458
Loans falling due within one year	(6,317)	6,317	-
	<u>800,006</u>	<u>388,452</u>	<u>1,188,458</u>

DIGARTREF CYF

England & Wales - Charity number 1076680

Accounts

Charity registration number 1076680

Company registration number 3516328 (England and Wales)

DIGARTREF CYF.
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

DIGARTREF CYF.

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	M Blackburn J G Fraser K A Griffiths B A Hughes D Ll Jones S R Jones C A Kirkwood N Lane	(Appointed 16 November 2022)
	J Morgan F D P Morgan-Hamilton M E Roberts	(Appointed 13 March 2023)
Secretary	A Greenough	
Charity number	1076680	
Company number	3516328	
Registered office	Units 1, 2, 4 & 5 Holyhead Enterprise Centre Kingsland Road Holyhead Anglesey LL65 2HY	
Auditor	Crestmere Limited Unit F1, Intec Ffordd y Parc Parc Menai Bangor Gwynedd United Kingdom LL57 4FG	
Accountant	Azels Brynford House 21 Brynford Street Holywell Flintshire United Kingdom CH8 7RD	

DIGARTREF CYF.

CONTENTS

	Page
Trustees' report	1 - 4
Statement of Trustees' responsibilities	5
Independent auditor's report	6 - 8
Statement of financial activities	9
Balance sheet	10 - 11
Statement of cash flows	12
Notes to the financial statements	13 - 27

DIGARTREF CYF.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their annual report and financial statements for the year ended 31 March 2023.

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 [governing document], 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 1 January 2019).

Objectives and activities

The company was formed to promote the relief of those who are homeless in Northwest Wales, to offer them support in their areas of need, and to support them in achieving independent living.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake and how successful outcomes should be evaluated.

Achievements and performance

The overall performance of the charity throughout 2022/23 has been excellent.

Income remained steady, at similar levels to the previous year across all sources. Digartref Cyf were successful in securing again the Homeless Prevention Grant from the Welsh Government and was awarded a further year's funding commencing April 2023.

In addition, a further 1 year's funding was secured from the Welsh Government under the Youth Innovation Grant, enabling the continued delivery of the Llety Pontio Project under 25's, which works with the private rented sector and the local authority to provide temporary accommodation with support for young people aged 16 to 25 who might otherwise have to be accommodated in emergency B&B provision.

Via funding from the Area Planning Board, the charity was able to continue to deliver an outreach service across Gwynedd and Ynys Mon. This provides for the provision of 3 outreach workers to support those with complex needs including substance misuse and mental health issues, who are homeless or at risk of homelessness.

The Homeless Prevention team (funded through the Welsh Government's Homeless Prevention Grant) and which delivers a range of services including The Lighthouse Day Centre, a mediation and family intervention service, the Learn4Life programme and a generic floating support service, met and exceeded related performance indicators set for 2022/23, providing support and assistance to 329 individuals.

Slightly up on the previous year's figure of 122, 125 individuals accessed the Lighthouse Day Centre during 2022/23. The service opened 365 days, providing homeless related support and assistance, welfare benefit advice, hot food, laundry and shower facilities as well as onward referral to specialist organisation and services. Figures and data for the past 5 years show that there has been a year-on-year increase in the numbers accessing this vital provision and is a crucial service in providing support to those in crisis such as rough sleepers and sofa surfers.

DIGARTREF CYF.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

The charity has reached a decision not to continue with delivery of the Nightstop service which had been put on hold between during the Corona Virus pandemic as it relied on volunteers to host emergency placements in their homes for those who might otherwise find themselves street homeless or placed in emergency B&B. Due to the shift in the numbers accessing the Lighthouse Day Centre, funding available to Digartref Cyf has had to be utilised for the day centre instead due to demand on this service. In addition, the Llety Pontio under 25's project, which was developed during the pandemic now provides temporary accommodation for young people who might find themselves placed in B&B provision by the local authority.

In relation to the charity's supported housing provision, including floating support, 202 referrals were received during the period and 70 individuals aged between 16 and 25, who were homeless or in housing need were accommodated and/or supported. The number housed and supported during 2022/23 highlights an increase on the previous year's figure, up by 18. Move on from supported housing continues to be problematic with a lack of affordable accommodation as well as supply in the private rented sector in particular for this age group. This issue is further impacted by the LHA levels.

Llety Pontio under 25's, funded from the Welsh Government's Youth Innovation Grant supported 13 young people during 2022/23.

Llety Pontio over 25's, is a rapid rehousing model of accommodation with support. During 2022/23, two additional units of accommodation were added to this service taking it to a 4-unit project. During this period, 5 people accessed the provision between the ages of 27 to 52, with 3 moving on to their own longer-term homes.

Mediation is delivered with aim of helping to reduce family breakdowns, particularly where there is a risk of a young person being asked to leave the home and becoming homeless. During 2022/23, 60 individuals accessed the mediation service.

Learn4Life is an Aged accredited learning and training programme. Amongst other outcomes during 2022/23, 34 individuals accessed the programme, with 34 attaining accredited units and 25 non accredited certifications. 5 young people were supported into education, training or volunteering.

The Isle of Anglesey, across which the charity mainly operates, has experienced an increase in 2nd home purchases and private landlords changing their business models from residential to holiday lets. The effect has been to dramatically push up the cost of property sale values as well as rent charges, making it impossible for many of the charity's beneficiaries to move on to affordable, quality accommodation. This situation continues to cause major difficulties and challenges for those who are at risk or experiencing homelessness, the local authority who have the legal duty to assist in this situation as well as for Digartref Cyf which aims to alleviate homelessness.

Financial review

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

DIGARTREF CYF.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Plans for future periods

The aim of the charity continues to be focused on gradually increasing the range of homelessness prevention services it provides and the remodelling of existing services where necessary, to meet the growing demand for homeless related assistance and support from those within our community.

Unfortunately, the charity and its close working partners such as the local authority continue to have to strive to address a growing demand for related services. It is highly likely that this will continue to be the case for the foreseeable future for a range of reasons. The charity forecasts that more people will find it difficult to access and maintain accommodation for several reasons including the matter of affordability, accessibility, and the depletion of suitable housing stock. In addition, it is also extremely likely that the cost-of-living crisis, interest rate increases and the huge hike in energy and food costs will push people further into housing difficulty, being unable to heat their homes, feed themselves and their families, while keeping on top of escalating rent changes in the private rented sector in particular.

The charity's plans for the future development and delivery of services will need to take account of all the issues above as well as those that occur at a local level, for example, the loss of private rented accommodation across the Isle of Anglesey and Gwynedd, with the related sock being lost to more lucrative holiday let models. This is having a detrimental effect on available properties for those people the charity supports. Additionally, being homeless in a rural area brings its own specific challenges such as one's ability to travel to appointments, and accessing key services, supermarkets, G.P appointments etc. adding to everyday costs while on an extremely low income at the same time living costs are escalating. Digartref and its partners will therefore aim to take services, support and advice out to the more rural areas of Anglesey and Gwynedd, aiming to address hidden homelessness and reduce the need for people to travel into the main towns to access services.

At the end of 2022/23 Digartref Cyf as the lead organisation of a partnership project, were successful in securing a 5-year funding grant from the National Lottery Community Fund. The Helping End Homelessness Rural grant, will enable the partners, including Digartref Cyf, CAB, Mind, Bwyd da Mon, Wild Elements, the probation service and the local authority to roll out a service during 2023/24 that will be able to better respond to the challenges rural homelessness presents for those experiencing related difficulties as well as in delivering responsive wrap around services.

The aim to develop a homeless hub at the Holyhead Enterprise Centre remains a key priority for the charity and is also a strategic aim of the local authority which supports this development. In achieving this aim, Digartref Cyf will be able to provide a range of homeless and other community services under one roof and will ensure a more modern, spacious Day Centre with capacity to support the increasing number of people who access that service year on year. We are delighted to report that there has been further progress over the past few months, and we are currently awaiting the outcome of large capital grant application.

Structure, governance and management

The charity is a company limited by guarantee and governed in accordance with its Memorandum and Articles of Association.

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

M Blackburn

J G Fraser

K A Griffiths

B A Hughes

D Li Jones

S R Jones

C A Kirkwood

N Lane

(Appointed 18 November 2022)

J Morgan

F D P Morgan-Hamilton

(Appointed 13 March 2023)

M E Roberts

G M Beaken

(Resigned 23 June 2022)

DIGARTREF CYF.

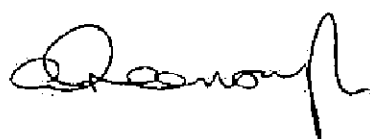
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Trustees are recruited from professional and related backgrounds, and training is available to them. The organisational structure is based on formal governance. The Board meets at regular intervals to consider strategic matters and monitor operations.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

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

A Greenough



4 October 2023

DIGARTREF CYF.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2023

The trustees, who are also the directors of Digartref Cyf. for the purpose of company law, are responsible for preparing the Trustees' Report 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIGARTREF CYF.

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF DIGARTREF CYF.

Opinion

We have audited the financial statements of Digartref Cyf. (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

DIGARTREF CYF.

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF DIGARTREF CYF.

Responsibilities of trustees

As explained more fully in the statement of Trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

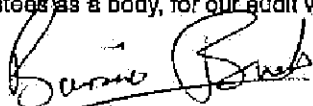
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

DIGARTREF CYF.

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF DIGARTREF CYF.

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Barrie Buels FCCA FCIE
(Senior Statutory Auditor)
Crestmere Limited**

4 October 2023

**Chartered Certified Accountants
Statutory Auditor**

Unit F1, Intec
Ffordd y Parc
Parc Menai
Bangor
Gwynedd
United Kingdom
LL57 4FG

DIGARTREF CYF.

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from:							
Donations and legacies	3	17,735	-	17,735	12,315	-	12,315
Charitable activities	4	1,277,066	-	1,277,066	1,283,125	-	1,283,125
Other trading activities	5	53,121	-	53,121	1,570	-	1,570
Investments	6	1,444	-	1,444	58	-	58
Total income		1,349,366	-	1,349,366	1,297,068	-	1,297,068
Expenditure on:							
Charitable activities	7	1,301,680	-	1,301,680	1,139,422	-	1,139,422
Actuarial gains/(losses) in respect of pension schemes	12	1,000	-	1,000	53,000	-	53,000
Net incoming resources before transfers		48,676	-	48,676	210,646	-	210,646
Gross transfers between funds		18,444	(18,444)	-	18,444	(18,444)	-
Net income/(expenditure) for the year/							
Net movement in funds		67,120	(18,444)	48,676	229,090	(18,444)	210,646
Fund balances at 1 April 2022		932,434	296,215	1,228,649	703,344	314,659	1,018,003
Fund balances at 31 March 2023		999,554	277,771	1,277,325	932,434	296,215	1,228,649

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

All income and expenditure derive from continuing activities.

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

DIGARTREF CYF.**BALANCE SHEET****AS AT 31 MARCH 2023**

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	14		554,371		577,426
Current assets					
Debtors	15	100,118		102,782	
Cash at bank and in hand		806,323		782,775	
		906,441		885,557	
Creditors: amounts falling due within one year	17	(86,487)		(99,832)	
Net current assets			819,954		785,725
Total assets less current liabilities			1,374,325		1,373,151
Creditors: amounts falling due after more than one year	18		-		(46,502)
Provisions for liabilities	19		(97,000)		(98,000)
Net assets			1,277,325		1,228,649
Income funds					
Restricted funds	21		277,771		286,215
<u>Unrestricted funds</u>					
Designated funds	22	237,979		233,423	
General unrestricted funds		761,575		699,011	
			999,554		932,434
			1,277,325		1,228,649

DIGARTREF CYF.

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2023

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

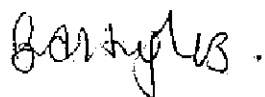
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 4 October 2023

B A Hughes
Trustee



D LI Jones
Trustee



Company registration number 3518328

DIGARTREF CYF.**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	25		60,180		101,205
Investing activities					
Purchase of tangible fixed assets		-		(36,128)	
Proceeds from disposal of investments		1,000		53,000	
Investment Income received		1,444		58	
Net cash generated from Investing activities			2,444		16,930
Financing activities					
Repayment of bank loans		(49,086)		(7,468)	
Net cash used in financing activities			(49,086)		(7,468)
Net increase in cash and cash equivalents			13,548		110,667
Cash and cash equivalents at beginning of year			792,775		682,108
Cash and cash equivalents at end of year			806,323		792,775

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity Information

Digartref Cyf. is a private company limited by guarantee incorporated in England and Wales. The registered office is Units 1, 2, 4 & 5 Holyhead Enterprise Centre, Kingsland Road, Holyhead, Anglesey, LL65 2HY.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

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

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

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

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Depreciation is provided at the rate of 30% (reducing balance) per annum on equipment, fixture and fittings. Individual items costing less than £1,000 are not capitalised. Premises acquired and developed by the Charity are depreciated on a straight line basis over a period of 25 years starting in the year of commencement of operations from these premises following their acquisition and redevelopment. Impairment reviews are carried out on a regular basis.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

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

1.9 Financial instruments

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

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.10 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation 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.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

1.11 Employee benefits

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

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

2 Critical accounting estimates and judgements

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

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

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Donations and gifts	<u>17,735</u>	<u>12,315</u>

4 Charitable activities

	2023	2022
	£	£
Grants and Rents	<u>1,277,068</u>	<u>1,283,125</u>

Grants received amounted to £962,663

Rents received amounted to £314,403

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Office charges and contributions	40,887	1,570
Management income	<u>12,234</u>	<u>-</u>
Other trading activities	<u>53,121</u>	<u>1,570</u>

6 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Bank Interest received	<u>1,444</u>	<u>58</u>

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

7 Charitable activities

	2023 £	2022 £
Staff costs	882,993	827,858
Depreciation and impairment	23,055	19,112
Rent, rates and insurance	128,744	125,892
Heat and Light	26,917	25,171
Advertising and recruitment	2,718	2,949
Support, travel & subsistence	13,319	16,352
Training costs	9,839	8,687
Other charitable expenditure	207,232	120,227
	<u>1,295,617</u>	<u>1,146,248</u>
Share of governance costs (see note 8)	6,073	(6,826)
	<u>1,301,690</u>	<u>1,139,422</u>

8 Support costs

	Support costs £	Governance costs £	2023 £	2022 £
Audit fees	-	3,120	3,120	3,120
Legal and professional	-	2,142	2,142	-
Central Overheads Charge	-	-	-	(9,946)
AGM Costs	-	811	811	-
	<u>-</u>	<u>6,073</u>	<u>6,073</u>	<u>(6,826)</u>
Analysed between				
Charitable activities	-	6,073	6,073	(6,826)

Governance costs include payments to the auditors of £3,120 (2022: £3,120) for audit fees.

9 Trustees

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

Expenses paid to trustees amounted to £127 (2022: £nil)

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

10 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Llys y Gwynt cluster	13	12
Coedlys Cluster	12	12
Homeless Prevention and Day Centre	8	8
Other Projects	4	3
Administrative Support	3	3
Total	<u>40</u>	<u>38</u>
Employment costs	2023 £	2022 £
Wages and salaries	<u>882,993</u>	<u>827,858</u>

Only one employee received emoluments in excess of £60,000, falling in the band of £60,000 to £70,000.

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

11 Pension scheme - Defined Benefit

The company participates in the 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 triennial valuation of the scheme for funding purposes was carried out as at 30 September 2017. This valuation revealed a deficit of £1,522m. A Recovery Plan has been put in place with the aim of removing this deficit by 30 September 2026.

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 financing years ending on or after 31 March 2019, it is possible to obtain sufficient information to enable the company to account for the Scheme as a defined benefit scheme.

Actuarial valuations of the scheme were carried out as at 30 September 2022 to inform the liabilities for the accounting year ended 31 March 2023.

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

Present Values of Defined Benefit Obligation, Fair Value of Assets and Defined Benefit Asset (Liability)

	31 March 2023 £000's	31 March 2022 £000's
Fair value of plan assets	450	697
Present value of defined benefit obligation	547	795
Surplus (deficit) in plan	(97)	(98)
Defined benefit asset (liability) to be recognised	(97)	(98)

Reconciliation of the Impact of the Asset Ceiling

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

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

11 Pension scheme - Defined Benefit

(Continued)

Reconciliation of Opening and Closing Balances of the Defined Benefit Obligations

	Period ended 31 March 2023 £000's	
Defined benefit obligation at start of period		795
Current service cost	-	
Expenses	3	
Interest expense		22
Member contributions	-	
Actuarial losses (gains) due to scheme experience	(18)	
Actuarial losses (gains) due to changes in demographic assumptions		(1)
Actuarial losses (gains) due to changes in financial assumptions	(233)	
Benefits paid and expenses	(21)	
Defined benefit obligation at end of period	547	

Reconciliation of Opening and Closing Balances of the Fair Value of Plan Assets

	Period ended 31 March 2023 £000's	
Fair value of plan assets at start of period	697	
Interest income	20	
Experience on plan assets (excluding amounts included in interest income) — gain (loss)	(275)	
Employer contributions	29	
Member contributions	-	
Benefits paid and expenses	(21)	
Fair value of plan assets at end of period	450	

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2023 was (£255,000).

Defined Benefit Costs Recognised In Statement of Comprehensive Income (SoCI)

	Period from 31 March 2022 to 31 March 2023 £000's	
Current service cost	-	
Expenses	3	
Net interest expense	2	
Defined benefit costs recognised in Statement of Comprehensive Income (SoCI)		5

Defined Benefit Costs Recognised In Other Comprehensive Income (OCI)

	Period ended 31 March 2023 (£000's)	
Experience on plan assets (excluding amounts included in net interest cost) — gain(loss)		(275)
Experience gains and losses arising on the plan liabilities — gain(loss)		18
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain(loss)	1	
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation — gain(loss)		233
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) — gain(loss)	(23)	
Total amount recognised in Other Recognised Gains/(Losses)		(23)

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

11 Pension scheme - Defined Benefit

(Continued)

Key Assumptions

	31 March 2023 % per annum	31 March 2022 % per annum
Discount Rate	4.86	2.79
Inflation (RPI)	3.19	3.54
Inflation (CPI)	2.77	3.17
Salary Growth	3.77	4.17
Allowance for commutation of pension for cash at retirement	75% of max allowance	75% of max 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

Assets

	31 March 2023 (£000's)	31 March 2022 (£000's)
Global Equity	8	134
Absolute Return	6	28
Distressed Opportunities	14	25
Credit Relative Value	17	23
Alternative Risk Premia	1	23
Emerging Market Debt	2	20
Risk Sharing	33	23
Insurance-Linked Securities	11	16
Property	19	19
Infrastructure	51	50
Private Debt	20	18
Opportunistic Illiquid Credit	19	23
High Yield	2	6
Opportunistic Credit	-	2
Cash	3	2
Corporate Bond Fund	-	-
47	-	-
Liquid Credit	-	-
-	-	-
Long Lease Property	14	18
Secured Income	21	26
Liability Driven Investment	208	-
195	-	-
Currency Hedging	1	(3)
Net Current Assets	1	2
Total Assets	450	692

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.

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

12 Actuarial gains/(losses) in respect of pension schemes

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Actuarial gain/(loss) in respect of pension schemes	1,000	53,000

13 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

14 Tangible fixed assets

	Freehold land and buildings	Equipment, fixtures and fittings	Total
	£	£	£
Cost			
At 1 April 2022	697,949	177,781	875,730
At 31 March 2023	697,949	177,781	875,730
Depreciation and impairment			
At 1 April 2022	157,468	140,836	298,304
Depreciation charged in the year	11,972	11,083	23,055
At 31 March 2023	169,440	151,919	321,359
Carrying amount			
At 31 March 2023	528,509	25,862	554,371
At 31 March 2022	540,481	36,945	577,426

The Trustees are of the opinion that the net book value of buildings does not exceed open market value at the balance sheet date.

15 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	63,151	20,221
Other debtors	18,674	74,733
Prepayments and accrued income	18,293	7,828
	100,118	102,782

DIGARTREF CYF.**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2023****16 Loans and overdrafts**

	2023	2022
	£	£
Bank loans	<u>6,317</u>	<u>55,403</u>
Payable within one year	6,317	8,901
Payable after one year	<u>-</u>	<u>46,502</u>

The loan is repayable over a period of 10 years from March 2019 and is secured by legal charge over the Holyhead Enterprise Centre property.

17 Creditors: amounts falling due within one year

	Notes	2023	2022
		£	£
Bank loans	16	6,317	8,901
Other taxation and social security		12,612	13,057
Deferred grants	20	36,811	18,811
Trade creditors		4,781	29,769
Other creditors		2,582	2,572
Accruals		23,384	28,722
		<u>86,487</u>	<u>99,832</u>

18 Creditors: amounts falling due after more than one year

	Notes	2023	2022
		£	£
Bank loans	16	<u>-</u>	<u>46,502</u>

19 Provisions for liabilities

	2023	2022
	£	£
	<u>97,000</u>	<u>98,000</u>

Movements on provisions:

	£
At 1 April 2022	98,000
Actuarial (gain)/loss	<u>(1,000)</u>
At 31 March 2023	<u>97,000</u>

20 Government grants

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

20 Government grants

(Continued)

Deferred income is included in the financial statements as follows:

	2023 £	2022 £
Deferred income is included within:		
Current liabilities	36,811	18,811
Movements in the year:		
Deferred income at 1 April 2022	18,811	20,449
Released from previous periods	-	(1,638)
Resources deferred in the year	18,000	-
Deferred income at 31 March 2023	36,811	18,811

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

21 Restricted funds

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

	Balance at 1 April 2021 £	Movement in funds		Balance at 1 April 2022 £	Movement in funds		Transfers	Balance at 31 March 2023 £
	£	Incoming resources	Resources expended	£	Incoming resources	Resources expended	£	£
Restricted Income fund	314,659	-	-	296,215	-	-	(18,444)	277,771

DIGARTREF CYF.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

22 Designated funds

The Income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2021 £	Transfers £	Balance at 1 April 2022 £	Transfers £	Balance at 31 March 2023 £
Designated major repair fund	29,000	4,423	33,423	4,556	37,979
Designated HEC redevelopment fund	100,000	100,000	200,000	-	200,000
	<u>129,000</u>	<u>104,423</u>	<u>233,423</u>	<u>4,556</u>	<u>237,979</u>

23 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 March 2023 are represented by:						
Tangible assets	554,371	-	554,371	577,426	-	577,426
Current assets/(liabilities)	542,183	277,771	819,954	499,610	296,215	795,725
Long term liabilities	-	-	-	(46,502)	-	(46,502)
Provisions	(87,000)	-	(97,000)	(98,000)	-	(98,000)
	<u>999,554</u>	<u>277,771</u>	<u>1,277,325</u>	<u>932,434</u>	<u>296,215</u>	<u>1,228,649</u>

24 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

25 Cash generated from operations

	2023 £	2022 £
Surplus for the year	48,676	210,646
Adjustments for:		
Investment income recognised in statement of financial activities	(1,444)	(58)
Gain on disposal of investments	(1,000)	(53,000)
Depreciation and impairment of tangible fixed assets	23,055	19,112
Movements in working capital:		
Decrease/(increase) in debtors	2,664	(27,501)
(Decrease)/increase in creditors	(28,761)	25,644
Increase in provisions	(1,000)	(72,000)
Increase/(decrease) in deferred income	18,000	(1,638)
Cash generated from operations	<u>60,190</u>	<u>101,205</u>

DIGARTREF CYF.**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2023****26 Analysis of changes in net funds**

	At 1 April 2022	Cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	792,775	13,548	806,323
Loans falling due within one year	(8,901)	2,584	(6,317)
Loans falling due after more than one year	(46,502)	46,502	-
	<u>737,372</u>	<u>62,634</u>	<u>800,006</u>

DIGARTREF CYF

England & Wales - Charity number 1076680

Accounts

DIGARTREF CYF
(A COMPANY LIMITED BY GUARANTEE)

REPORT AND ACCOUNTS FOR THE YEAR
ENDED 31 MARCH 2022

COMPANY NUMBER 3516328

CHARITY NUMBER 1076680 (England and Wales)

DIGARTREF CYF

CONTENTS OF THE REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

	<u>Page</u>
COMPANY DETAILS	2
TRUSTEES' REPORT	3
AUDITORS' REPORT	7
STATEMENT OF FINANCIAL ACTIVITIES	10
BALANCE SHEET	11
STATEMENT OF CASH FLOWS	12
NOTES TO THE ACCOUNTS	13

DIGARTREF CYF

COMPANY / CHARITY DETAILS

Name - Digartref Cyf

Status - Company limited by guarantee

Charity Number - 1076680

Company Number - 3516328

Principal Office - Enterprise Centre, Holyhead, LL65 2HY

Chief Executive – Wendy Hughes

Auditor - Crestmere Limited, Unit F1, Intec, Parc Menai, Bangor, LL57 4FG

DIGARTREF CYFDIRECTORS' / TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The Directors / Trustees present their report and the accounts of the company for the year ended 31 March 2022. The report and accounts have been prepared to meet the requirements for a Directors' Report and Accounts for Companies Act purposes.

1. Objectives and Activities

The company was formed to promote the relief of those who are homeless in North West Wales, to offer them support in their areas of need, and to support them in achieving independent living. The results of the year's activities are shown on page 9. The Trustees have paid due regard to the guidance issued by the Charities Commission on public benefit in deciding what activities the Charity should undertake and how successful outcomes should be evaluated.

2. Structure, Governance and Management

The charity is a company limited by guarantee and governed in accordance with its Memorandum and Articles of Association. The Directors / Trustees who served during the period were:-

J Morgan
D LI Jones
B A Hughes
C A Appleton-Owen
M E Roberts

S R Jones
M Blackburn
K A Griffiths
G M Beeken

Trustees are recruited from professional and related backgrounds, and training is available to them. The organisational structure is based on formal governance. The Board meets at regular intervals to consider strategic matters and monitor operations.

3. Achievements and Performance

The overall performance of the charity throughout 2021/22 has been excellent. More face-to-face support was provided to its beneficiaries as the Corona virus restrictions began to ease,

Income remained steady, at similar levels to the previous year across all sources. Digartref Cyf were successful in securing again the Homeless Prevention Grant from the Welsh Government and was awarded a further year's funding commencing April 2022.

In addition, a further 1 year's funding was secured from the Welsh Government under the Youth Innovation Grant, enabling the continued deliver of the Llety Pontio Project, which works with the private rented sector and the local authority to provide temporary accommodation with support for young people aged 16 to 25 who might otherwise have to be accommodated in emergency B&B provision.

Via funding from the Area Planning Board, the charity was able to continue to deliver an outreach service across Gwynedd and Ynys Mon following a review of the service. This provides for the provision of 3 outreach workers to support those with complex needs including substance misuse and mental health issues, who are homeless or at risk of homelessness.

The Homeless Prevention team (funded through the Welsh Government's Homeless Prevention Grant) and which delivers a range of services including, The Lighthouse day Centre, a mediation and family intervention service, the Learn4Life programme and a generic floating support service, met and exceed related performance indicators set for 2021/22, providing support and assistance to 397 individuals compared to 340 in the previous financial year.

Up on the previous year's figure of 111, 122 individuals accessed the Lighthouse Day Centre during 2021/22. Despite the restrictions and difficulties staff faced in relation to the pandemic and related safe working measures, the service opened 365 days, providing homeless related support and assistance, welfare benefit advice, hot food, laundry and shower facilities as well as onward referral to specialist

DIRECTORS' / TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

services. Figures and data for the past 4 years show that there has been a year-on-year increase in the numbers accessing this vital provision and is a crucial service in providing support to those in crisis such as rough sleepers and sofa surfers.

The delivery of Nightstop was put on hold between 2020 and early 2022, due mainly to the Corona Virus pandemic as it relies on volunteers to host emergency placements in their homes for those who might otherwise find themselves street homeless or placed in emergency B&B.

In relation to the charity's supported housing provision, including floating support, 178 referrals were received during the period and 52 individuals aged between 16 and 25, who were homeless or in housing need were accommodated and/or supported. The number housed and supported during 2021/22 is down from 96 in the previous year and reflects how extremely difficult it is to move young people through the service and on to their own long term accommodation post pandemic, with a lack of affordable accommodation, social housing and private rented sector properties being available.

Llety Pontio, one of the charity's more recently funded projects (via the Youth Innovation Grant) continues to develop and establish itself. During 2021/22, 15 young people aged between 16 to 24 accessed the service, receiving support and accommodation.

The Isle of Anglesey, across which the charity mainly operates, has experienced an increase in 2nd home purchases and private landlords changing their business models from residential to holiday lets. The effect has been to dramatically push up the cost of property sale values as well as rent charges, making it impossible for many of the charity's beneficiaries to move on to affordable, quality accommodation. This situation poses major difficulties and challenges for those who are at risk or experiencing homelessness, the local authority who have the legal duty to assist in this situation as well as for Digartref Cyf which aims to alleviate homelessness.

4. Reserves Policy

At 31 March 2022 the charity's unrestricted funds amounted to £932434, of which £281211 was invested in fixed assets and £233423 was designated towards major repair expenditure and redevelopment of the Holyhead Enterprise Centre, leaving free reserves of £417800. The Trustees consider that free reserves of at least this amount are required to finance future capital expenditure plans and to ensure continuation or an orderly reduction of operation given the unpredictability of future funding and costs.

5. Risk Management

The Trustees have identified 5 main areas of risk to which the charity is exposed as follows:

Governance Risks

Operational Risks

Financial Risks

External Risks

Compliance and Regulatory Risks

The Trustees have established systems regularly review related risks and to mitigate against these. Financial risk is managed primarily by setting and monitoring budgets for key functions based on income sources.

6. Plans for the Future

The aim of the charity continues to be focused on gradually increasing the range of homelessness prevention services it provides and the remodelling of existing services where necessary, to meet the growing demand for homeless related assistance and support from those within our community.

Unfortunately, based up on experience and knowledge in the related field, it is highly likely that demand for the charity's services will continue to grow in the foreseeable future for a range of reasons. The charity forecasts that more people will find it difficult to access and maintain accommodation for several reasons including the matter of affordability, accessibility, and the depletion of suitable housing stock. In addition, it is also extremely likely that the cost-of-living crisis and the huge hike in energy costs will

DIRECTORS' / TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

push people further into housing difficulty, being unable to heat their homes, feed themselves and their families, while keeping on top of escalating rent changes in the private rented sector in particular.

Specific to the post pandemic period, the charity's personnel and other key agencies are observing an increase in the numbers of people sleeping rough, sofa surfing or in unsuitable temporary accommodation as the special measures put in place by the Welsh Government to address homelessness during the pandemic are removed. Such measures included people being temporarily accommodated, taking them off the streets, and landlords not being able to evict tenants etc.

The charity's plans for the future development and delivery of services will need to take account of all the issues above as well as those that occur at a local level, for example, there has been a huge shift within the private rented sector across the Isle of Anglesey and Gwynedd, with private rented accommodation available in this area being lost to more lucrative holiday let models. This is having a detrimental effect on available properties for those people the charity supports. Additionally, being homeless in a rural area brings its own specific challenges such as one's ability to travel to appointments, and accessing key services, supermarkets, G.P appointments etc. adding to everyday costs while on an extremely low income at the same time living costs are escalating. Digartref and its partners will therefore aim to take services, support and advice out to the more rural areas of Anglesey and Gwynedd, aiming to address hidden homelessness and reduce the need for people to travel into the main towns to access services.

The aim to develop a homeless hub at the Holyhead Enterprise Centre remains a priority for Digartref and will provide a range of homeless and other community services under one roof and will ensure a more modern, spacious Day Centre with capacity to support the increasing number of people who access that service year on year. We are delighted to report that there has been further progress over the past few months, and we are currently awaiting the outcome of a planning application. In relation to this development, the charity is now poised to commence work on identifying and applying for related capital funding.

7. Small Company Exemption

In preparing this report the directors have taken advantage of the special exemptions applicable to small companies.

8. Statement of Directors' / Trustees' Responsibilities

The trustees (who are also directors of Digartref Cyf for the purposes of company law) are responsible for preparing the trustees' report (incorporating the directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (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 income and expenditure of the charitable company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

DIGARTREF CYF

DIRECTORS' / TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

9. Disclosure to Auditors

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are not aware; 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.

By Order of the Board,

Registered Office:
Enterprise Centre
Holyhead

A Greenough (Secretary)

15 September 2022

DIGARTREF CYFINDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF DIGARTREF CYFOpinion

We have audited the financial statements of Digartref Cyf (the 'Charity') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement, and the 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, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2022, and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the *Companies Act 2006*.

Basis for opinion

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

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 company's ability to continue as a going concern for a period of at least 12 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 other information comprises the information included in the annual report other than the financial statements and our Auditor's report thereon. The trustees are 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.

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.

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 trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

DIGARTREF CYFINDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF DIGARTREF CYF (CONTINUED)

- the trustees' report 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 Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 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;
- the financial statements are not in agreement with the accounting records and returns;
- we have not obtained all the information and explanations necessary for the purposes of our audit;
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime, take advantage of the small companies' exemption in preparing the directors' report, and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, 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 they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly, we have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 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.

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement principal ensured he had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- laws and regulations applicable to the charitable company were identified through discussions with trustees and other management, and from knowledge and experience of the charity and the charity sector;
- specific focus was made on laws and regulations which may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006,

DIGARTREF CYFINDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF DIGARTREF CYF (CONTINUED)

The Charities Act 2011, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;

- the extent of compliance with the laws and regulations identified above was assessed through making enquiries of management and inspecting legal correspondence; and
- throughout the audit process non-compliance with the identified laws and regulations was closely considered.

Susceptibility of the company's financial statements to material misstatement was assessed, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls:

- analytical procedures were performed to identify any unusual or unexpected relationships;
- journal entries to identify unusual transactions;
- an assessment was made of whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- the rationale behind significant or unusual transactions was investigated.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors;
- auditing the risk of management override of controls.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors/trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of this report

This report is made solely to the company's trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, or the opinions we have formed.

Barrie Buels (Senior Statutory Auditor)
For and behalf of
Crestmere Limited
Chartered Certified Accountants and Statutory Auditor
15 September 2022

Unit F1
Intec
Parc Menai
Bangor

DIGARTREF CYFSTATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022

<u>2021</u>	<u>Note</u>	<u>RESTRICTED INCOME FUND</u>	<u>UNRESTRICTED INCOME FUNDS</u>	<u>TOTAL</u>
<u>INCOME</u>				
13826 Donations		---	12315	12315
Charitable Activities				
1177340 - Grants and Rents		---	1283125	1283125
11487 - Other		---	1570	1570
444 Bank Interest		---	58	58
1203097 TOTAL INCOME		---	1297068	1297068
<u>EXPENDITURE</u>				
1146598 Charitable Activities	2	---	1139422	1139422
1146598 TOTAL EXPENDITURE		---	1139422	1139422
56499 NET INCOME / (EXPENDITURE)		---	157646	157646
OTHER RECOGNISED GAINS / (LOSSES)				
(114000) Actuarial gain / (loss) in respect of pension schemes	4	---	53000	53000
--- TRANSFER BETWEEN FUNDS		(18444)	18444	---
(57501) NET MOVEMENT IN FUNDS		(18444)	229090	210646
1075504 Funds brought forward		314659	703344	1018003
£1018003 FUNDS CARRIED FORWARD		£296215	£932434	£1228649

The Statement of Financial Activities also complies with the requirements for an Income and Expenditure Account under the Companies Act 2006.

The results for the year derive from continuing activities and there are no gains or losses other than those shown above.

DIGARTREF CYFBALANCE SHEET AS AT 31 MARCH 2022

<u>2021</u>		<u>Note</u>	
	<u>FIXED ASSETS</u>		
560410	Tangible Assets	5	577426
	<u>CURRENT ASSETS</u>		
682237	Cash at Bank and in Hand		792775
75221	Debtors and Prepayments		102782
<u>757458</u>			<u>895557</u>
	<u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>		
22003	Sundry Creditors		45067
44991	Accruals and Deferred Income	6	45864
8778	Loans	7	8901
<u>75772</u>			<u>99832</u>
			<u>795725</u>
681686	<u>NET CURRENT ASSETS</u>		1373151
<u>1242096</u>			
	<u>CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR</u>		
54093	Loans	7	46502
<u>1188003</u>			<u>1326649</u>
170000	<u>PROVISIONS FOR LIABILITIES AND CHARGES</u>	4	98000
<u>£1018003</u>			<u>£1228649</u>
	<u>UNRESTRICTED INCOME FUNDS</u>	9	932434
703344	<u>RESTRICTED INCOME FUND</u>	9	296215
314659			
<u>£1018003</u>			<u>£1228649</u>

The company is entitled to the exemption from the audit requirement contained in Section 477 of the Companies Act 2006, for the year ended 31 March 2022, although an audit has been carried out under Section 144 of the Charities Act 2011. No member of the company has deposited a notice pursuant to section 476 requiring an audit of these accounts under the requirements of the Companies Act 2006.

The directors acknowledge their responsibility for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and if its incoming resources and application of resources, including its income and expenditure, for the financial year are in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

The financial statements were approved by the board of directors on 15 September 2022 and signed on its behalf by:

J Morgan

D LI Jones

Company N^o: 3516328

DIGARTREF CYFSTATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 20222021

(57501)	Net movement in funds	210646
65000	Add: Depreciation	19112
(444)	Deduct: Interest received	(58)
932	Decrease / (increase) in debtors	(27561)
(1040)	Increase / (decrease) in creditors falling due within one year	23937
94000	Increase / (decrease) in provisions	(72000)
<u>100947</u>	Net cash from / (used in) operating activities	<u>154076</u>
	Cash flows from investing activities	
444	- Interest received	58
(1230)	- Acquisition of tangible fixed assets	(36128)
	Cash flows from financing activities	
(6328)	- Loans received / (repaid)	(7468)
<u>93833</u>	Increase / (decrease) in cash in the year	<u>110538</u>
588404	Cash at beginning of the year	682237
<u>£682237</u>	Cash at end of the year	<u>£792775</u>

DIGARTREF CYF

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting Policies

(a) Duration

These financial statements are prepared for the year ended 31 March 2022; comparative figures refer to the year ended 31 March 2021.

(b) Convention and Policies

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 Section 1A).

The financial statements are denominated in sterling. Recording is to the nearest £1.

Digartref Cyf meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The charity reported a net cash inflow of £163775 for the year. The Trustees are of the view that the charity is a going concern. In forming their opinion the Trustees are aware of no material uncertainties which might affect the charity's ability to continue as a going concern.

Incoming Resources -

All grants and other generated funds which are revenue in nature are recognised when they become receivable. During the year funds comprised one restricted income fund and an unrestricted income fund. Accruals are provided at the year end for money earmarked for specific applications.

Resources expended -

Liabilities are recognised in the financial statements on an accrual basis.

Where appropriate, resources expended are stated inclusive of any irrecoverable Value Added Tax.

Governance costs comprise an appropriate proportion of management costs plus professional fees.

(c) Tangible Fixed Assets

Depreciation is provided at the rate of 30% (reducing balance) per annum on equipment, fixtures and fittings. Individual items costing less than £1000 are not capitalised. The capitalised building costs relating to premises occupied under management agreements have been depreciated fully this year. Premises acquired and developed by the Charity are depreciated on a straight-line basis over a period of 25 years starting in the year of commencement of operations from these premises following their acquisition and redevelopment. Impairment reviews are carried out on a regular basis.

(d) Capital Grants

Capital Grants and In-Kind Contributions received and receivable in relation to the acquisition and development of land and buildings by the Charity are accounted for in a Restricted Income Fund, and are then transferred to Unrestricted Income Funds in line with the depreciation policy outlined in (c) above.

DIGARTREF CYFNOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

(e) Pension Scheme

The company participates in both defined contribution and defined benefit schemes operated by the Social Housing Pension Scheme. Contributions in respect of the defined contribution scheme are charged to the Income and Expenditure Account for the year in which they are payable to the Scheme. The defined benefit scheme is accounted for in accordance with FRS 102 (see note 4).

(f) Liabilities

Creditors and provisions are recognised when there is a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

2. Charitable and Governance Expenditure

Charitable and governance expenditure includes -

	<u>2022</u>	<u>2021</u>
	£	£
Depreciation	19112	65000
Auditors' Remuneration	4200	3120

An outline of expenditure on charitable activities is set out below –

	<u>2022</u>	<u>2021</u>
	£	£
Llys y Gwynt cluster	395633	416633
Homeless Prevention and Day Centre	234541	196482
Coedlys cluster	328987	282308
Other Projects	<u>180261</u>	<u>251175</u>
	<u>1139422</u>	<u>1146598</u>

None of the trustees (or any persons connected with them) received any remuneration or expenses as trustees during the year.

3. Staff Costs

	<u>2022</u>	<u>2021</u>
	£	£
Wages and Salaries	761331	708779
Social Security Costs	45103	44995
Pension costs	<u>21424</u>	<u>20769</u>
	<u>827858</u>	<u>774543</u>

The average number of employees during the year was:

	<u>2022</u>	<u>2021</u>
Llys y Gwynt cluster	12	12
Coedlys cluster	12	12
Homeless Prevention and Day Centre	8	8
Other Projects	3	3
Administrative support	3	3

Only one employee received emoluments in excess of £60000, falling in the band of £60000 to £70000. The total remuneration and benefits paid to key management personnel amounted to £66237.

DIGARTREF CYFNOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)4. Pension Scheme – Defined Benefit

The company participates in the 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 triennial valuation of the scheme for funding purposes was carried out as at 30 September 2017. This valuation revealed a deficit of £1,522m. A Recovery Plan has been put in place with the aim of removing this deficit by 30 September 2026.

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 financing years ending on or after 31 March 2019, it is possible to obtain sufficient information to enable the company to account for the Scheme as a defined benefit scheme.

Actuarial valuations of the scheme were carried out as at 30 September 2021 to inform the liabilities for the accounting year ended 31 March 2022.

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

Present Values of Defined Benefit Obligation, Fair Value of Assets and Defined Benefit Asset (Liability)

	<u>31 March 2022</u>	<u>31 March 2021</u>
	<u>£000's</u>	<u>£000's</u>
Fair value of plan assets	697	692
Present value of defined benefit obligation	795	862
Surplus (deficit) in plan	(98)	(170)
Defined benefit asset (liability) to be recognised	(98)	(170)

Reconciliation of the Impact of the Asset Ceiling

	<u>Period ended</u>
	<u>31 March 2022</u>
	<u>£000's</u>
Impact of asset ceiling at start of period	-
Effect of the asset ceiling included in net interest cost	-
Actuarial losses (gains) on asset ceiling	-

DIGARTREF CYFNOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)Reconciliation of Opening and Closing Balances of the Defined Benefit Obligation

	<u>Period ended</u> <u>31 March 2022</u> <u>£000's</u>
Defined benefit obligation at start of period	862
Current service cost	-
Expenses	3
Interest expense	18
Member contributions	-
Actuarial losses (gains) due to scheme experience	25
Actuarial losses (gains) due to changes in demographic assumptions	(13)
Actuarial losses (gains) due to changes in financial assumptions	(62)
Benefits paid and expenses	(38)
Defined benefit obligation at end of period	795

Reconciliation of Opening and Closing Balances of the Fair Value of Plan Assets

	<u>Period ended</u> <u>31 March 2022</u> <u>£000's</u>
Fair value of plan assets at start of period	692
Interest income	15
Experience on plan assets (excluding amounts included in interest income) – gain (loss)	3
Employer contributions	25
Member contributions	-
Benefits paid and expenses	(38)
Fair value of plan assets at end of period	697

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2022 was £18000

Defined Benefit Costs recognised in Income and Expenditure Account

	<u>Period from 31 March 2021</u> <u>to 31 March 2022</u> <u>£000's</u>
Current service cost	-
Expenses	3
Net interest expense	3
Defined benefit costs recognised in Income and Expenditure Account	6

DIGARTREF CYFNOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)Defined Benefit Costs recognised in Other Gains/(Losses)

	<u>Period ended</u> <u>31 March 2022</u> <u>(£000's)</u>
Experience on plan assets (excluding amounts included in net interest cost) – gain(loss)	3
Experience gains and losses arising on the plan liabilities – gain(loss)	(25)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation – gain(loss)	13
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation – gain(loss)	62
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) – gain(loss)	53
Total amount recognised in Other Recognised Gains/(Losses)	53

Key Assumptions

	<u>31 March 2022</u> <u>% per annum</u>	<u>31 March 2021</u> <u>% per annum</u>
Discount Rate	2.79	2.18
Inflation (RPI)	3.54	3.27
Inflation (CPI)	3.17	2.87
Salary Growth	4.17	3.87
Allowance for commutation of pension for cash at retirement	75% of max allowance	75% of max allowance

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

	<u>Life expectancy at age 65</u> <u>(Years)</u>
Male retiring in 2022	21.1
Female retiring in 2022	23.7
Male retiring in 2042	22.4
Female retiring in 2042	25.2

DIGARTREF CYFNOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)Assets

	<u>31 March 2022</u>	<u>31 March 2021</u>
	<u>(£000's)</u>	<u>(£000's)</u>
Global Equity	134	110
Absolute Return	28	38
Distressed Opportunities	25	20
Credit Relative Value	23	22
Alternative Risk Premia	23	26
Emerging Market Debt	20	28
Risk Sharing	23	25
Insurance-Linked Securities	16	17
Property	19	14
Infrastructure	50	46
Private Debt	18	16
Opportunistic Illiquid Credit	23	18
High Yield	6	21
Opportunistic Credit	2	19
Cash	2	-
Corporate Bond Fund	47	41
Liquid Credit	-	8
Long Lease Property	18	14
Secured Income	26	29
Liability Driven Investment	195	176
Currency Hedging	(3)	-
Net Current Assets	2	4
 Total Assets	 697	 692

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.

DIGARTREF CYFNOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)5. Tangible Fixed Assets

	<u>LAND AND BUILDINGS</u>	<u>EQUIPMENT FIXTURES AND FITTINGS</u>	<u>TOTAL</u>
<u>COST</u>			
As at 01.04.21	695294	144308	839602
Additions	2655	33473	36128
Disposals	---	---	---
As at 31.03.22	697949	177781	875730
<u>DEPRECIATION</u>			
As at 01.04.21	139844	139348	279192
Charge for the year	17624	1488	19112
Disposals	---	---	---
As at 31.03.22	157468	140836	298304
<u>NET BOOK VALUE</u>			
As at 31.03.22	£ 540481	£ 36945	£ 577426
As at 31.03.21	£ 555450	£ 4960	£ 560410

The Trustees are of the opinion that the net book value of Buildings does not exceed open market value at the balance sheet date.

6. Accruals and Deferred Income

	<u>2022</u>	<u>2021</u>
Accruals	26722	24543
Deferred Grants	18811	20448
	<u>£ 45533</u>	<u>£ 44991</u>

Incoming resources earmarked for specific activities have been deferred to clarify the financial position relating to individual projects. Deferrals are included in the balance sheet in the category "Accruals and Deferred Income". Movements for the year are set out as follows:

	<u>Llys y Gwynt</u>	<u>Coedlys</u>	<u>Others</u>	<u>Total</u>
Opening balances	10649	7909	1890	20448
Released to Income and Expenditure Account	(10649)	(7909)	(1890)	(20448)
Deferred this year	<u>10660</u>	<u>6541</u>	<u>1610</u>	<u>18811</u>
Closing balances	<u>£10660</u>	<u>£6541</u>	<u>£ 1610</u>	<u>£18811</u>

None of the closing balance is attributable to the restricted income fund.

DIGARTREF CYFNOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)7. Loan

	<u>2022</u>	<u>2021</u>
Bank loan	£ <u>55403</u>	£ <u>62871</u>

The loan is repayable over a period of 10 years from March 2019 and is secured by legal charge over the Holyhead Enterprise Centre property.

8. Contingent Liability

The Big Lottery Fund have registered a charge over the Coedlys building in respect of its grant funding of the acquisition and development costs. The grant shall be repayable in full if the conditions of the grant are breached at any time prior to the expiration of the grant period in 2032.

9. Reserves

	<u>Opening balance</u>	<u>Income</u>	<u>Expenditure</u>	<u>Transfers</u>	<u>Closing balance</u>
Restricted Income fund	314659	-	-	(18444)	296215
Unrestricted Income fund					
- General	574344	1297068	(1086422)	(85979)	699011
- Designated major repair fund	29000	-	-	4423	33423
- Designated HEC redevelopment fund	<u>100000</u>	<u>-</u>	<u>-</u>	<u>100000</u>	<u>200000</u>
	£ <u>1018003</u>	£ <u>1297068</u>	£ <u>(1086422)</u>	£ <u>-</u>	£ <u>1228649</u>

The restricted income fund comprises Big Lottery Fund grants towards the cost of operating the Coedlys Project. No Big Lottery Fund grants were received during the year.

10. Capital Commitments

At 31 March 2022 capital expenditure commitments were as follows:

	<u>2022</u>	<u>2021</u>
Contracted but not yet provided for	£ <u>-</u>	£ <u>-</u>
Approved but not yet contracted for	£ <u>-</u>	£ <u>-</u>

The company continue to plan the redevelopment of the Holyhead Enterprise building.

11. Limited by Guarantee

The company is limited by Guarantee.

12. Related Parties

There were no related party transactions during the year.

DIGARTREF CYF

England & Wales - Charity number 1076680

Accounts

DIGARTREF CYF
(A COMPANY LIMITED BY GUARANTEE)

REPORT AND ACCOUNTS FOR THE YEAR
ENDED 31 MARCH 2021

COMPANY NUMBER 3516328

CHARITY NUMBER 1076680 (England and Wales)

DIGARTREF CYF

CONTENTS OF THE REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

	<u>Page</u>
COMPANY DETAILS	2
TRUSTEES' REPORT	3
AUDITORS' REPORT	7
STATEMENT OF FINANCIAL ACTIVITIES	10
BALANCE SHEET	11
STATEMENT OF CASH FLOWS	12
NOTES TO THE ACCOUNTS	13

DIGARTREF CYF

COMPANY / CHARITY DETAILS

Name - Digartref Cyf

Status - Company limited by guarantee

Charity Number - 1076680

Company Number - 3516328

Principal Office - Enterprise Centre, Holyhead, LL65 2HY

Chief Executive – Wendy Hughes

Auditor - Crestmere Limited, Unit F1, Intec, Parc Menai, Bangor, LL57 4FG

DIGARTREF CYFDIRECTORS' / TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Directors / Trustees present their report and the accounts of the company for the year ended 31 March 2021. The report and accounts have been prepared to meet the requirements for a Directors' Report and Accounts for Companies Act purposes.

1. Objectives and Activities

The company was formed to promote the relief of those who are homeless in North West Wales, to offer them support in their areas of need, and to support them in achieving independent living. The results of the year's activities are shown on page 9. The Trustees have paid due regard to the guidance issued by the Charities Commission on public benefit in deciding what activities the Charity should undertake and how successful outcomes should be evaluated.

2. Structure, Governance and Management

The charity is a company limited by guarantee and governed in accordance with its Memorandum and Articles of Association. The Directors / Trustees who served during the period were:-

J Morgan	S R Jones
D LI Jones	M Blackburn
B A Hughes	K A Griffiths
G Walker (to February 2021)	G M Beeken
C A Appleton-Owen (from June 2020)	M E Roberts (from February 2021)

Trustees are recruited from professional and related backgrounds, and training is available to them. The organisational structure is based on formal governance. The Board meets at regular intervals to consider strategic matters and monitor operations.

3. Achievements and Performance

During what can only be described as a difficult year, delivering much needed homelessness services during a pandemic, the charity's overall performance has been excellent.

There was a steady increase in funding, allowing for additional resources to be made available to assist the local authority meet the emergency measures introduced by the Welsh Government to deal with the coronavirus pandemic that specifically related to homelessness.

Working closely with the Isle of Anglesey County Council and North Wales Housing Association, two properties were secured to deliver a Rapid Rehousing model, providing short term temporary accommodation for those aged over 25 who might otherwise be placed in B&B provision by the local authority or be street homeless. Digartref Cyf were able to set these properties up extremely quickly, ensuring they were fully furnished, that whites goods, bedding, crockery etc were in place for those people requiring emergency placement. The service also provides a dedicated support worker who works closely with those individuals accessing with an overall aim of moving people on as quickly as possible into their own longer term accommodation. Once this is achieved further support is available to increase the likelihood of tenancy sustainment in the move on property. It is now highly anticipated that this successful service will continue beyond the pandemic related measures, providing a much needed resource for those aged over 25 years in housing crisis.

Digartref Cyf were successful in securing again the Homeless Prevention Grant from the Welsh Government, and was awarded a further year's funding commencing April 2021. This grant assists the charity in delivering a range of vital homeless prevention services including, Nightstop, Mediation, Outreach, the Lighthouse Day Centre and the Learn4Life programme.

In addition a further 1 year's funding was secured from the Welsh Government under the Youth innovation Grant enabling the continued deliver of the Llety Pontio Project which works with the private rented sector and the local authority to provide temporary accommodation with support for young people aged 16 to 25 who may otherwise have to be accommodated in emergency B&B provision.

DIGARTREF CYFDIRECTORS' / TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

Via funding from the Area Planning Board, the charity was able to deliver an outreach service across Gwynedd and Ynys Mon, providing 3 outreach workers for those with complex needs including substance misuse and mental health issues, who are homeless or at risk of homelessness.

Overall, the Homeless Prevention Grant funded services met and exceed related performance indicators set for 2020/21, providing support and assistance to 340 individuals.

Up on the previous year's figure of 90, 111 individuals accessed the Lighthouse Day Centre during 2020/21. Despite the restrictions and difficulties staff faced in relation to the pandemic and related safe working measures, the service opened 365 days, providing homeless related support and assistance, welfare benefit advice, hot food, laundry and shower facilities as well as onward referral to specialist services. Figures and data for the past 3 years show that there has been a year on year increase in the numbers accessing this vital provision and is a crucial service in providing support to those in crisis such as rough sleepers and sofa surfers. As part of the charity's business planning for the next 5 years, resources are earmarked to address the increase in demand, to ensure an effective staff structure is maintained and that a suitable building is available to meet demand and need.

In relation to the charity's supported housing provision, 250 referrals were received during the period and 96 individuals aged between 16 and 25, who were homeless or in housing need were accommodated and/or supported.

Covid 19

Digartref Cyf, like many other organisation that provide front line services, had to make some rapid and important decisions in March 2020 due to Covid 19. Led by the CEO, emergency contingency plans were put in place extremely quickly to ensure the continued delivery of the majority of the services provided and that adequate staffing levels were maintained at all times. The safety and wellbeing of its staff, volunteers and service users also had to be considered and this was managed through the implementation of a range of risk assessments and related policies and procedures. These measures were continuously reviewed and adapted throughout 2020/21 as the charity responded to Welsh Government and Public Health Wales guidance, this required emergency measures to be introduced again for the period December 2020 through to the end of March 2021 in particular.

The measures taken and procedures introduced have so far proved positive. What has been of great value to the charity, enabling it to deliver its much needed services during this difficult time, is the dedication, commitment and bravery shown by its staff. The staff team have more than stepped up to the challenges Covid 19 has posed, and have continued to show great flexibility, performing roles they had not necessarily done before, have worked to new rotas, covered for one another, and followed the health and safety measure put in place, whilst also supporting service users to adhere to the measures put in place and for them to stay as safe as possible.

An example of staff dedication is highlighted in how they responded to crisis calls from rough sleepers in Bangor, Gwynedd, who were reporting not being able to access public toilets as they had been locked up, that they were hungry as they no longer had access to support from the public and their usual support providers and public bodies, reducing their access to food. Their tents had been taken from them and they therefore had no dry place to sleep, overall they were feeling as if they had been abandoned at a time when they too felt scared and unsure of what was going to happen to them as their usual support systems had ceased to operate. Although not Digartref's usual area in which to deliver support services to the street homeless, staff quickly organised themselves and contacted a Bangor based church. Working together, staff prepared hot food and drinks at the Lighthouse Day Centre in Holyhead and set up a street delivery point in Bangor on a daily basis to pass over food, water, comfort packs, rough sleeper packs etc during April/May 2020. This approach ensured the immediate needs of vulnerable people were met during a time of crisis.

Without the dedication, drive and commitment of the charity's staff there would not have been services available to those in need. A huge thank you to them all, a truly fantastic achievement.

DIGARTREF CYFDIRECTORS' / TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)4. Reserves Policy

At 31 March 2021 the charity's unrestricted funds amounted to £703344, of which £245751 was invested in fixed assets and £129000 was designated towards major repair expenditure and redevelopment of the Holyhead Enterprise Centre, leaving free reserves of £328593. The Trustees consider that free reserves of at least this amount are required to finance future capital expenditure plans and to ensure continuation or an orderly reduction of operation given the unpredictability of future funding and costs.

5. Risk Management

The Trustees have identified 5 main areas of risk to which the charity is exposed as follows:

Governance Risks

Operational Risks

Financial Risks

External Risks

Compliance and Regulatory Risks

The Trustees have established systems regularly review related risks and to mitigate against these. Financial risk is managed primarily by setting and monitoring budgets for key functions based on income sources.

6. Plans for the Future

The charity aims to gradually increase the range of homelessness services it provides as unfortunately demand continues to grow and if the charity is to adequately address related need additional resources and more specialised provision will be required. The charity's personnel and other key agencies are concerned that as the special measure put in place to address homelessness during the pandemic are eased and come to an end, there is likely to be a significant increase in homelessness presentations and individuals as well as families will be at high risk of losing their homes.

The charity's plans and delivery and development of services for the future will need to take account of local issues. For instance there has been a huge shift the private rented sector, with much of the accommodation available in this sector being lost to more lucrative holiday lets, this is having a detrimental effect on available accommodation for those people we support. We also operate in a rural area and this brings its own specific issues such as ones ability to travel to appointments as well as the additional related costs, potential isolation and loneliness.

The aim to develop a homeless hub at the Holyhead Enterprise Centre remains a priority for Digartref and will provide a range of homeless and other community services under one roof and will ensure a more modern, spacious Day Centre with capacity to support the increasing number of people who access that service year on year. We are delighted to report that there has now been progress over the past few months following the easing of some lock down measures with architects having now drawn up agreed plans. The charity is currently looking to engage other professional support to move the matter forward within this financial year.

7. Small Company Exemption

In preparing this report the directors have taken advantage of the special exemptions applicable to small companies.

DIGARTREF CYFDIRECTORS' / TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)8. Statement of Directors' / Trustees' Responsibilities

The trustees (who are also directors of Digartref Cyf for the purposes of company law) are responsible for preparing the trustees' report (incorporating the directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (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 income and expenditure of the charitable company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

9. Disclosure to Auditors

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are not aware; 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.

By Order of the Board,

A Greenough (Secretary)

1 September 2021

Registered Office:
Enterprise Centre
Holyhead

DIGARTREF CYFINDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF DIGARTREF CYFOpinion

We have audited the financial statements of Digartref Cyf (the 'Charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement, and the 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, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2021, and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the *Companies Act 2006*.

Basis for opinion

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

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 company's ability to continue as a going concern for a period of at least 12 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 other information comprises the information included in the annual report other than the financial statements and our Auditor's report thereon. The trustees are 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.

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.

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 trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

DIGARTREF CYFINDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF DIGARTREF CYF (CONTINUED)

- the trustees' report 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 Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 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;
- the financial statements are not in agreement with the accounting records and returns;
- we have not obtained all the information and explanations necessary for the purposes of our audit;
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime, take advantage of the small companies' exemption in preparing the directors' report, and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, 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 they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly, we have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 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.

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement principal ensured he had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- laws and regulations applicable to the charitable company were identified through discussions with trustees and other management, and from knowledge and experience of the charity and the charity sector;
- specific focus was made on laws and regulations which may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006,

DIGARTREF CYFINDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF DIGARTREF CYF (CONTINUED)

The Charities Act 2011, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;

- the extent of compliance with the laws and regulations identified above was assessed through making enquiries of management and inspecting legal correspondence; and
- throughout the audit process non-compliance with the identified laws and regulations was closely considered.

Susceptibility of the company's financial statements to material misstatement was assessed, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls:

- analytical procedures were performed to identify any unusual or unexpected relationships;
- journal entries to identify unusual transactions;
- an assessment was made of whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- the rationale behind significant or unusual transactions was investigated.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors;
- auditing the risk of management override of controls.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors/trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of this report

This report is made solely to the company's trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, or the opinions we have formed.

Barrie Buels (Senior Statutory Auditor)
For and behalf of
Crestmere Limited
Chartered Certified Accountants and Statutory Auditor
1 September 2021

Unit F1
Intec
Parc Menai
Bangor

DIGARTREF CYFSTATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

<u>2020</u>	<u>Note</u>	<u>RESTRICTED INCOME FUND</u>	<u>UNRESTRICTED INCOME FUNDS</u>	<u>TOTAL</u>
<u>INCOME</u>				
26034 Donations		---	13826	13826
Charitable Activities				
1163679 - Grants and Rents		---	1177340	1177340
8948 - Management Income		---	---	---
2263 - Other		---	11487	11487
1233 Bank Interest		---	444	444
1202157 TOTAL INCOME		---	1203097	1203097
<u>EXPENDITURE</u>				
1128529 Charitable Activities	2	---	1146598	1146598
1128529 TOTAL EXPENDITURE		---	1146598	1146598
73628 NET INCOME / EXPENDITURE		---	56499	56499
OTHER RECOGNISED GAINS / (LOSSES)				
102000 Actuarial gain / (loss) in respect of pension schemes	4	---	(114000)	(114000)
--- TRANSFER BETWEEN FUNDS		(18444)	18444	---
175628 NET MOVEMENT IN FUNDS		(18444)	(39057)	(57501)
899876 Funds brought forward		333103	742401	1075504
<u>£1075504 FUNDS CARRIED FORWARD</u>		<u>£314659</u>	<u>£703344</u>	<u>£1018003</u>

The Statement of Financial Activities also complies with the requirements for an Income and Expenditure Account under the Companies Act 2006.

The results for the year derive from continuing activities and there are no gains or losses other than those shown above.

DIGARTREF CYFBALANCE SHEET AS AT 31 MARCH 2021

<u>2020</u>		<u>Note</u>	
	<u>FIXED ASSETS</u>		
624180	Tangible Assets	5	560410
	<u>CURRENT ASSETS</u>		
588404	Cash at Bank and in Hand		682237
76153	Debtors and Prepayments		75221
<u>664557</u>			<u>757458</u>
	<u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>		
19628	Sundry Creditors		22003
48406	Accruals and Deferred Income	6	44991
9026	Loans	7	8778
<u>77060</u>			<u>75772</u>
			<u>681686</u>
587497	<u>NET CURRENT ASSETS</u>		1242096
<u>1211677</u>			
	<u>CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR</u>		
60173	Loans	7	54093
<u>1151504</u>			<u>1188003</u>
76000	<u>PROVISIONS FOR LIABILITIES AND CHARGES</u>	4	170000
<u>£1075504</u>			<u>£1018003</u>
	<u>UNRESTRICTED INCOME FUNDS</u>	9	703344
742401	<u>RESTRICTED INCOME FUND</u>	9	314659
333103			
<u>£1075504</u>			<u>£1018003</u>

The company is entitled to the exemption from the audit requirement contained in Section 477 of the Companies Act 2006, for the year ended 31 March 2021, although an audit has been carried out under Section 144 of the Charities Act 2011. No member of the company has deposited a notice pursuant to section 476 requiring an audit of these accounts under the requirements of the Companies Act 2006.

The directors acknowledge their responsibility for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and if its incoming resources and application of resources, including its income and expenditure, for the financial year are in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

The financial statements were approved by the board of directors on 1 September 2021 and signed on its behalf by:

J Morgan

D LI Jones

Company N^o: 3516328

DIGARTREF CYFSTATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 20212019

175628	Net movement in funds	(57501)
31973	Add: Depreciation	65000
(1233)	Deduct: Interest received	(444)
(40153)	Decrease / (increase) in debtors	932
(4039)	Increase / (decrease) in creditors falling due within one year	(1040)
(120000)	Increase / (decrease) in provisions	94000
<u>42176</u>	Net cash from / (used in) operating activities	<u>100947</u>
	Cash flows from investing activities	
1233	- Interest received	444
(3212)	- Acquisition of tangible fixed assets	(1230)
	Cash flows from financing activities	
(5801)	- Loans received / (repaid)	(6328)
<u>34396</u>	Increase / (decrease) in cash in the year	<u>93833</u>
554008	Cash at beginning of the year	588404
<u>£588404</u>	Cash at end of the year	<u>£682237</u>

DIGARTREF CYF

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting Policies

(a) Duration

These financial statements are prepared for the year ended 31 March 2021; comparative figures refer to the year ended 31 March 2020.

(b) Convention and Policies

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 Section 1A).

The financial statements are denominated in sterling. Recording is to the nearest £1.

Digartref Cyf meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The charity reported a net cash inflow of £93833 for the year. The Trustees are of the view that the charity is a going concern. In forming their opinion the Trustees are aware of no material uncertainties which might affect the charity's ability to continue as a going concern.

Incoming Resources -

All grants and other generated funds which are revenue in nature are recognised when they become receivable. During the year funds comprised one restricted income fund and an unrestricted income fund. Accruals are provided at the year end for money earmarked for specific applications.

Resources expended -

Liabilities are recognised in the financial statements on an accrual basis.

Where appropriate, resources expended are stated inclusive of any irrecoverable Value Added Tax.

Governance costs comprise an appropriate proportion of management costs plus professional fees.

(c) Tangible Fixed Assets

Depreciation is provided at the rate of 30% (reducing balance) per annum on equipment, fixtures and fittings. Individual items costing less than £1000 are not capitalised. The capitalised building costs relating to premises occupied under management agreements have been depreciated fully this year. Premises acquired and developed by the Charity are depreciated on a straight-line basis over a period of 25 years starting in the year of commencement of operations from these premises following their acquisition and redevelopment. Impairment reviews are carried out on a regular basis.

(d) Capital Grants

Capital Grants and In-Kind Contributions received and receivable in relation to the acquisition and development of land and buildings by the Charity are accounted for in a Restricted Income Fund, and are then transferred to Unrestricted Income Funds in line with the depreciation policy outlined in (c) above.

DIGARTREF CYFNOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

(e) Pension Scheme

The company participates in both defined contribution and defined benefit schemes operated by the Social Housing Pension Scheme. Contributions in respect of the defined contribution scheme are charged to the Income and Expenditure Account for the year in which they are payable to the Scheme. The defined benefit scheme is accounted for in accordance with FRS 102 (see note 4).

(f) Liabilities

Creditors and provisions are recognised when there is a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

2. Charitable and Governance Expenditure

Charitable and governance expenditure includes -

	<u>2021</u>	<u>2020</u>
	£	£
Depreciation	65000	31973
Auditors' Remuneration	3120	3120

An outline of expenditure on charitable activities is set out below –

	<u>2021</u>	<u>2020</u>
	£	£
Llys y Gwynt cluster	416633	423813
Homeless Prevention and Day Centre	196482	240715
Coedlys cluster	282308	345915
Other Projects	<u>251175</u>	<u>118086</u>
	<u>1146598</u>	<u>1128529</u>

None of the trustees (or any persons connected with them) received any remuneration or expenses as trustees during the year.

An amount of £2400 (2020: £2400) was paid to one trustee for accounts support.

3. Staff Costs

	<u>2021</u>	<u>2020</u>
	£	£
Wages and Salaries	708779	703393
Social Security Costs	44995	43103
Pension costs	<u>20769</u>	<u>20570</u>
	<u>774543</u>	<u>767066</u>

The average number of employees during the year was:

	<u>2021</u>	<u>2020</u>
Llys y Gwynt cluster	12	13
Coedlys cluster	12	12
Homeless Prevention and Day Centre	8	9
Other Projects	3	4
Administrative support	3	3

No individual employee received emoluments in excess of £60000.

DIGARTREF CYFNOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)4. Pension Scheme – Defined Benefit

The company participates in the 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 triennial valuation of the scheme for funding purposes was carried out as at 30 September 2017. This valuation revealed a deficit of £1,522m. A Recovery Plan has been put in place with the aim of removing this deficit by 30 September 2026.

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 financing years ending on or after 31 March 2019, it is possible to obtain sufficient information to enable the company to account for the Scheme as a defined benefit scheme.

Actuarial valuations of the scheme were carried out as at 30 September 2020 to inform the liabilities for the accounting year ended 31 March 2021.

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

Present Values of Defined Benefit Obligation, Fair Value of Assets and Defined Benefit Asset (Liability)

	<u>31 March 2021</u>	<u>31 March 2020</u>
	<u>£000's</u>	<u>£000's</u>
Fair value of plan assets	692	610
Present value of defined benefit obligation	862	686
Surplus (deficit) in plan	(170)	(76)
Defined benefit asset (liability) to be recognised	(170)	(76)

Reconciliation of the Impact of the Asset Ceiling

	<u>Period ended</u>
	<u>31 March 2021</u>
	<u>£000's</u>
Impact of asset ceiling at start of period	-
Effect of the asset ceiling included in net interest cost	-
Actuarial losses (gains) on asset ceiling	-

DIGARTREF CYFNOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)Reconciliation of Opening and Closing Balances of the Defined Benefit Obligation

	<u>Period ended</u> <u>31 March 2021</u> <u>£000's</u>
Defined benefit obligation at start of period	686
Current service cost	-
Expenses	3
Interest expense	16
Member contributions	-
Actuarial losses (gains) due to scheme experience	(12)
Actuarial losses (gains) due to changes in demographic assumptions	3
Actuarial losses (gains) due to changes in financial assumptions	183
Benefits paid and expenses	(17)
Defined benefit obligation at end of period	862

Reconciliation of Opening and Closing Balances of the Fair Value of Plan Assets

	<u>Period ended</u> <u>31 March 2021</u> <u>£000's</u>
Fair value of plan assets at start of period	610
Interest income	15
Experience on plan assets (excluding amounts included in interest income) – gain (loss)	60
Employer contributions	24
Member contributions	-
Benefits paid and expenses	(17)
Fair value of plan assets at end of period	692

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2020 was £7000

Defined Benefit Costs recognised in Income and Expenditure Account

	<u>Period from 31 March 2020</u> <u>to 31 March 2021</u> <u>£000's</u>
Current service cost	-
Expenses	3
Net interest expense	1
Defined benefit costs recognised in Income and Expenditure Account	4

DIGARTREF CYFNOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)Defined Benefit Costs recognised in Other Gains/(Losses)

	<u>Period ended</u> <u>31 March 2021</u> <u>(£000's)</u>
Experience on plan assets (excluding amounts included in net interest cost) – gain(loss)	60
Experience gains and losses arising on the plan liabilities – gain(loss)	12
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation – gain(loss)	(3)
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation – gain(loss)	(183)
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) – gain(loss)	(114)
Total amount recognised in Other Recognised Gains/(Losses)	(114)

Key Assumptions

	<u>31 March 2021</u> <u>% per annum</u>	<u>31 March 2020</u> <u>% per annum</u>
Discount Rate	2.18	2.38
Inflation (RPI)	3.27	2.62
Inflation (CPI)	2.87	1.62
Salary Growth	3.87	2.62
Allowance for commutation of pension for cash at retirement	75% of max allowance	75% of max allowance

The mortality assumptions adopted at 31 March 2021 imply the following life expectancies:

	<u>Life expectancy at age 65</u> <u>(Years)</u>
Male retiring in 2021	21.6
Female retiring in 2021	23.5
Male retiring in 2041	22.9
Female retiring in 2041	25.1

DIGARTREF CYFNOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)Assets

	<u>31 March 2021</u>	<u>31 March 2020</u>
	<u>(£000's)</u>	<u>(£000's)</u>
Global Equity	110	89
Absolute Return	38	32
Distressed Opportunities	20	12
Credit Relative Value	22	17
Alternative Risk Premia	26	43
Emerging Market Debt	28	18
Risk Sharing	25	21
Insurance-Linked Securities	17	19
Property	14	13
Infrastructure	46	45
Private Debt	16	12
Opportunistic Illiquid Credit	18	15
High Yield	21	-
Opportunistic Credit	19	-
Corporate Bond Fund	41	35
Liquid Credit	8	-
Long Lease Property	14	11
Secured Income	29	23
Liability Driven Investment	176	202
Net Current Assets	4	3
Total Assets	692	610

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.

DIGARTREF CYFNOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)5. Tangible Fixed Assets

	<u>LAND AND BUILDINGS</u>	<u>EQUIPMENT FIXTURES AND FITTINGS</u>	<u>TOTAL</u>
<u>COST</u>			
As at 01.04.20	863735	144308	1008043
Additions	1230	---	1230
Disposals	(169671)	---	(169671)
As at 31.03.21	695294	144308	839602
<u>DEPRECIATION</u>			
As at 01.04.20	246641	137222	383863
Charge for the year	62874	2126	65000
Disposals	(169671)	---	(169671)
As at 31.03.21	139844	139348	279192
<u>NET BOOK VALUE</u>			
As at 31.03.21	£ 555450	£ 4960	£ 560410
As at 31.03.20	£ 617094	£ 7086	£ 624180

The Trustees are of the opinion that the net book value of Buildings does not exceed open market value at the balance sheet date.

Depreciation includes £45,250 impairment of property improvements for buildings no longer in use. The cost thereof has been treated as a disposal.

6. Accruals and Deferred Income

	<u>2021</u>	<u>2020</u>
Accruals	24543	20102
Deferred Grants	20448	28304
	£ 44991	£ 48406

Incoming resources earmarked for specific activities have been deferred to clarify the financial position relating to individual projects. Deferrals are included in the balance sheet in the category "Accruals and Deferred Income". Movements for the year are set out as follows:

	<u>Llys y Gwynt</u>	<u>Coedlys</u>	<u>Others</u>	<u>Total</u>
Opening balances	9428	4937	13939	28304
Released to Income and Expenditure Account	(9428)	(4937)	(13939)	(28304)
Deferred this year	<u>10649</u>	<u>7909</u>	<u>1890</u>	<u>20448</u>
Closing balances	£ <u>10649</u>	£ <u>7909</u>	£ <u>1890</u>	£ <u>20448</u>

None of the closing balance is attributable to the restricted income fund.

DIGARTREF CYFNOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)7. Loan

	<u>2021</u>	<u>2020</u>
Bank loan	£ <u>62871</u>	£ <u>69199</u>

The loan is repayable over a period of 10 years from March 2019 and is secured by legal charge over the Holyhead Enterprise Centre property.

8. Contingent Liability

The Big Lottery Fund have registered a charge over the Coedlys building in respect of its grant funding of the acquisition and development costs. The grant shall be repayable in full if the conditions of the grant are breached at any time prior to the expiration of the grant period in 2032.

9. Reserves

	<u>Opening balance</u>	<u>Income</u>	<u>Expenditure</u>	<u>Transfers</u>	<u>Closing balance</u>
Restricted Income fund	333103	-	-	(18444)	314659
Unrestricted Income fund					
- General	717737	1203097	(1260598)	(85892)	574344
- Designated major repair fund	24664	-	-	4336	29000
- Designated HEC redevelopment fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>100000</u>	<u>100000</u>
	<u>£1075504</u>	<u>£1203097</u>	<u>£(1260598)</u>	<u>£ -</u>	<u>£1018003</u>

The restricted income fund comprises Big Lottery Fund grants towards the cost of operating the Coedlys Project. No Big Lottery Fund grants were received during the year.

10. Capital Commitments

At 31 March 2021 capital expenditure commitments were as follows:

	<u>2021</u>	<u>2020</u>
Contracted but not yet provided for	£ <u>-</u>	£ <u>-</u>
Approved but not yet contracted for	£ <u>-</u>	£ <u>-</u>

The company continue to plan the redevelopment of the Holyhead Enterprise building.

11. Limited by Guarantee

The company is limited by Guarantee.

12. Related Parties

As disclosed in note 2, an amount of £2400 (2020: £2400) was paid to one trustee for accounts support. As at the balance sheet date, the amount accrued for this work was £2400.

There were no other related party transactions during the year.

