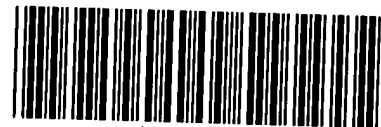


Charity registration number 1076680 (England and Wales)

Company registration number 3516328

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

THURSDAY



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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.

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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:

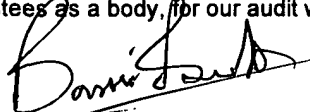
- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to 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.

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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

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
Total	40	40

Employment costs	2025	2024
	£	£

Wages and salaries	1,116,801	936,882
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Only one employee received emoluments in excess of £60,000, falling in the band of £60,000 to £70,000.

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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	-

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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

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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	490,516	-
		<u>490,516</u>	<u>-</u>

19 Provisions for liabilities

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

Movements on provisions:

	£
At 1 April 2024	103,000
Reversal of provision	(43,000)
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	490,516	-
	<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>

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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

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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>

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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.