

**REGISTERED COMPANY NUMBER: 02380564 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1128527**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 MARCH 2021**

**FOR**

**COMMUNITY HOUSING CYMRU**

Bevan Buckland LLP  
Chartered Accountants  
And Statutory Auditors  
Ground Floor Cardigan House  
Castle Court  
Swansea Enterprise Park  
Swansea  
SA7 9LA

# **COMMUNITY HOUSING CYMRU**

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**COMMUNITY HOUSING CYMRU**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

Community Housing Cymru (CHC) is the representative body for housing associations and community mutuals in Wales, which are all not-for-profit organisations. We are proud to represent our members who provide homes and services to 10% of the Welsh population.

Our members work closely with local government, third sector organisations and the Welsh Government to provide a range of services in communities across Wales. Our conferences, training and networking opportunities, along with our lobbying activities and communications, ensure that the Welsh social housing movement is kept fully informed and represented across Wales and beyond.

Our charitable objectives are to promote, in such manner as shall be consistent with Charity Commission published guidance and for the benefit of the public in Wales, the voluntary housing sector and the relief of financial hardship through the sector's provision of low cost social housing in particular, but not exclusively, by:

- (a) Providing services, education, training, information, advice and support to providers of such housing in Wales;
- (b) Encouraging and facilitating the provision, construction, improvement and management of such housing by housing associations in Wales.

In this, "Voluntary housing sector" shall be interpreted in accordance with Charity Commission guidance and means charities and voluntary organisations (with housing related objects). "Charities" are organisations, which are established for exclusively charitable purposes in accordance with the law of England and Wales. "Voluntary organisations" are independent organisations, which are established for purposes that add value to the community as a whole, or a significant section of the community, and which are not permitted by their constitution to make a profit for private distribution. Voluntary organisations do not include local government or other statutory authorities.

In shaping our objectives, Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (pb2)'.

### **Achievements and Performance**

2020/21 was the second year of a three-year corporate plan, which we have decided to extend by a further year. The priorities in the plan remain relevant and an extension of the Plan enables CHC to better understand the post Covid operating environment. We continue to provide a clear offer to our members and strive to provide services that represent value for money - 91% of CHC members report the services they receive to be excellent or good value for money.

The advent of the pandemic meant that our planned delivery for 2020/21 was paused. The activity of the whole organisation was redirected into responsive work for the whole of Q1 and much of Q2. Our work to support associations respond to Covid-19 has continued throughout the year but as we moved out of the initial phase of the pandemic it was possible to move to a more proactive position to deliver on our member offer to influence, connect, support and inform our members. Some of the highlights for the period include:

#### **Influence:**

- We proactively positioned housing as a core part of the post Covid recovery and have seen record levels of funding channelled into the sector to build more homes.
- Our influencing to build a better future engagement programme resulted in hundreds of creative conversations with housing associations and partners to co-create ideas for change. This was the basis of our Home campaign ahead of the Senedd election which positioned housing as a key part of the solution to the challenges we face in Wales.
- Welsh legislation implemented in 2019 designed to ban letting agency fees unintentionally made it unlawful for landlords or letting agents to charge a range of what were otherwise understood as legitimate charges to tenants on Assured Shorthold Tenancies. CHC worked in partnership to mitigate the financial, reputational and legal risks associated with this and successfully pressed for swift and effective resolution to this issue, saving the sector a liability of £4m.

**COMMUNITY HOUSING CYMRU**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**Achievements and Performance (Continued)**

- Our This is Housing campaign to attract talent to the sector has been refreshed in January 2020 resulting in an increase in social media engagement of over 700%, audience is up by 25%, and website visits have increased by 130%.

**Connect and inform:**

- A huge part of our work in 2020/21 involved connecting and supporting our members to respond to COVID 19. We quickly shifted our support and engagement offer online. 87% of our members report that this digital offer has made it easier to engage with CHC.

- We also invested in IT and successfully moved our commercial conference programme online. Our virtual conference programme has received good feedback from delegates and continues to strengthen.

- Our financial assistance protocol, published jointly with local government supported housing associations collectively to provide reassurance to tenants in the early phases of the pandemic. Our #withyou campaign told the story of the incredible work to support tenants and partners during the crisis.

- We've developed from scratch a new innovation programme to support the sector to meet the objectives of building innovation capacity and collaborating on shared challenges.

**Support:**

- We reviewed governance support and influenced the review of the regulatory framework, this included a refresh of our Code of Governance, model rules and input into our new Board Member offer.

- We launched our safety transparency offer. By signing up to Safety First in Housing, associations are committing to a transparent approach with residents and stakeholders on health and safety matters. It ensures a process is in place to provide relevant and comprehensive health and safety information to tenants.

- Our tools to support local rent setting, have been utilised extensively across the social housing sector to better understand affordability. We continue to work with our members to refine the tool to best understanding the affordability impacts of service charge volatility.

- Our extensive Covid support package was well received by the sector. Of particular note was the 1 year framework brokered by CHC with the support of the sector for Housing Associations, Cymorth Cymru members and Care & Repair Agencies for the supply of surgical face masks. The supply of over 300,000 IIR masks was secured for the sector during May and June at a negotiated rate. Over a 12 week period, 1,814 5 litre bottles of hand sanitiser were delivered to 36 organisations.

During 2020/21 we continued to receive the full support of our members in terms of affiliation fee income. This has allowed us to bring in additional skills and experience to further strengthen the work we do supporting our members, whilst ensuring the organisation is more sustainable and resilient going forward. We also derived stronger than expected commercial performance during the period owing to our investment in virtual conferencing and events which have been successful. This success, and the continued demand for virtual and hybrid events has allowed us to invest further in our digital and commercial capability to bolster future success.

The increase in pension provision, as a result of changes to actuarial assumptions, has impacted our financial position at the year end. However this non-cash item does not impact our ability to meeting the objectives of our corporate plan or our mission to enable Welsh Housing Associations to be brilliant.

**Looking Forward**

Last year, our members successfully leveraged £3bn of private finance into Wales to invest in local communities. Our members contributed over £2bn to the economy and indirectly supported 27,000 jobs across Wales. Our members are independent, efficiently run, not-for-profit organisations that not only strive to deliver affordable housing to meet demand, but who invest in communities and change lives - our purpose is to ensure that the sector continues to prosper in Wales and is equipped for the future.

**COMMUNITY HOUSING CYMRU**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**Looking Forward (continued)**

Over the next year we will continue to deliver against our corporate plan and provide a unified voice for the sector, advocating and negotiating on their behalf. We will influence and lobby on issues that are important to the sector and will position the sector as a key delivery partner for the new Welsh Government following the Senedd elections in 2021. We will keep up-to-date and understand trends to help members adapt to a changing environment. We will continue to work on behalf of members to influence, connect, support, inform and innovate so they can continue investing in communities across Wales and also help deliver positive health outcomes and life opportunities for individuals and families.

**Our mission:**

Our mission is to enable Welsh Housing Associations to be brilliant.

**Our Aim;**

By 2023 we will:

- be the leading voice on housing issues in Wales,
- be regarded by members as an invaluable and highly effective membership body,
- be recognised and valued by stakeholders and use this platform to make the case for housing associations in Wales,
- provide excellent member services which add value and makes it easier for members to do their job,
- harness the sector's appetite to do things differently,
- be a financially sustainable organisation.

**Financial Review**

The charity has reported net income for the year of £70,201 compared to net income of £268,475 in 2020, this is prior to the actuarial gains/(losses) on the defined benefit scheme. Following the actuarial adjustment the deficit for the year is £552,799 compared to a surplus of £828,475 in the previous reporting period.

**Going Concern**

The financial statements currently show that the charity has negative reserves of £356,428. The primary reason for the charity having negative reserves is the long term pension liability of £1,044,000. This deficit is an estimate of the expected shortfall of assets over liabilities in the organisation pension scheme and as such the liability is not expected to crystallize in the short term. Excluding the pension deficit, the charity has reserves of £687,572. There is no planned crystallisation of the pension liability and therefore the liability remains long term.

The charity has a strong cash position at the year end with a balance of £1,590,855, although, £1,461,896 is included as income in advance. This still leaves the charity in a stable cash position.

Therefore, even though the financial position shows a negative reserve position at the year end, the trustees are confident that the charity can continue as a going concern for the foreseeable future.

**Reserves Policy**

It is the policy of Community Housing Cymru (CHC) to hold a reserves level sufficient to cover at least three months of contractual requirements in the unlikely event of the charity winding down. Main costs would include salaries, redundancy payments and future commitments.

Due to the negative reserves at the year end, the company has not met the above policy.

**Structure, Governance and Management for year ended 31st March 2021**

The organisation is a charitable company limited by guarantee. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company, and is governed under its Articles of Association.

**COMMUNITY HOUSING CYMRU**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**Structure, Governance and Management for year ended 31st March 2021 continued**

The Memorandum and Articles of Association of Community Housing Cymru were adopted by Special Resolution dated 20th March 2008. These were subsequently revised by Special Resolution on 1st December 2016, 6th November 2017 and 21st November 2019.

The directors, as charity Trustees, have control of the charity and now are collectively known as the Community Housing Cymru (CHC) Board.

The Trustees have control of the charity and its property and its funds and when complete shall be not less than seven and not more than twelve individuals. Up to ten shall be elected by the Trustees from amongst board members or staff members of Housing Associations in accordance with procedures relating to methods of nomination and election determined by the Trustees (which are incorporated into standing orders) and up to four can be independent and appointed by a resolution of the Trustees passed at a properly convened meeting of the Trustees.

We saw four new Trustees join the Board this year, two of whom were independent and has allowed for a more diverse Board.

All Trustees of the charity receive induction and training and no Trustees receive remuneration for their work with the Charity.

**Risk Management**

The Trustees have conducted a review of the major risks to which the charity is exposed. The risk register is regularly reviewed and updated and where appropriate, systems and/or procedures have been established to mitigate the risks the charity faces. Internal control risks are minimized by the implementation of procedures for authorisation of all transactions and tasks.

**Covid-19 impact**

The effect of the Covid-19 pandemic has impacted the organisation and operations. Whilst no one was furloughed due to a high volume of workload and the in-house transferrable skills of staff, there was increased pressures on staff. We have continued to work remotely as our default position throughout the year, and are currently reviewing our future working arrangements for staff. With the end of our 10 year lease in June 2022, we will be reflecting on our experiences of working remotely and consulting with staff and members about future ways of working including whether we need a permanent office base.

The corporate plan has been extended by a further year in response to the delays and uncertainties caused by the pandemic, but we remain confident in achieving all its aims and objectives. There is more certainty when creating the 21/22 budget due to the successes achieved in our virtual offerings, and developing the skills, knowledge and experience in house to deliver fantastic events through a variety of mediums. However, financial pressures and uncertainties do still remain within the budget. Senior management and CHC Board are content with the updated budget and operational plan for 2021/22. There have been more regular Board meetings since the start of the pandemic to ensure Board are kept fully aware of organisational progress and financial position. The impact of the pandemic has been input into the CHC risk register and reviewed regularly at senior management and Board level.

The trustees are also satisfied that there are no other material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern.

The Trustees are therefore of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

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

**COMMUNITY HOUSING CYMRU**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**  
02380564 (England and Wales)

**Registered Charity number**  
1128527

**Registered office**  
2 Ocean Way  
Cardiff  
South Glamorgan  
CF24 5TG

**Trustees**

Andrew Martyn-Johns (Chair)	Independent
Paula Kennedy (Vice Chair)	Melin Homes
Steve Higginson (Treasurer)	Monmouthshire Housing (resigned December 2020)
Jonathan Huish	Trivallis
Kath Palmer	Cadwyn Housing Association
Andrew Bowden	Cartrefi Conwy (resigned December 2020)
Debbie Green	Coastal Housing Group
Sian Thomas	Cynon Taf Community Housing Group (resigned December 2020)
Sara Brock	Hafod Housing Association
Matt Brown	Independent - WCVA (resigned December 2020)
Scott Sanders	Linc Cymru
Andrew Vye	Pobl Group
Kyle Burgess	Monmouthshire Housing Association (appointed December 2020)
Lesley Kirkpatrick	Independent (appointed December 2020)
Natasha Peets	Independent (appointed December 2020)
Abdi Seagulle	Taff Housing Association (appointed December 2020)

**Company Secretary**  
S M Evans

**Auditors**

Bevan Buckland LLP  
Chartered Accountants  
And Statutory Auditors  
Ground Floor Cardigan House  
Castle Court  
Swansea Enterprise Park  
Swansea  
SA7 9LA

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of Community Housing Cymru for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

**COMMUNITY HOUSING CYMRU**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued**

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

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

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

In so far as the trustees are aware:

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

**AUDITORS**

The auditors, Bevan Buckland LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on ..... and signed on its behalf by:

.....  
R A Martyn-Johns - Trustee



## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COMMUNITY HOUSING CYMRU**

### **Opinion**

We have audited the financial statements of Community Housing Cymru (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

We draw your attention to note 23 in the financial statements, which indicates that the charity is insolvent with negative reserves of £356,428. This is primarily due to the long term pension scheme deficit of £1,044,000 in which the charity participates. This deficit is an estimate of the expected shortfall of assets over liabilities in the pension scheme and as such the liability is not expected to crystallise in the short term. This indicates that a material uncertainty exists that may cast significant doubt on the charity's long term ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COMMUNITY HOUSING CYMRU**

### **Matters on which we are required to report by exception**

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

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Our responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COMMUNITY HOUSING CYMRU**

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

We identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, and then, design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

We discussed our audit independence complying with the Revised Ethical Standard 2019 with the engagement team members whilst planning the audit and continually monitored our independence throughout the process.

### **Identifying and assessing potential risks related to irregularities.**

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- discussing among the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud.
- obtaining an understanding of the legal and regulatory frameworks that the Charity operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Charity, The key laws and regulations we considered in this context included the UK Companies Act and relevant tax legislation.

### **Audit response to risks identified**

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations;
- enquiring of management concerning actual and potential litigation and claims; performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments;
- assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and
- evaluating the operational rationale of any significant transactions that are unusual or outside the normal course of operations.

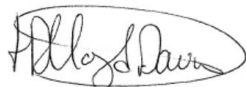
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
COMMUNITY HOUSING CYMRU**

**Use of our report**

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



Henry Lloyd Davies (Senior Statutory Auditor)  
for and on behalf of Bevan Buckland LLP  
Chartered Accountants  
And Statutory Auditors  
Ground Floor      Cardigan House  
Castle Court  
Swansea Enterprise Park  
Swansea  
SA7 9LA

Date: ..... 28.10.2021 .....

**COMMUNITY HOUSING CYMRU**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	38,843	-	38,843	71,984
<b>Charitable activities</b>	4				
Charitable activities		1,750,081	-	1,750,081	1,878,948
Investment income	3	783	-	783	1,690
<b>Total</b>		<u>1,789,707</u>	<u>-</u>	<u>1,789,707</u>	<u>1,952,622</u>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	5				
Charitable activities		1,719,506	-	1,719,506	1,684,147
<b>NET INCOME</b>		<u>70,201</u>	<u>-</u>	<u>70,201</u>	<u>268,475</u>
<b>Other recognised gains/(losses)</b>					
Actuarial gains/(losses) on defined benefit schemes		(623,000)	-	(623,000)	560,000
<b>Net movement in funds</b>		<u>(552,799)</u>	<u>-</u>	<u>(552,799)</u>	<u>828,475</u>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		161,152	35,219	196,371	(632,104)
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>(391,647)</u>	<u>35,219</u>	<u>(356,428)</u>	<u>196,371</u>

The notes form part of these financial statements

**COMMUNITY HOUSING CYMRU**  
**STATEMENT OF FINANCIAL POSITION**  
**31 MARCH 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	12	37,972	-	37,972	59,566
Investments	13	1	-	1	1
		<u>37,973</u>	<u>-</u>	<u>37,973</u>	<u>59,567</u>
<b>CURRENT ASSETS</b>					
Debtors	14	647,912	-	647,912	733,995
Cash at bank		1,555,636	35,219	1,590,855	1,475,794
		<u>2,203,548</u>	<u>35,219</u>	<u>2,238,767</u>	<u>2,209,789</u>
<b>CREDITORS</b>					
Amounts falling due within one year	15	(1,589,168)	-	(1,589,168)	(1,560,985)
		<u>614,380</u>	<u>35,219</u>	<u>649,599</u>	<u>648,804</u>
<b>NET CURRENT ASSETS</b>					
		<u>614,380</u>	<u>35,219</u>	<u>649,599</u>	<u>648,804</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		652,353	35,219	687,572	708,371
<b>PENSION LIABILITY</b>	18	(1,044,000)	-	(1,044,000)	(512,000)
		<u>(391,647)</u>	<u>35,219</u>	<u>(356,428)</u>	<u>196,371</u>
<b>NET ASSETS/(LIABILITIES)</b>					
		<u>(391,647)</u>	<u>35,219</u>	<u>(356,428)</u>	<u>196,371</u>
<b>FUNDS</b>	17				
Unrestricted funds				(391,647)	161,152
Restricted funds				35,219	35,219
<b>TOTAL FUNDS</b>				<u>(356,428)</u>	<u>196,371</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on ..... and were signed on its behalf by:

.....  
R A Martyn-Johns - Trustee

.....  
P Kennedy - Trustee

The notes form part of these financial statements

**COMMUNITY HOUSING CYMRU**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	121,650	102,007
Net cash provided by operating activities		121,650	102,007
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(7,372)	(18,970)
Interest received		783	1,690
Net cash used in investing activities		(6,589)	(17,280)
<b>Change in cash and cash equivalents in the reporting period</b>		115,061	84,727
<b>Cash and cash equivalents at the beginning of the reporting period</b>		1,475,794	1,391,067
<b>Cash and cash equivalents at the end of the reporting period</b>		1,590,855	1,475,794

The notes form part of these financial statements

**COMMUNITY HOUSING CYMRU**

**NOTES TO THE STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2021**

**1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2021 £	2020 £
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	70,201	268,475
<b>Adjustments for:</b>		
Depreciation charges	28,966	31,433
Interest received	(783)	(1,690)
Decrease/(increase) in debtors	86,083	(126,735)
Increase in creditors	28,183	6,524
Difference between pension charge and cash contributions	(91,000)	(76,000)
<b>Net cash provided by operations</b>	<u>121,650</u>	<u>102,007</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.4.20 £	Cash flow £	At 31.3.21 £
<b>Net cash</b>			
Cash at bank	1,475,794	115,061	1,590,855
	<u>1,475,794</u>	<u>115,061</u>	<u>1,590,855</u>
<b>Total</b>	<u>1,475,794</u>	<u>115,061</u>	<u>1,590,855</u>

The notes form part of these financial statements



## **COMMUNITY HOUSING CYMRU**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

#### **1. ACCOUNTING POLICIES**

##### **Basis of preparation and assessment of going concern**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. Further details can be found in note 23 of the financial statements.

##### **Preparation of consolidated financial statements**

The financial statements contain information about Community Housing Cymru as an individual company and do not contain consolidated financial information as the parent of the group. The charity is exempt under Section 399(2A) of the Companies Act 2006 and Statutory Instrument - 2008/629 Regulation 19 from the requirements to prepare consolidated financial statements.

The Trustees have reviewed the subsidiary (Community Housing Cymru - Policy & Research Limited) position at the year end and feel that the difference between the amount donated to the charity compared to the income in the subsidiary is deemed immaterial to warrant consolidation.

The total income in the subsidiary amounted to £39,347 with expenses of £504 resulted in a donation of £38,843 to the charity.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Affiliation fee income is accounted for on an accruals basis and is recognised in the period of membership.

Income from courses and conferences is recognised when the respective event occurs.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities, both costs directly attributable and indirect support costs.

## COMMUNITY HOUSING CYMRU

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

#### 1. ACCOUNTING POLICIES - continued

##### **Allocation and apportionment of support costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Charity's activities. A note of these costs are detailed in note 6.

##### **Tangible fixed assets**

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

Improvements to property	- 20% straight line
Plant and machinery	- 20% reducing balance
Fixtures and fittings	- 20% reducing balance
Computer equipment	- 25% straight line

Assets greater than £500 will be capitalised.

##### **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.

##### **Fund accounting**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes falling in future time periods.

Restricted funds are funds subject to specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

##### **Pension costs and other post-retirement benefits**

For defined benefit schemes the amounts charged to the Statement of Financial Activities are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in the Statement of Financial Activities.

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the charity, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability, net of the related deferred tax, is presented separately after other net assets on the face of the balance sheet.

##### **Investments**

Investments are included in the accounts at market value. Where held as an ongoing investment they are included within Fixed Assets. Unrealised gains on investments held are included separately from Investment Income under 'Other Recognised Gains'.

The investment in the subsidiary is recorded at the value of the net assets on the date at which the subsidiary came into the group.

## COMMUNITY HOUSING CYMRU

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

#### 1. ACCOUNTING POLICIES - continued

##### Deferred Income

Deferred income represents income received but not earned as of the year end. Deferred income primarily consists of income for affiliation fees received in advance of the affiliation period and grant income.

##### Legal Status of the charity

The Charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

##### Debtors

Trade and other debtors are recognised at the settlement amount due.

##### Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### Creditors and provisions

Creditors and provisions are recognised where the charity has 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. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

##### Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

#### 2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Gift aid	38,843	71,984

#### 3. INVESTMENT INCOME

	2021	2020
	£	£
Deposit account interest	783	1,690

**COMMUNITY HOUSING CYMRU**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

**4. INCOME FROM CHARITABLE ACTIVITIES**

		2021 £	2020 £
Grants	Charitable activities	-	205
Affiliation fees	Charitable activities	1,465,027	1,441,086
Training course fees	Charitable activities	43,341	82,475
Marketing income & conference fees	Charitable activities	111,352	320,277
Affinity contracts	Charitable activities	13,047	14,156
Sundry income	Charitable activities	20,720	20,749
PPE Equipment Income	Charitable activities	96,594	-
		<u>1,750,081</u>	<u>1,878,948</u>

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

	2021 £	2020 £
Other Grants	-	205
	<u>-</u>	<u>205</u>

**5. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Support costs (see note 6) £	Totals £
Charitable activities	<u>1,608,656</u>	<u>110,850</u>	<u>1,719,506</u>

**6. SUPPORT COSTS**

	Other £	Support costs £	Totals £
Charitable activities	<u>95,850</u>	<u>15,000</u>	<u>110,850</u>

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

	2021 Charitable activities £	2020 Total activities £
IT Costs	43,883	23,847
Consultancy & Professional fee	44,715	11,756
Bank charges	510	476
Audit fees	6,742	7,809
Governance	-	3,101
Development	-	2,008
Interest payable and similar charges	15,000	30,000
	<u>110,850</u>	<u>78,997</u>

# COMMUNITY HOUSING CYMRU

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

### 7. NET INCOME/(EXPENDITURE)

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

	2021	2020
	£	£
Depreciation - owned assets	28,966	31,433
Audit fees	6,742	6,250
	<u>35,708</u>	<u>37,683</u>

### 8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

#### Trustees' expenses

There was no reimbursement of travel expenses to trustees in the year (2020: £580).

### 9. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	874,983	839,794
Social security costs	90,533	88,847
Other pension costs	53,232	48,849
	<u>1,018,748</u>	<u>977,490</u>

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

	2021	2020
Central Services	4	4
Communications	3	4
Policy and member services	12	10
Events	3	3
	<u>22</u>	<u>21</u>

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

	2021	2020
£60,001 - £70,000	1	2
£70,001 - £80,000	1	1
£100,001 - £110,000	1	1
	<u>3</u>	<u>4</u>

At the year end there were loans made to other staff members in order to purchase vehicles amounting to £13,570 (2020: £26,194).

During the year the total employee benefits received by key management personnel amounted to £439,592 (2020 £433,096). The Key management personnel of Community Housing Cymru is its Senior Management Group.

**COMMUNITY HOUSING CYMRU**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

**10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	71,984	-	71,984
<b>Charitable activities</b>			
Charitable activities	1,878,948	-	1,878,948
Investment income	1,690	-	1,690
<b>Total</b>	1,952,622	-	1,952,622
 <b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Charitable activities	1,675,113	9,034	1,684,147
 <b>NET INCOME/(EXPENDITURE)</b>	277,509	(9,034)	268,475
 <b>Other recognised gains/(losses)</b>			
Actuarial gains on defined benefit schemes	560,000	-	560,000
<b>Net movement in funds</b>	837,509	(9,034)	828,475
 <b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	(676,357)	44,253	(632,104)
 <b>TOTAL FUNDS CARRIED FORWARD</b>	161,152	35,219	196,371

**11. TAXATION**

As a registered charity, there is no liability to tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992, insofar as these are applied to the charitable objects of the Charity.

**COMMUNITY HOUSING CYMRU**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

**12. TANGIBLE FIXED ASSETS**

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>					
At 1 April 2020	109,473	19,277	38,105	110,290	277,145
Additions	-	-	-	7,372	7,372
At 31 March 2021	109,473	19,277	38,105	117,662	284,517
<b>DEPRECIATION</b>					
At 1 April 2020	86,235	15,578	31,711	84,055	217,579
Charge for year	15,614	740	1,279	11,333	28,966
At 31 March 2021	101,849	16,318	32,990	95,388	246,545
<b>NET BOOK VALUE</b>					
At 31 March 2021	7,624	2,959	5,115	22,274	37,972
At 31 March 2020	23,238	3,699	6,394	26,235	59,566

**13. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>MARKET VALUE</b>	
At 1 April 2020 and 31 March 2021	1
<b>NET BOOK VALUE</b>	
At 31 March 2021	1
At 31 March 2020	1

There were no investment assets outside the UK.

	Shares in group undertakings £
<b>Cost or Valuation</b>	
Community Housing Cymru - Policy & Research	1
	1

The shares in group undertakings are the charitable company's investment in the trading subsidiary, Community Housing Cymru - Policy and Research Limited, a company that generates funds for and is operated by Community Housing Cymru. The investment represents the holding of 100% of the ordinary shares of £1 each.

**COMMUNITY HOUSING CYMRU**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

**14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Trade debtors	544,869	570,779
Other debtors	103,043	163,216
	<u>647,912</u>	<u>733,995</u>

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Trade creditors	43,939	52,761
Other creditors	83,333	42,389
Income in advance	1,461,896	1,465,835
	<u>1,589,168</u>	<u>1,560,985</u>

**16. LEASING AGREEMENTS**

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

	2021 £	2020 £
Within one year	73,156	73,156
Between one and five years	13,060	86,312
	<u>86,216</u>	<u>159,468</u>

**17. MOVEMENT IN FUNDS**

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
<b>Unrestricted funds</b>			
General Fund	95,152	(534,775)	(439,623)
Housing Futures Programme	36,000	-	36,000
IT/Digital Strategy	30,000	(18,024)	11,976
	<u>161,152</u>	<u>(552,799)</u>	<u>(391,647)</u>
<b>Restricted funds</b>			
Primary Fire Authority Scheme	35,219	-	35,219
	<u>196,371</u>	<u>(552,799)</u>	<u>(356,428)</u>
<b>TOTAL FUNDS</b>			
	<u>196,371</u>	<u>(552,799)</u>	<u>(356,428)</u>



**COMMUNITY HOUSING CYMRU**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

**17. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General Fund	1,789,707	(1,701,482)	(623,000)	(534,775)
IT/Digital Strategy	-	(18,024)	-	(18,024)
	<u>1,789,707</u>	<u>(1,719,506)</u>	<u>(623,000)</u>	<u>(552,799)</u>
<b>TOTAL FUNDS</b>	<u><u>1,789,707</u></u>	<u><u>(1,719,506)</u></u>	<u><u>(623,000)</u></u>	<u><u>(552,799)</u></u>

**Comparatives for movement in funds**

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
<b>Unrestricted funds</b>				
General Fund	(676,357)	837,509	(66,000)	95,152
Housing Futures Programme	-	-	36,000	36,000
IT/Digital Strategy	-	-	30,000	30,000
	<u>(676,357)</u>	<u>837,509</u>	<u>-</u>	<u>161,152</u>
<b>Restricted funds</b>				
Primary Fire Authority Scheme	44,253	(9,034)	-	35,219
	<u>44,253</u>	<u>(9,034)</u>	<u>-</u>	<u>35,219</u>
<b>TOTAL FUNDS</b>	<u><u>(632,104)</u></u>	<u><u>828,475</u></u>	<u><u>-</u></u>	<u><u>196,371</u></u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General Fund	1,952,622	(1,675,113)	560,000	837,509
<b>Restricted funds</b>				
Primary Fire Authority Scheme	-	(9,034)	-	(9,034)
	<u>-</u>	<u>(9,034)</u>	<u>-</u>	<u>(9,034)</u>
<b>TOTAL FUNDS</b>	<u><u>1,952,622</u></u>	<u><u>(1,684,147)</u></u>	<u><u>560,000</u></u>	<u><u>828,475</u></u>

# COMMUNITY HOUSING CYMRU

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

### 17. MOVEMENT IN FUNDS - continued

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

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
<b>Unrestricted funds</b>				
General Fund	(676,357)	302,734	(66,000)	(439,623)
Housing Futures Programme	-	-	36,000	36,000
IT/Digital Strategy	-	(18,024)	30,000	11,976
	<u>(676,357)</u>	<u>284,710</u>	<u>-</u>	<u>(391,647)</u>
<b>Restricted funds</b>				
Primary Fire Authority Scheme	44,253	(9,034)	-	35,219
	<u>44,253</u>	<u>(9,034)</u>	<u>-</u>	<u>35,219</u>
<b>TOTAL FUNDS</b>	<u><u>(632,104)</u></u>	<u><u>275,676</u></u>	<u><u>-</u></u>	<u><u>(356,428)</u></u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General Fund	3,742,329	(3,376,595)	(63,000)	302,734
IT/Digital Strategy	-	(18,024)	-	(18,024)
	<u>3,742,329</u>	<u>(3,394,619)</u>	<u>(63,000)</u>	<u>284,710</u>
<b>Restricted funds</b>				
Primary Fire Authority Scheme	-	(9,034)	-	(9,034)
	<u>-</u>	<u>(9,034)</u>	<u>-</u>	<u>(9,034)</u>
<b>TOTAL FUNDS</b>	<u><u>3,742,329</u></u>	<u><u>(3,403,653)</u></u>	<u><u>(63,000)</u></u>	<u><u>275,676</u></u>

### Purpose of fund

**Primary Fire Authority Scheme** - This restricted scheme has been set up to support the housing associations sector fire safety provision through assured advice from a single fire service.

**Housing Futures Programme** - This designated fund has been set up to work in collaboration with National Housing Federation to develop a service, product or new approach to help solve the challenge facing the sector.

**IT/Digital Strategy** - This designated fund has been set up to cover our IT and digital strategy for an overhaul of our systems, improve collaborative and remote working.

# **COMMUNITY HOUSING CYMRU**

## **NOTES TO THE FINANCIAL STATEMENTS - continued** **FOR THE YEAR ENDED 31 MARCH 2021**

### **18. EMPLOYEE BENEFIT OBLIGATIONS**

#### **The Pensions Trust - Social Housing Pension Scheme (SHPS)**

SHPS is a multi employer pension schemes which provides benefits to non- associated participating employers. The scheme is classed as a defined benefit scheme in the UK. The scheme is classified as 'last man standing' arrangement. Therefore each employer is 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.

The amounts recognised in the Statement of Financial Activities are as follows:

	Defined benefit pension plans	
	2021	2020
	£	£
Current service cost	-	-
Net interest from net defined benefit asset/liability	90,000	102,000
Past service cost	-	-
	<u>90,000</u>	<u>102,000</u>
Actual return on plan assets	<u>301,000</u>	<u>31,000</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2021	2020
	£	£
Opening defined benefit obligation	3,691,000	4,204,000
Interest cost	90,000	102,000
Actuarial losses/(gains)	(102,000)	46,000
Benefits paid	(82,000)	(86,000)
Remeasurements:		
Actuarial (gains)/losses from changes in demographic assumptions	17,000	(38,000)
Actuarial (gains)/losses from changes in financial assumptions	1,011,000	(537,000)
	<u>4,625,000</u>	<u>3,691,000</u>

**COMMUNITY HOUSING CYMRU**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

**18. EMPLOYEE BENEFIT OBLIGATIONS - continued**

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

	Defined benefit pension plans	
	2021	2020
	£	£
Opening fair value of scheme assets	3,179,000	3,056,000
Contributions by employer	108,000	106,000
Interest Income	75,000	72,000
Actual return on plan assets	301,000	31,000
Benefits paid	(82,000)	(86,000)
	<u>3,581,000</u>	<u>3,179,000</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	2021	2020
	£	£
Actuarial (gains)/losses from changes in demographic assumptions	(17,000)	38,000
Actuarial (gains)/losses from changes in financial assumptions	(1,011,000)	537,000
	<u>(1,028,000)</u>	<u>575,000</u>

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	2021	2020
Global Equity	15.95%	14.63%
Absolute Return	5.53%	5.22%
Alternative risk premia	3.77%	6.98%
Infrastructure	6.67%	7.46%
Liability Driven Investment	25.41%	33.19%
Corporate Bond Fund	5.92%	5.69%
Emerging Markets Debt	4.05%	3.02%
Risk Sharing	3.63%	3.37%
Insurance linked Securities	2.40%	3.08%
Secured income	4.16%	3.81%
Other	22.51%	13.55%
	<u>100.00%</u>	<u>100.00%</u>

Principal actuarial assumptions at the Statement of Financial Position date (expressed as weighted averages):

	2021	2020
Discount rate	2.20%	2.36%
Inflation (RPI)	3.25%	2.58%
Inflation (CPI)	2.87%	1.58%
Salary Growth	3.87%	2.58%

## COMMUNITY HOUSING CYMRU

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

#### 19. RELATED PARTY DISCLOSURES

Due to the nature of Community Housing Cymru's operations and its membership being drawn from a wide range of Housing Associations, it is inevitable that transactions will take place with organisations in which a member of Community Housing Cymru may have an interest. All transactions involving organisations in which a member may have an interest are conducted at arms length.

During the year the Charity was gift-aided a donation of £38,843 (2020: £71,984) from its subsidiary, Community Housing Cymru Policy and Research Limited.

At the year end there was a balance owed to Community Housing Cymru of £58,036 (2020: £113,637) from its subsidiary company.

#### 20. ULTIMATE CONTROLLING PARTY

The trustees consider there to be no ultimate controlling party.

#### 21. SHARE CAPITAL

The charitable company is limited by guarantee and as such has no share capital. In the event of the charitable company being wound up, the liability of each member is limited to £1.

#### 22. RECONCILIATION FOR PENSION SCHEME ADJUSTMENT

	2021 £	2020 £
(Deficit)/Surplus before pension scheme adjustment	(20,799)	192,475
Employers contributions transferred against liability	106,000	106,000
Pension finance cost	(15,000)	( 30,000)
Net Income per accounts	<u>70,201</u>	<u>268,475</u>

#### 23. GOING CONCERN

The financial statements currently show that the charity has negative reserves of £356,428. The primary reason for the charity having negative reserves is the long term pension deficit of £1,044,000. This deficit is an estimate of the expected shortfall of assets over liabilities in the charity pension scheme and as such the liability is not expected to crystallise in the short term. Excluding the pension deficit the charity has reserves of £687,572. This gives the trustees confidence that the charity can continue as a going concern for the foreseeable future.

# COMMUNITY HOUSING CYMRU

## DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Gift aid	38,843	71,984
<b>Investment income</b>		
Deposit account interest	783	1,690
<b>Charitable activities</b>		
Grants	-	205
Affiliation fees	1,465,027	1,441,086
Training course fees	43,341	82,475
Marketing income & conference fees	111,352	320,277
Affinity contracts	13,047	14,156
Sundry income	20,720	20,749
PPE Equipment Income	96,594	-
	<hr/> 1,750,081	<hr/> 1,878,948
<b>Total incoming resources</b>	<hr/> 1,789,707	<hr/> 1,952,622
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Wages	874,983	839,794
Social security	90,533	88,847
Pensions	53,232	48,849
Rates and water	4,945	5,285
Insurance	79,744	25,413
Light and heat	8,564	11,151
Telephone	20,327	18,473
Printing, postage & stationery	4,152	5,077
Sundries	42,825	25,537
Grant expenses	-	12,000
Global accounts and levys	2,000	4,274
Training courses	27,813	47,932
Marketing & conferences	64,880	176,995
Public relations & communications	19,127	40,764
Rent & building insurance	77,807	78,462
Repairs, renewals & cleaning	3,640	13,067
Staff travel	1,322	29,801
Staff training & recruitment	24,820	29,638
Translation costs	20,314	28,174
Publications & subscriptions	17,668	19,602
Meeting & Council travel costs	3,831	6,607
Entertaining	-	1,950
Bad debts	-	14,885
Housing futures expenditure	-	1,140
PPE Equipment expenditure	97,163	-
Dilapidation costs	40,000	-
Carried forward	1,579,690	1,573,717

This page does not form part of the statutory financial statements

**COMMUNITY HOUSING CYMRU**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 £
<b>Charitable activities</b>		
Brought forward	1,579,690	1,573,717
Improvements to property	15,614	15,665
Plant and machinery	740	785
Fixtures and fittings	1,279	1,598
Computer equipment	11,333	13,385
	<hr/>	<hr/>
	1,608,656	1,605,150
 <b>Support costs</b>		
<b>Other</b>		
IT Costs	43,883	23,847
Consultancy & Professional fee	44,715	11,756
Bank charges	510	476
Audit fees	6,742	7,809
Governance	-	3,101
Development	-	2,008
	<hr/>	<hr/>
	95,850	48,997
 <b>Support costs</b>		
Interest on pension scheme liabilities	15,000	30,000
	<hr/>	<hr/>
Total resources expended	1,719,506	1,684,147
	<hr/>	<hr/>
<b>Net income</b>	70,201	268,475
	<hr/>	<hr/>

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## **Signature 1**

Signed by Andrew Martyn - Johns using authentication code KWd6UzNUMixDaS5t at IP address 45.80.160.169, on 2021/10/28 11:50:48 Z.

Andrew Martyn - Johns's e-mail address is: andrewm-j@hotmail.com.



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## **Signature 1**

Signed by Paula Kennedy using authentication code NiYubzBndUhGcSp2 at IP address 81.149.104.13, on 2021/10/28 10:56:21 Z.

Paula Kennedy's e-mail address is: [Paula.Kennedy@melinhomes.co.uk](mailto:Paula.Kennedy@melinhomes.co.uk).