

**Cynnal Cymru – Sustain Wales**  
(A Company Limited by Guarantee)

**Annual Report and Financial Statements**

**For the Year Ended 31 March 2025**

**Company Number: 04622047**  
**Charity Registered in England and Wales Number: 1158496**

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**Cynnal Cymru – Sustain Wales**  
Reference and Administrative Details  
For the Year Ended 31 March 2025

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|---|---|
| <b>Charity Name</b>                                   | Cynnal Cymru – Sustain Wales  |
| <b>Registered Charity Number:</b>                     | 1158496   |
| <b>Registered Company Number (England and Wales):</b> | 04622047  |
| <b>Trustee Directors</b>                              | R Billingham<br>L Cordery-Bruce<br>K Evans<br>H Draper<br>N Hagendyk<br>D McCrea (Chair)<br>C Moreton<br>E Morgan<br>S Stensland<br>N Sudarsan<br>D Tram<br>N Wood-Gaiger |
| <b>Company Secretary</b>                              | C F Sain-Ley-Berry  |
| <b>Registered Office</b>                              | Sbarc/Spark<br>Maindy Road<br>Cardiff<br>CF24 4HQ   |
| <b>Auditors</b>                                       | Bevan Buckland LLP<br>Chartered Accountants and Statutory Auditors<br>Ground Floor<br>Cardigan House<br>Castle Court<br>Swansea Enterprise Park<br>Swansea<br>SA7 9LA     |
| <b>Bankers</b>  | Co-operative Bank Plc<br>PO Box 250<br>Skelmersdale<br>Lancashire<br>WN8 6WT  |

The Trustees present their annual report together with the audited financial statements of the company for the year 1 April 2024 to 31 March 2025. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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).

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

### **Structure, governance and management**

The company is constituted under a Memorandum of Association dated 19 December 2002 and is a registered charity number 1158496.

Cynnal Cymru became part of the Wales Council for Voluntary Action (WCVA) group structure on 1 April 2018 with WCVA becoming the sole legal member of Cynnal Cymru.

Throughout 2024/25 the charity has continued to operate independently with its own Board.

The Memorandum of Association established the objectives and powers of the charitable company and is governed under its Articles of Association.

The objects of Cynnal Cymru-Sustain Wales (Cynnal Cymru) as a Charity are to promote sustainable development for the benefit of the public by:

- i. the preservation, conservation and the protection of the environment and the prudent use of resources;
- ii. the relief of poverty and the improvement of the conditions of life for those socially and economically disadvantaged;
- iii. the promotion of sustainable means of achieving economic growth and regeneration;
- iv. the advance of the education of the public in subjects relating to sustainable development; and
- v. any other charitable purposes.

### **Method of appointment or election of Trustees**

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

One trustee resigned in this period. Ruth Marks resigned her position as an ex-officio trustee at the end of her terms as Chief Executive of WCVA to be replaced by her successor Lindsay Cordery-Bruce. The charity benefitted enormously from Ruth's solutions-focused, co-operative approach and we were delighted to welcome Lindsay who brings equal enthusiasm and commitment to the role. Following a year of acting as a shadow trustee, the Board was also pleased to welcome Nicky Hagendyk as a full trustee in this period.

The Board oversaw the recruitment of a new Chief Executive this year to shape a new phase in the organisation's journey. The Board also updated its membership of the People and Policies, and Finance and Audit committees, and adoption of vice chair role.



## **Senior Management Team**

The Board delegate the operational running of the charity to the Chief Executive and the Senior Management Team (SMT). They report to the Board through regular reports to the Chair, Committees and full Board.

The new Chief Executive, Dr Simon Slater, started in September 2024. Clare Sain-ley-Berry acted as the interim Director for 18-months prior to this and has now taken on the role of Deputy Chief Executive. The Board are grateful for Clare's leadership during this period. The other members of the SMT include the Head of Communications and Membership, Head of Fair Economy, and the Head of Training and Advice.

## **Staffing**

This year has been a period of consolidation with a new Chief Executive, and a new Senior Management Team and staffing restructure in place to manage the end of a previous period of rapid growth and new financial pressures.

Several members of staff from across our training, advice and support teams left during this year. We are grateful to Sylvia Davies, Dr Karolina Rucinska, Camille Lovgreen, Beli Evans and Abi Hoare for giving us their energy, creativity and passion in this past year to help shape Cynnal Cymru and our charitable impact.

We were also pleased to welcome Christopher Woodfield as the latest member to our Sustainability Training team and ensure that our remaining staff were all moved onto permanent contracts.

## **Achievements and performance**

Like many charities, the organisation has faced considerable financial pressure this year, resulting in a need to examine carefully how we best achieve our mission of accelerating progress towards a more sustainable Wales through our interlocking work areas of (i) a low carbon economy, (ii) a thriving natural environment and (iii) a fair and just society.

### **(i) Low Carbon Economy**

To achieve the transformation necessary for a stable climate and low carbon economy, we recognise the critical role of appropriate engagement, training and advice – themes that we continued to explore and finesse with our members, partners and wider stakeholders.

### **Carbon Literacy**

We continued our role as the official partner in Wales of the Carbon Literacy Project, which has been recognised by the UN as one of 100 global Transformative Action Programmes.

In 24-25 we delivered tutor-led training to more than 500 individuals, and we designed tailored courses for both private sector firms and public bodies. This included:

- Our collaboration with Manchester Metropolitan University to roll out Carbon Literacy training to the staff of Wales's statutory environmental body, Natural Resources Wales
- The conclusion of our Carbon Literacy Cartrefi Cymru consortium project that brought together 22 housing associations operating in Wales, willing to pool resources and expertise to upskill both staff and tenants to tackle the climate crisis. The accreditation of a bespoke bilingual course specifically tailored to the experience and realities of Welsh social housing tenants, that can be used by all partners to cascade climate knowledge, was a key milestone.

To date we have trained more than 1,827 individuals from almost 350 organisations. This represents a significant contribution to the Carbon Literacy Project in Wales and its aim to give every citizen a day's worth of learning around the carbon costs and impacts of everyday activities, and the ability and motivation to reduce them. This has resulted in 3,645 climate-positive pledges being made.

### **Climate Essentials elearns**

Our training team has worked tirelessly with organisations to help develop and deliver in-house elearn training platforms for their staff and partners to enable ongoing capacity building.

In 24-25 this has included:

- Completing an ambitious Climate Essentials elearn for Swansea University, customised to the student and staff population.
- Creating a Climate Essentials elearn for Powys County Council for staff

### **(ii) Fair and Just Society**

This area of our work continues to grow in importance as living standards are squeezed. An emerging narrative of measures to tackle climate change coming at the expense of living standards for ordinary people presents a challenge, which Cynnal Cymru is uniquely placed to tackle with our dual focus on sustainability and delivering better living standards for some of the poorest people in our society.

### **Real Living Wage Accreditations**

In Wales, we are the real Living Wage accreditation partner for the Living Wage Foundation. The Living Wage movement in Wales continues to grow despite the continuance of a challenging environment, including increases in both Living Wage accreditation fees and National Insurance.

In 2024-25, despite reduced budgets in the relevant department, Welsh Government continued to support this core work around the real Living Wage. This resulted in:

- Growth of accredited employers. The movement celebrated 500 accredited employers in July 2023, and at the end of 2024-25, reached 600 accredited employers.
- Living Hours Employers more than doubled from 7 to 17.
- A series of Living Wage Places steering groups and events were supported, such as Living Wage week.
- Preparatory work for a pipeline of large employers to accredit from the public sector, such as local authorities, with the aim to accredit during 2025-26.
- Positioning work resulting in the Future Generations Commissioner including real Living Wage accreditation as one of eleven asks of public sector bodies in Wales.
- The development of an expanded programme for 2025-26

To date this work has resulted in over 20,000 pay rises contributing to lifting individuals and families out of poverty.

## **Foundational Economy**

For several years we have been supporting the Foundational Economy team in Welsh Government. This sector of the economy comprises small or local businesses involved in retail, hospitality, food, construction, health, and education.

In 2024-25 this included:

- Policy consultation and development work leading to a Ministerial launch of the Foundational Economy mission statement and actions. These include increasing understanding around foundational sectors, and actions around local employment opportunities, reducing energy and resource use, and improving income, skills, and health outcomes.
- Continued facilitation of a community of practice of projects funded by Welsh Government's Backing Local Firms Fund and Innovation Challenge fund, using co-production principles to identify and explore common challenges and work towards solutions. A key focus was around a more sustainable food system where more of the food consumed in Wales can be produced locally, with higher nutritional value, less waste, less harmful impacts on soil and biodiversity and a fair return for suppliers. 11 meetings were organised for a network of over 75 participants with an average of 20 attendees at each.
- Exploration of other ways to support our foundational sectors including the potential to marry up community-produced energy with EV charging infrastructure.
- Celebration showcase event for Welsh Government funded projects and organisations to share lessons, outputs, and outcomes for over 60 participants.
- A series of good practice case studies.
- The development of an expanded programme for 25-26.

### **(iii) Thriving Natural Environment**

#### **Nabod Natur - Nature Wise**

We continued to deliver our Nabod Natur - Nature Wise eco-literacy course to organisations.

In 2024-25 this included:

- The National Lottery Community Fund and to Welsh Government staff as part of its internal training offer.
- We were also pleased to make Nature Wise training freely available to other audiences through trusted partners. A highlight was receiving support from Castell Howell to deliver Nature Wise to primary school teachers engaged with the Big Bocs Bwyd programme to build confidence in using the natural environment to deliver curriculum outcomes.

In total more than 100 people received Nature Wise training in 2024-25, committing to an average of 5 nature recovery actions in private and professional life each. The total to date is 240 organisations supported, 636 individuals trained, and 2,426 pledges to help nature at home or work.

## **Nabod Natur - Nature Wise elearns**

Recognising the benefits of diversifying our training offer around the critical role of a healthy, functioning natural environment, we were delighted to launch our nature recovery elearn developed last financial year in partnership with WCVA and Wales's Local Nature Partnerships.

In 2024-25 we:

- Created customised nature recovery elearns for 7 local authorities with a combined reach to more than 40,000 employees.

### **(iv) Integrated sustainability**

During this year we have seen more organisations understanding the need for an integrated approach to the climate-nature crisis as well as the imperative for a fair transition to a more sustainable future that does not deepen existing inequalities.

In 2024-25 we delivered:

- **Leadership training for the public sector.** We were pleased to support Academi, the centre for excellence in leadership and management for public services in Wales, to upskill experienced and emerging public sector leaders in both Carbon Literacy and Nature Wise training, with a further phase of action-planning workshops to follow.
- **Integrated sustainability training for the food sector.** Three groups of trainees from food and drink manufacturers in Wales, in partnership with EcoStudio. This was part of the Welsh Government's Food Skills Cymru programme.
- **Sustainability strategy advice for tourism and hospitality sectors.** A year-long project to design and implement a transformative sustainability strategy with the national park resort Bluestone Wales was concluded.
- **Sustainability advice and guidance for business.** The input from our advice and fair economy teams was incorporated and recognised in a new Future Generations business toolkit. We also launched 'futures tools' such as 'Postcards from 2050 Wales'.
- **Carbon reduction and fair work support for small businesses.** We continued our partnership with Social Investment Cymru that, like us, is part of WCVA's group structure. Under SIC's innovative Community Asset Loan Fund, beneficiaries receive reductions in the loan interest rate if they develop carbon reduction plans or accredit as real Living Wage employers. In 2024-25, we worked with 6 social enterprises to enable them to take advantage of this financial benefit whilst also helping target action for environmental and social good.

## **Risk management**

Trustees routinely scrutinise the risks to which Cynnal Cymru is exposed, particularly those related to the operations and finances of the company and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. The risk register and related procedures are regularly reviewed by The Board of Trustees to ensure they continue to meet the needs of the Charity and ensure its good governance.

## **Financial review**

The charity returned a deficit in 2024-25 of £84,771 (2023-24 £17,745).

This was due to a larger cost base through staff recruited to respond to several years of rapid growth and investment in new advice and consultancy services. Unfortunately, the demand for existing services slowed, and the market for the new services didn't deliver the expected growth. The Board and SMT agreed a series of measures to monitor and manage cashflow, including securing a loan facility, reducing costs, and refocusing existing services. The loan facility was never accessed and is now closed, and other changes have resulted in reduced operating costs, increased grants and a pipeline of projects for 2025-26

The financial results of the year are included on pages 15 and 16.

## **Reserves**

We aim to build up our reserves, consistent with the Charity's overall financial position and the need to maintain and develop charitable activities.

The reserves policy has been developed to ensure that Cynnal Cymru can manage during a period of unforeseen difficulty, with the target level of reserves identified at 3 months of projected operating costs. In April 2025 this level of reserves was estimated at £135,000. Our reserves were drawn on substantially in 2024-25 to address a shortfall in projected income and to allow us time to conduct a restructure to produce a reduced cost base. Our financial plans are to rebuild our reserves in stages over the next two financial years.

The charity starts the year with free reserves of £62,768 (2024 £147,539).

## **Going concern**

The Trustees continue to adopt the going concern basis in preparing the financial statements. After making appropriate enquiries and seeking appropriate assurance, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. With the reduction in our reserves, the main issue is cashflow which is closely monitored on a monthly basis and reported to the Board.

Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

## **Priorities for 2025-26**

To build on the change, consolidation and product development during the previous year, we intend to focus on several external and internal priorities for 2025-26:

### **External**

- Use the support of the Future Generations Commissioner to drive up the number of public sector bodies accredited as real Living Wage employers.
- Use the new Foundational Economy mission statement to drive our new support programme.
- Using the Living Wage Places model, set up more city or sub-regional focused work in Wales, including mid and north Wales.
- Expand our use of elearns and partner organisations to help grow our reach and impact of our training and advice team.
- Work towards producing a reframed impact report based on the numbers and locations of the individuals of organisations we have worked with and the changes this has made
- Work with the Board and stakeholders to develop a new 3-year strategy and review our service offer.

## **Internal**

- Recruit new Board members, a new Chair, and a new Sustainability Adviser to maintain our new delivery structure.
- Develop and diversify our income streams through expanding our elearn work, programme management, and developing an approach to trusts and foundations.
- Conduct fair work and Welsh Language audits of our organisation to identify areas for improvement
- Rebuild our reserves
- Explore, with the WCVA and Cynnal Cymru Boards, the separation of Cynnal Cymru from the WCVA group structure by March 2026.

## **Trustees' Responsibilities in Relation to the Financial Statements**

The trustees (who are also directors of Cynnal Cymru – Sustain Wales for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

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

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

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

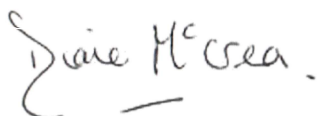
**Cynnal Cymru – Sustain Wales**  
Trustee Directors' Report  
For the Year Ended 31 March 2025

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The trustees confirm that so far as they are aware, there is no relevant audit information (as defined by section 418(3) of the Companies Act 2006) of which the charitable company's auditors are unaware. They have taken all steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities, and in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the board on 23 October 2025..... and signed on their behalf by:



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D McCrea MBE  
Chair of Board of Trustees

## **Cynnal Cymru – Sustain Wales**

Independent Auditors' Report to the Members and Trustees  
For the Year Ended 31 March 2025

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### **Opinion**

We have audited the financial statements of Cynnal Cymru – Sustain Wales (the “charitable company”) for the year ended 31 March 2025 which comprise, the Statement of Financial Activity, the Balance Sheet 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, 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;
- 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 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 the provisions available for small entities, 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 the events or conditions that, individually or collectively, may cast significant doubt on the charitable company’s ability to continue as a going concern for the period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor’s report thereon.

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



## **Cynnal Cymru – Sustain Wales**

### **Independent Auditors' Report to the Members and Trustees For the Year Ended 31 March 2025**

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

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

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the strategic report and the directors' report) has been prepared in accordance with applicable legal requirements.

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

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

We have nothing to report in respect of the following matters in relation to which the 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;
- 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 the Trustees' Annual Report.

#### **Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 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.

## **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:

- enquiring of management, including obtaining and reviewing supporting documentation, concerning the charitable company's policies and procedures relating to:
- 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 Charitable company 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 Charitable company, the key laws and regulations we considered in this context included the UK Companies Act and relevant tax legislation.

## Cynnal Cymru – Sustain Wales

Independent Auditors' Report to the Members and Trustees  
For the Year Ended 31 March 2025

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### 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 and reviewing correspondence with HMRC; and
- 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 business rationale of any significant transactions that are unusual or outside the normal course of business.

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 auditor's report.

### 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....  
Alison Vickers (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: 23 October 2025

## Cynnal Cymru – Sustain Wales

### Statement of Financial Activities (including an Income and Expenditure account)

For the Year Ended 31 March 2025

|  | Notes | Unrest-<br>ricted<br>Funds<br>£ | Rest-<br>ricted<br>Funds<br>£ | Total<br>2025<br>£ | Unrest-<br>ricted<br>Funds<br>£ | Rest-<br>ricted<br>Funds<br>£ | Total<br>2024<br>£ |
|--|-------|---------------------------------|-------------------------------|--------------------|---------------------------------|-------------------------------|--------------------|
| <b>Income from:</b>                              |       |                                 |                               |                    |                                 |                               |                    |
| Donations  | 2     | 29,263                          | -                             | 29,263             | 5,516                           | -                             | 5,516              |
| Charitable activities                            | 3     | 331,444                         | 159,669                       | 491,113            | 408,887                         | 157,693                       | 566,580            |
| <b>Total income</b>                              |       | <b>360,707</b>                  | <b>159,669</b>                | <b>520,376</b>     | <b>414,403</b>                  | <b>157,693</b>                | <b>572,096</b>     |
| <b>Expenditure on:</b>                           |       |                                 |                               |                    |                                 |                               |                    |
| Charitable expenditure                           | 4     | 441,937                         | 163,210                       | 605,147            | 420,503                         | 169,338                       | 589,841            |
| <b>Total expenditure</b>                         |       | <b>441,937</b>                  | <b>163,210</b>                | <b>605,147</b>     | <b>420,503</b>                  | <b>169,338</b>                | <b>589,841</b>     |
| <b>Net (expenditure)/income before transfers</b> |       | (81,230)                        | (3,541)                       | (84,771)           | (6,100)                         | (11,645)                      | (17,745)           |
| Transfer between funds                           |       | (3,541)                         | 3,541                         | -                  | -                               | -                             | -                  |
| <b>Net movement in funds</b>                     |       | (84,771)                        | -                             | (84,771)           | (6,100)                         | (11,645)                      | (17,745)           |
| <b>Reconciliation of funds</b>                   |       |                                 |                               |                    |                                 |                               |                    |
| <b>Fund balances at 1 April 2024</b>             |       | 147,539                         | -                             | 147,539            | 153,639                         | 11,645                        | 165,284            |
| <b>Fund balances at 31 March 2025</b>            | 7     | <b>62,768</b>                   | <b>-</b>                      | <b>62,768</b>      | <b>147,539</b>                  | <b>-</b>                      | <b>147,539</b>     |

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

The statement of financial activities incorporates the income and expenditure account.

**Cynnal Cymru – Sustain Wales – company number 04622047****Balance Sheet**

As at 31 March 2025

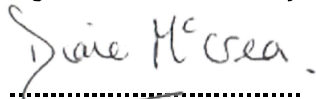
|                                     | Notes | 2025<br>£            | 2024<br>£             |
|-------------------------------------|-------|----------------------|-----------------------|
| <b>Current assets</b>               |       |                      |                       |
| Debtors                             | 5     | 83,312               | 180,515               |
| Cash at bank and in hand            |       | 87,561               | 133,130               |
|                                     |       | <u>170,873</u>       | <u>313,645</u>        |
| <b>Creditors</b>                    |       |                      |                       |
| Amounts falling due within one year | 6     | (108,105)            | (166,106)             |
|                                     |       | <u></u>              | <u></u>               |
| <b>Net current assets</b>           |       | <u>62,768</u>        | <u>147,539</u>        |
| <b>Net assets / (liabilities)</b>   |       | <u><b>62,768</b></u> | <u><b>147,539</b></u> |
| <b>Funds</b>                        |       |                      |                       |
| <b>Unrestricted funds</b>           |       |                      |                       |
| General funds                       | 7     | 62,768               | 147,539               |
|                                     |       | <u>62,768</u>        | <u>147,539</u>        |
| <b>Restricted funds</b>             | 7     | -                    | -                     |
|                                     |       | <u>-</u>             | <u>-</u>              |
| <b>Total charity funds</b>          |       | <u><b>62,768</b></u> | <u><b>147,539</b></u> |

The notes on pages 18 to 27 form part of these accounts.

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

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

The financial statements were approved and authorised for issue by the Trustees on 23 October 2025 and signed on its behalf by:



.....  
D McCrea MBE  
Chair of Board of Trustees

**Cynnal Cymru – Sustain Wales**  
Statement of Cashflows  
For the Year Ended 31 March 2025

|  |              | <b>Total<br/>2025<br/>£</b> | <b>Total<br/>2024<br/>£</b> |
|--|--------------|-----------------------------|-----------------------------|
|  | <b>Notes</b> |                             |                             |
| <b>Cash flows from operating activities</b>                        |              |                             |                             |
| Net movements in funds for the year                                |              | (84,771)                    | (17,745)                    |
|  |              | <hr/>                       | <hr/>                       |
|  |              | (84,771)                    | (17,745)                    |
| Working capital adjustments  |              |                             |                             |
| (Increase)/decrease in debtors                                     | 5            | 97,203                      | (97,138)                    |
| Increase/(decrease) in creditors                                   | 6            | (58,001)                    | 60,249                      |
|  |              | <hr/>                       | <hr/>                       |
| Net cash flow from operations                                      |              | (45,569)                    | (54,634)                    |
|  |              | <hr/>                       | <hr/>                       |
| Net increase/(decrease) in cash and cash equivalents               |              | (45,569)                    | (54,634)                    |
|  |              | <hr/>                       | <hr/>                       |
| <b>Reconciliation of net debt</b>                                  |              |                             |                             |
| Cash and cash equivalents at the beginning of the reporting period |              | 133,130                     | 187,764                     |
| Net (decrease)/increase in cash and cash equivalents               |              | (45,569)                    | (54,634)                    |
|  |              | <hr/>                       | <hr/>                       |
| Cash and cash equivalents at the end of the reporting period       |              | 87,561                      | 133,130                     |
|  |              | <hr/>                       | <hr/>                       |

## **1 Accounting Policies**

### **1.1 General information and basis of accounting**

The financial statements have been prepared in £ sterling on the historical cost basis and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)).

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

### **1.2 Income**

All income is recognised once the company has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution. On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Membership income is recognised upon receipt and not treated as a prepayment. This is because there is no refund mechanism if a member cancels their subscription.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

### **1.3 Going Concern**

The Board of Trustees have assessed whether the use of going concern concept is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The board of trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements.

In particular, the Board has closely monitored the financial performance of the charity during the year ended 31 March 2025, noting a deficit primarily driven by underperformance in income from advice services and delays in securing and commencing new contracts.

In response, the charity implemented a comprehensive cost reduction plan aimed at reducing operating expenditure by 25%. This included a reduction in staffing levels from 14.6 to 9.9 full-time equivalents (FTEs), the integration of advice and training functions, and the establishment of a new Senior Management Team under the leadership of the recently appointed Chief Executive. The revised structure focuses on strengthening finance, human resources, and business development functions. These changes were reviewed and supported by the Social Investment Cymru team at WCVA, which subsequently approved a loan facility to support short-term cash flow requirements.

By 1 April 2025, the charity had successfully delivered the planned cost reductions, completed the staff restructuring, transitioned to new accountants, and enhanced its financial monitoring processes. The charity also closed the unused loan facility, having stabilised its cash position.

At the start of the 2025–26 financial year, the charity had secured 57% of its required income (compared to 42% in the prior year), with a further 13% projected from historically reliable sources. Grant income had doubled year-on-year, and a strong pipeline of training contracts was in place. The Board has approved a balanced budget and business plan for 2025–26, forecasting a surplus of £27,000 to begin rebuilding reserves. Performance in the first quarter of the financial year is in line with this plan.

Based on these actions and the current financial position, the Board has a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

#### **1.4 Donated goods or services**

Goods, facilities and services donated to the charity are recognised as income when the criteria for their recognition is met. Services which are provided to the charity will have a corresponding expenditure to the donated service received.

#### **1.5 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment.

For additions that are integral to the buildings, a cumulative charge of depreciation is made in the year of acquisition so as to match the additions estimate useful life to the building to which they relate.

Computers and office equipment are not capitalised but are expensed through the statement of financial activities. All other assets costing £1,000 or less are not capitalised.

#### **1.6 Expenditure**

Expenditure is recognised once there 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 allocated on the portion of the assets use.



Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

**1.7 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**1.8 Cash at bank and in hand**

Cash at bank and 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.

**1.9 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material. the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.10 Taxation**

The company is a registered charity and is therefore not liable to corporation tax to the extent that income and gains are applied to the charitable objectives of the charity.

**1.11 VAT**

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

**1.12 Fund accounting**

General funds are unrestricted funds receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets this criterion is charged to the fund, together with a fair allocation of management and support costs.

**1.13 Financial instruments**

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and liabilities of the charity and their measurements are as follows:

Financial instruments are initially measured at transaction value. They are assessed at the end of each report period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activities.

## 2 Income

|                              | Unre-<br>stricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2025<br>£ | Unre-<br>stricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2024<br>£ |
|------------------------------|---------------------------------|--------------------------|--------------------|---------------------------------|--------------------------|--------------------|
| <b>Donations</b>             |                                 |                          |                    |                                 |                          |                    |
| Donations                    | 29,263                          | -                        | 29,263             | 5,516                           | -                        | 5,516              |
|                              | <u>29,263</u>                   | <u>-</u>                 | <u>29,263</u>      | <u>5,516</u>                    | <u>-</u>                 | <u>5,516</u>       |
| <b>Charitable activities</b> |                                 |                          |                    |                                 |                          |                    |
| Training and consultancy     | 238,811                         | -                        | 238,811            | 308,194                         |                          | 308,194            |
| Partnership projects         | 15,575                          | 119,669                  | 135,244            | 73,200                          | 80,552                   | 153,752            |
| Membership                   | 13,565                          | -                        | 13,565             | 16,505                          |                          | 16,505             |
| Living wage project          | 63,310                          | 40,000                   | 103,310            | 10,000                          | 77,141                   | 87,141             |
| Other operating income       | 183                             | -                        | 183                | 988                             |                          | 988                |
|                              | <u>331,444</u>                  | <u>159,669</u>           | <u>491,113</u>     | <u>408,887</u>                  | <u>157,693</u>           | <u>566,580</u>     |
| <b>Total income</b>          | <u>360,707</u>                  | <u>159,669</u>           | <u>520,376</u>     | <u>414,403</u>                  | <u>157,693</u>           | <u>572,096</u>     |

Work has been provided to the parent company, Wales Council for Voluntary Action, for £10,500 (2024 £18,300).

There are no unfulfilled conditions attached to the above grants received.

### 3 Charitable expenditure

|                                     | Unre-<br>stricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2025<br>£ | Unre-<br>stricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2024<br>£ |
|-------------------------------------|---------------------------------|--------------------------|--------------------|---------------------------------|--------------------------|--------------------|
| <b>Charitable expenditure</b>       |                                 |                          |                    |                                 |                          |                    |
| <b>Support costs</b>                |                                 |                          |                    |                                 |                          |                    |
| Premises                            | 6,624                           | -                        | 6,624              | 6,790                           | -                        | 6,790              |
| General office                      | 29,266                          | -                        | 29,266             | 29,260                          | -                        | 29,260             |
| Bank charges                        | 65                              | -                        | 65                 | 429                             | -                        | 429                |
| Miscellaneous                       | 236                             | -                        | 236                | 2,115                           | -                        | 2,115              |
| Other support costs                 | 2,855                           | -                        | 2,855              | 2,650                           | -                        | 2,650              |
|                                     | <u>39,046</u>                   | <u>-</u>                 | <u>39,046</u>      | <u>41,244</u>                   | <u>-</u>                 | <u>41,244</u>      |
| Other charitable expenditure        | 392,073                         | 159,669                  | 551,742            | 373,229                         | 169,338                  | 542,567            |
|                                     | <u>431,119</u>                  | <u>159,669</u>           | <u>590,788</u>     | <u>414,473</u>                  | <u>169,338</u>           | <u>583,811</u>     |
| <b>Governance costs</b>             |                                 |                          |                    |                                 |                          |                    |
| Audit fees                          | 4,500                           | -                        | 4,500              | 4,500                           | -                        | 4,500              |
| Other governance costs              | 9,859                           | -                        | 9,859              | 1,530                           | -                        | 1,530              |
|                                     | <u>14,359</u>                   | <u>-</u>                 | <u>14,359</u>      | <u>6,030</u>                    | <u>-</u>                 | <u>6,030</u>       |
| <b>Total charitable expenditure</b> | <u>445,478</u>                  | <u>159,669</u>           | <u>605,147</u>     | <u>420,503</u>                  | <u>169,338</u>           | <u>589,841</u>     |

Support services have been provided by the parent company, Wales Council for Voluntary Action, for £4,500 (2024: £6,120).

**4 Employees and employment costs**

|  | <b>2025</b>    | <b>2024</b>    |
|--|----------------|----------------|
|  | <b>£</b>       | <b>£</b>       |
| Wages and salaries (including employee benefits) | 443,032        | 382,770        |
| Employer's NI                                    | 40,446         | 24,866         |
| Pension contributions                            | 16,993         | 18,438         |
|  | <u>500,471</u> | <u>426,074</u> |

No remuneration or expenses were paid to any Trustees during the year (2024: none).

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. As mentioned in the trustee's report, there has been a slight change in the organisation of the senior management team increasing the number of key management personnel involved. The total compensation paid to 5 key management personnel for services provided to the charity was £178,305 (2024: £56,280).

No employee received remuneration amounting to more than £60,000 (2024: none)

The average monthly head count was 17 staff (2024: 16).

**5 Debtors**

|                                | <b>2025</b>   | <b>2024</b>    |
|--------------------------------|---------------|----------------|
|                                | <b>£</b>      | <b>£</b>       |
| Trade debtors                  | 68,402        | 134,534        |
| Prepayments and accrued income | 14,910        | 45,981         |
|                                | <u>83,312</u> | <u>180,515</u> |

**6 Creditors: Amounts falling due within one year**

|                                 | <b>2025</b>    | <b>2024</b>    |
|---------------------------------|----------------|----------------|
|                                 | <b>£</b>       | <b>£</b>       |
| Trade creditors                 | 11,770         | 43,852         |
| Social security and other taxes | 20,997         | 30,736         |
| Accruals & deferred income      | 73,498         | 66,127         |
| Other creditors                 | 1,840          | 25,391         |
|                                 | <u>108,105</u> | <u>166,106</u> |

**Deferred income**

|                                  | <b>2025</b><br><b>£</b> | <b>2024</b><br><b>£</b> |
|----------------------------------|-------------------------|-------------------------|
| Deferred income at 01 April 2024 | 14,167                  | 34,074                  |
| Released from previous years     | (19,635)                | (185,423)               |
| Resources deferred in the year   | 71,279                  | 165,516                 |
| Deferred income at 31 March 2025 | <u>65,811</u>           | <u>14,167</u>           |

Included within the 2024 bank balance was a fund balance relating to Carbon Literacy Cartrefi Cymru (CLCC) £22,724 with a corresponding entry included in deferred income, the balance related to a fund that Cynnal Cymru held whilst being part of a consortium.

**7 Statement of funds**

|  | <b>Balance</b><br><b>01.04.24</b><br><b>£</b> | <b>Income</b><br><b>£</b> | <b>Expenditure</b><br><b>£</b> | <b>Transfers</b><br><b>£</b> | <b>Balance</b><br><b>31.03.25</b><br><b>£</b> |
|--|---|---------------------------|--------------------------------|------------------------------|---|
| General unrestricted funds   | 147,539                                       | 360,707                   | (445,478)                      | -                            | 62,768  |
| <b>Total unrestricted funds</b>                                      | <u>147,539</u>                                | <u>360,707</u>            | <u>(445,478)</u>               | <u>-</u>                     | <u>62,768</u>                                 |
| Welsh Government - Living Wage                                       | -   | 40,000                    | (40,000)                       | -                            | -   |
| Carbon Literacy Cartrefi Cymru                                       | -   | 20,137                    | (20,137)                       | -                            | -   |
| Welsh Government<br>- Foundational Economy Capability<br>Communities | -   | 99,532                    | (99,532)                       | -                            | -   |
| <b>Total restricted funds</b>  | <u>-</u>                                      | <u>159,669</u>            | <u>(159,669)</u>               | <u>-</u>                     | <u>-</u>                                      |
| <b>Total funds</b>   | <u><u>147,539</u></u>                         | <u><u>520,376</u></u>     | <u><u>(605,147)</u></u>        | <u><u>-</u></u>              | <u><u>62,768</u></u>                          |

**Statement of funds – prior year**

|  | <b>Balance<br/>01.04.2023<br/>£</b> | <b>Income<br/>£</b> | <b>Expenditure<br/>£</b> | <b>Transfers<br/>£</b> | <b>Balance<br/>31.03.2024<br/>£</b> |
|--|-------------------------------------|---------------------|--------------------------|------------------------|-------------------------------------|
| General unrestricted funds                       | 153,639                             | 414,403             | (420,503)                | -                      | 147,539                             |
| <b>Total unrestricted funds</b>                  | <b>153,639</b>                      | <b>414,403</b>      | <b>(420,503)</b>         | <b>-</b>               | <b>147,539</b>                      |
| <b>Restricted funds</b>                          |                                     |                     |                          |                        |                                     |
| Welsh Government - Living Wage                   | -                                   | 77,141              | (77,141)                 | -                      | -                                   |
| Moondance Foundation                             |                                     |                     |                          |                        |                                     |
| - Living Wage                                    | 4,569                               | -                   | (4,569)                  | -                      | -                                   |
| Moondance Foundation                             |                                     |                     |                          |                        |                                     |
| - ECO Training                                   | 7,076                               | -                   | (7,076)                  | -                      | -                                   |
| Welsh Government                                 |                                     |                     |                          |                        |                                     |
| - Foundational Economy Capability<br>Communities | -                                   | 80,552              | (80,552)                 | -                      | -                                   |
| <b>Total restricted funds</b>                    | <b>11,645</b>                       | <b>157,693</b>      | <b>(169,338)</b>         | <b>-</b>               | <b>-</b>                            |
| <b>Total funds</b>                               | <b>165,284</b>                      | <b>572,096</b>      | <b>(589,841)</b>         | <b>-</b>               | <b>147,539</b>                      |

- Welsh Government Living Wage - the grant was to support improved real Living Wage promotion, adoption and accreditation and to support continued employment of the in-post Real Living Wage Programme Officer with associated costs.
- Moondance Foundation – the remaining income from a £24,000 donation received in 2022-23 maintained 2 workstreams to strengthen our work in the mid and west Wales area to September 2024. The real Living Wage work focused on key events to coordinate a Living Wage Place in mid and west Wales. The eco-literacy work focused on creation of a Welsh language version of the Nature Wise course and associated resources, and running Nature Wise training sessions including one at the National Eisteddfod.
- Carbon Literacy Cartrefi Cymru – This was income from a consortium of social housing providers in Wales formed in order to enable Consortium members to provide Carbon Literacy training to staff, tenants and other stakeholders. Cynnal Cymru provided tailored training and secretarial services.
- Welsh Government Foundational Economy Capability Communities - The grant was to deliver Capability Networks linked to Welsh Government’s Foundational Economy priority sectors. It covered continued employment of the in-post Policy & Engagement Officer, plus other staff time and project costs.

**8 Analysis of net assets between funds**

|                        | <b>Unre-<br/>stricted<br/>funds<br/>£</b> | <b>Restricted<br/>funds<br/>£</b> | <b>Total<br/>2025<br/>£</b> | <b>Unre-<br/>stricted<br/>funds<br/>£</b> | <b>Restricted<br/>funds<br/>£</b> | <b>Total<br/>2024<br/>£</b> |
|------------------------|---|-----------------------------------|-----------------------------|---|-----------------------------------|-----------------------------|
| Current assets         | 170,873                                   | -                                 | 170,873                     | 276,754                                   | 36,891                            | 313,645                     |
| Creditors due < 1 year | (108,105)                                 | -                                 | (108,105)                   | (129,215)                                 | (36,891)                          | (166,106)                   |
|                        | <u>62,768</u>                             | <u>-</u>                          | <u>62,768</u>               | <u>147,539</u>                            | <u>-</u>                          | <u>147,539</u>              |

**9 Financial commitments**

|                  | <b>2025</b>                         | <b>2024</b>                         |
|------------------|-------------------------------------|-------------------------------------|
|                  | <b>Land and<br/>buildings<br/>£</b> | <b>Land and<br/>buildings<br/>£</b> |
| Less than 1 year | <u>4,416</u>                        | <u>4,416</u>                        |
|                  | <u>4,416</u>                        | <u>4,416</u>                        |

**10 Related parties**

The Wales Council for Voluntary Action provided benefits in kind to Cynnal Cymru-Sustain Wales for the external audit of £4,500 (2024: £4,500). The Charity has taken advantage of the exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with other companies which are part of the Wales Council for Voluntary Action group.

**11 Controlling party**

The ultimate parent company is Wales Council for Voluntary Action (WCVA) by virtue of being the only member of Cynnal Cymru-Sustain Wales. WCVA is a company limited by guarantee (registered number: 00425299) and registered charity (charity number: 218093) incorporated in the United Kingdom. The address of the registered office is One Canal Parade, Dumballs Road, Cardiff, CF10 5BF. The object of WCVA is to provide information, training and advice to support volunteering, governance, funding and safeguarding; and promote and support the third sector's contribution to major policy areas.

**12 Events after the balance sheet date**

Subsequent to the balance sheet date, the trustees of both WCVA and Cynnal Cymru have approved a proposal to demerge from its existing group structure. This reflects the decision by the WCVA Board to cease operating a group structure approach and aligns with the strategic direction of both charities.

At the date of approval of these financial statements, the demerger process is ongoing and subject to the completion of all necessary legal, regulatory, and administrative procedures. The trustees are working closely with legal and financial advisors to ensure full compliance with all applicable requirements.

It is proposed that the changes take effect from 31st March 2026 for accounting purposes.

The trustees have assessed the financial and operational implications of the proposed demerger and are satisfied that it will have no material impact on the charity's ability to continue as a going concern. The charity remains financially stable and continues to operate in line with its charitable objectives.