

CARTREFI CYMRU CO-OPERATIVE LIMITED

England & Wales - Charity number 702290

Details

Other names	CARTREFI CYMRU LIMITED
Status	Registered
Legal form	Charitable company
Company number	02420623
Registered	1989-11-30
Register	View on the Charity Commission register

Contact

Address	5 Coopers Yard Curran Road Cardiff CF10 5NB
Phone	02920642270
Email	enquiries@cartreficymru.coop
Website	www.cartreficymru.coop

Activities

Objects: THE FURTHERANCE OF HEALTH AND THE RELIEF OF SUFFERING BY(A) PROVIDING FOR THE CARE, ACCOMMODATION, TRAINING, EDUCATION, FUTURE LIVING, EMPLOYMENT, OCCUPATION AND SUSTENANCE OF PERSONS NORMALLY, BUT NOT EXCLUSIVELY, RESIDENT IN WALES WITH A MENTAL OR PHYSICAL DISABILITY OR SUFFERING FROM A MENTAL ILLNESS IN ORDER TO FOSTER AND ENCOURAGE A SENSE OF INDEPENDENCE; AND(B) THE PROVISION OF A HOLIDAY HOME FOR THE REST AND RECREATION OF AGED, INFIRM OR POOR PERSONS AND THEIR FAMILIES WHO ARE IN NEED OF THE FACILITIES OF THE CHARITY BY REASON OF THEIR AGE, INFIRMITY OR SOCIAL AND ECONOMIC CIRCUMSTANCES (AND FOR THE AVOIDANCE OF DOUBT 'INFIRM' AND 'INFIRMITY' SHALL INCLUDE SUFFERING FROM A MENTAL ILLNESS OR MENTAL OR PHYSICAL DISABILITY).

Activities: Cartrefi Cymru supports people of all ages who need social care or housing related support. We enable people to enjoy fulfilling lives as part of our communities in Wales. Trained and committed staff offer support at home and in the community. Support can be as much or as little as is necessary, depending on each person's needs. We promote people's independence, inclusion and self-determination.

Classification

- **How:** Provides Human Resources, Provides Services
- **What:** Education/training, Disability, Accommodation/housing, Economic/community Development/employment
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Defined Groups

Geography

- **Area of benefit:** WALES
- Throughout Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£42,912,687	£42,607,910	£11,348,523	1221
2024-03-31	£38,533,795	£37,053,983	£11,043,746	1168
2023-03-31	£35,601,862	£35,046,123	£9,563,934	1167
2022-03-31	£33,202,651	£30,714,491	£9,008,195	1099
2021-03-31	£30,162,262	£28,127,500	£6,520,035	1091

Trustees

Name	Role	Appointed
Alaknanda Sharma		2025-12-19
Alexis Pala		2023-10-24
Christine Sian Brian		2022-03-28
Dafydd Stone		2024-12-02
GRANT DUNCAN		2025-12-19
Gareth Jones		2024-12-10
Ian Courtney		2023-10-24
Katie Clubb		2026-01-07
Victor Cox		2026-01-07

CARTREFI CYMRU CO-OPERATIVE LIMITED

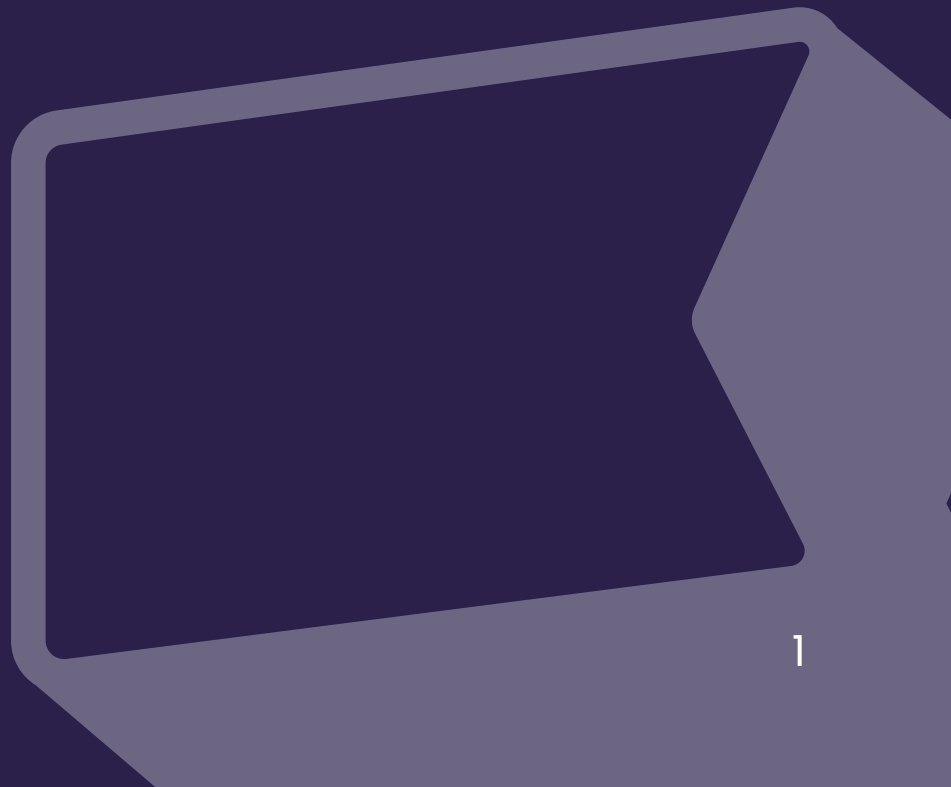
England & Wales - Charity number 702290

Accounts



Annual Report

2024/2025



CARTREFI CYMRU CO-OPERATIVE

ANNUAL REPORT 2024/25

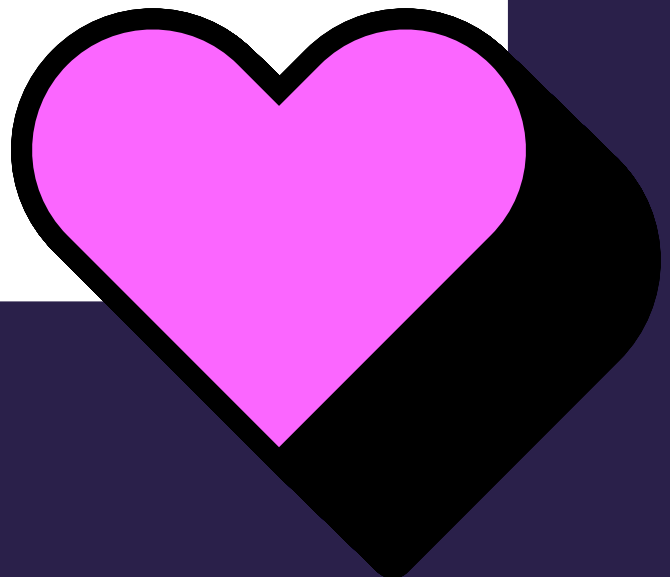
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Foreword – Chief Executive Officer

I am pleased to share with you our Annual Impact Report for 2024/25—a year that has challenged us at times yet also demonstrated the remarkable resilience and dedication of everyone connected to Cartrefi Cymru Co-operative.

Over these twelve months, we've continued to build upon our Co-Operative ethos, placing the people we support, their families, and our colleagues at the heart of everything we do. We finalised and launched our **long-term strategy**, which sets out a bold vision for delivering social care that empowers individuals, values our workforce, and maximises community involvement. The successes and stories captured in this report speak to how that vision is already coming to life.



Key Highlights

We introduced the **Sona Rostering** software and **Talos Recruitment** platform, both of which have begun streamlining our operational processes and making day-to-day work easier for our support colleagues.

We increased our frontline wage to **£12.14** an important step in recognising the commitment and skill required to deliver outstanding support.

Our family support groups, and co-operative forums expanded across Wales, reinforcing our commitment to listening and responding to the real-life experiences of the people we support and their loved ones.

Through Cartrefi Fest and other community events, we celebrated the achievements of individuals in a way that truly embodies our new “Everyday Remarkable” brand identity.

None of this would be possible without our dedicated colleagues, who bring compassion and expertise to their roles every day. By investing in recruitment and training, alongside the digital tools we’ve adopted, we aim to nurture a culture where employees can thrive, further benefiting those we support. Yet, we know there is more to do. Sustaining our services in the face of rising costs, meeting growing demand, and ensuring we continue to improve the quality of support are challenges we face in the coming year.

Our plans for 2025/26, outlined later in this report, demonstrate our commitment to innovating with technology, strengthening our co-operative model, and expanding support to even more people across Wales.

I would like to thank everyone who has been part of Cartrefi Cymru this year. Our Council, trustees, colleagues, volunteers, commissioners, partner Organisation's, families, and, most importantly, the individuals we support, each has played an essential role in keeping our mission at the forefront. Thank you for your trust, your dedication, and for sharing in our "everyday remarkable" moments.

I hope you find this report both informative and inspiring. Please read on to learn how our collective efforts have made a positive difference in the lives of so many people, and how, together, we plan to continue evolving and improving the way social care is delivered in Wales.



Reference & Administrative Details

Charity Name: Cartrefi Cymru Co-operative Limited

Charity Registration Number: 702290

Company Registration Number: 2420623

Registered Address: 5 & 6 Coopers Yard, Curran Road, Cardiff, CF10 5NB

Board of Trustees (Directors) : Christine Brian, Ian Courtney, Leanne Williams, Alexis Pala

Susmita Pullen Resigned 8 April 2024

Nial Grimes resigned 25 June 2025

Catrin Elis Williams resigned 23 September 2025

Dafydd Stone appointed 02 December 2024

Gareth Jones appointed 10 December 2024

Jonathan Griffiths appointed 02 December 2024

Imogen Brown resigned 23 September 2025

Council of Members: David Wilton, Nae Cook, Yvonne Williams, Geraint Eardley, Robert Moore, Claire Dyer, Lloyd Price, Sophie Wakelin, Robert Quarrell, Peter Lees, Kimberley Howell, Matthew Bodenham, Philip Parslow

Senior Leadership Team

Chief Executive Officer – Geraint Jenkins

Operations Director – Sue Jones

Finance and Digital Director – Zoe Jones

People Director – Alison Woodward

Assistant Director of Governance – Tess Johnson

Assistant Director of People – Nia Court

Assistant Director of Operations – Nicola Phillips, Mary McDonald Webb, Kelly Ahern, Amyleigh Hunter

• **Auditors:** Azets Audit Services, Ty Derw, Lime Tree Court, Cardiff Gate Business Park, Cardiff, VF23 8AB

• **Bankers:** National Westminster Bank PLC, 277 Cowbridge Road East, Canton, Cardiff, CF5 1WX

• **Solicitors:** Hugh James Solicitors. Two Central Square, Cardiff, CF10 1FS.

Structure, Governance, and Management

Cartrefi Cymru Co-operative is constituted as a registered charity and company limited by guarantee. In 2016, the organisation evolved into a multi-stakeholder co-operative, embedding democratic participation in its governance. This means the people we support, our colleagues, and community members all have a say in how we're run, through a formal membership structure.

The elected **Council of Members**, representing our broad membership base from our local Co-Operative forums, ensuring that the voices of stakeholders and guide our direction. The **Council of members** also review the composition of the **Board of Trustees** annually and may appoint, replace or re-appoint trustees ceasing to hold office. Based on length of service In line with with standing orders, each trustee can serve up to 3 terms each term being 3 years

Open recruitment methods are utilised to reach potential trustees with desirable knowledge and skills. Trustees may only be Community members or non-members who have the relevant skills and experience to perform duties of a trustee.

Cartrefi Cymru Co-operative operates a structured trustee induction programme to ensure all trustees are fully equipped to discharge their governance responsibilities. The programme includes a face to face induction day to share and discuss key organisational documents, including the Trustee Induction Pack, role profile, governance policies, and the Charity Commission's The Essential Trustee guidance.

Induction activities include briefings on the organisation's strategy, governance structure, risk register, and financial position, together with meetings with the Chief Executive, Assistant Director of Governance & Compliance, and the wider senior leadership team. Trustees are provided with access to relevant ICT systems and receive training in safeguarding, cyber security, equality, diversity and inclusion, with various options around external trustee governance training being offered. Service visits are arranged to enable trustees to gain direct insight into the organisation's work and the people we support.

We maintain an organisational structure that delegates appropriate decisions to colleagues while reserving major decisions for the Board (for example, policy approvals, annual budgets, and risk appetite are set by trustees).

Day-to-day management is delegated to the CEO and the Senior Leadership Team, comprises the key management personnel of the charity and oversees the directing controlling and running of the charity who implement the Board's strategy and decisions.

We are independent but often work in partnership with families, local authorities, and other agencies in the communities we serve. We are proud to be a co-operative charity, meaning our governance is strengthened by member participation and transparency.

Senior Leadership Pay

The pay for the Senior Leadership team and other Management was reviewed by an external consultant who carried out a salary review of management remuneration using benchmarking within similar sectors in 2017. The results of the external consultant were submitted to the the Board of Management for approval. All changes to salaries go through the People committee and are then submitted to the Board for approval.

Funds held as Custodian trustee

The Charity manages money on behalf of the people it supports. This service includes paying expenditure on the service users behalf, detailed records are kept to ensure that the charity is able to identify amounts owed to/by each individual.

Each person we support has there own bank account held with Natwest which is linked to the charity, this ensures service user accounts and balances are easily identifiable. No assets or Liabilities are held on behalf of people we support.

Total Value of such accounts at the year end total £ 1,800,569 (2024: £1,486,252)

Statement of Trustees Responsibilities

The trustees, who are also the directors of Cartrefi Cymru Co-operative Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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

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

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

The Annual report was approved by the Board of Trustees.

I Courtney
Trustee
Dated

I Courtney
IAN JAMES COURTNEY
17 OCTOBER 2023

Objectives and Activities

Charitable Purpose: Cartrefi's mission is to support people in Wales with disabilities and other support needs to live fulfilled, independent lives in their own communities. The charity was established in 1989 by a group of parents and activists, dedicated to *"supporting older people and those with learning disabilities to live a more fulfilled and independent life – and play a valued part in the community."* This founding purpose continues to guide us.

The Object for which the Company is established is the furtherance of health and the relief of suffering by providing for the care, accommodation, training, education, future living, employment, occupation and sustenance of persons normally, but not exclusively, resident in Wales with a mental or physical disability or suffering from a mental illness in order to foster and encourage a sense of independence.

Main Objectives for 2024/25

In the year 2024/25, the charity set out the following key objectives in pursuit of its mission:

Quality Support – Deliver person-centred support services to improve the quality of life for the individuals we support, ensuring their rights, choices, and independence are at the forefront.

Community and Family Engagement – Strengthen connections for the people we support by involving families and communities, establishing peer support groups and inclusive events across Wales.

Co-operative and Democratic Involvement – Enhance our co-operative governance by increasing member participation and voice in decision-making, upholding our “one member, one vote” ethos and expanding our regional forums for members.

Workforce Development and Wellbeing – Invest in our colleagues through better recruitment, training, and wellbeing initiatives (including implementing new digital tools and a People Strategy) to build a resilient, skilled, and motivated workforce.

Sustainable Growth and Innovation – Improve our operational infrastructure (through modern IT systems and processes) and secure sustainable growth by successful tendering for contracts, prudent financial management, and promoting our refreshed brand identity to increase awareness of our work.

Key Activities Undertaken

To achieve these objectives, Cartrefi engaged in a range of activities throughout 2024/25:

- We provided day-to-day support to approximately 650 individuals in their homes and communities across Wales, including supported living services, domiciliary care, and community outreach Programmes.
- We facilitated **family support groups** in multiple regions to connect families for mutual support.
- We held training and development Programmes for our **1,200+ employees**, focusing on person-centred practices, safeguarding, and new software tools that improve service delivery.
- As a co-operative, we organised member forums and an Annual Retreat where the people we support, colleagues, and community supporter members could share input and vote on important matters.
- We hosted public-facing events (such as Cartrefi Fest, detailed later) to foster community involvement and celebrate the achievements of the people we support.

Each of these activities was rooted in our charitable aims and designed to further our public benefit.

Achievements and Performance

During 2024/25, Cartrefi made significant progress toward its objectives, delivering positive outcomes for the people we support and strengthening our organisation. Below we highlight key successes and impact stories from the year :

1. Improvements for our workforce

Empowering Our Workforce with Better Tools - We finalised the implementation of the Sona digital rostering software for workforce management. This modern platform has streamlined colleagues scheduling and time tracking, making it easier for our support teams to coordinate care. As a result, we've seen improved shift coverage and communication, which means more reliable support for people day-to-day. Colleague's feedback regarding Sona has been very positive, noting time saved and less stress in managing rotas.

Modernising Recruitment and Onboarding - We successfully rolled out the **Talos** recruitment platform to enhance our hiring and onboarding processes. This new system has made it simpler for candidates to apply and for our HR team to track candidates. By the end of the year, all new employees were being onboarded through Talos, reducing paperwork and speeding up recruitment – a critical improvement in a challenging labour market for social care.

Investing in Our People – “People Strategy”: We developed and began implementing a comprehensive **People Strategy** focused on colleagues' wellbeing and development. Our people strategy is based on four pillars – Attracting and rewarding the best people, developing our skills and behaviours to ensure Cartrefi is a great place to work, ensuring our leaders are visible, capable, and positive, modelling the Organisation's values and behaviours, and creating a culture of wellbeing and psychological safety. Other key initiatives included launching a new employee assistance program (for free counselling and mental health support), new training modules on leadership and positive behaviour support, and establishing a Wellbeing programme of activity for colleagues.

Launching Our New Brand – “Everyday Remarkable”: After consultation and collaboration with our co-op members, colleagues and other stakeholders, we unveiled a refreshed **brand identity** centred on the theme “Everyday Remarkable.” This included a new logo, brand colours and messaging that celebrates the extraordinary achievements of our people. We rolled out new branding materials and a redesigned website. This rebranding isn't just cosmetic – it has energised our team and publicly reaffirmed our belief that every person's contributions are remarkable. We received great feedback from stakeholders on the new look and tagline, which encapsulates our ethos of celebrating every individual's unique value.

Fair Pay for Frontline Colleagues: Recognising the vital role of our support workers, we raised the hourly wage for **frontline colleagues to £12.14** in 2024. This increase kept us above the prevailing Real Living Wage, underlining our commitment to fair pay. Importantly, we managed this while maintaining fair differentials for other roles, ensuring supervisors and specialists are rewarded appropriately relative to front line wages. Investing in fair pay not only supports our colleagues' livelihoods but also helps attract and retain caring, skilled people – directly benefiting those we support.

2. Supporting and growing the Cartrefi community

Community Hub offer and unfunded support: Throughout the year, we provided significant support to people that went beyond what was funded by contracts. In some cases, when individuals faced crises or gaps in their funded hours, we stepped in to assist rather than let anyone go without help. We delivered around 3,600 hours of unfunded support to approximately 120 individuals across Wales. This reflects our values in action – putting people before budgets. We continue to work with commissioners to address these gaps but are proud that our team went the extra mile to ensure continuity of care and support for those who needed it most.

Supporting Families through Peer Groups: We established family support groups across Wales, creating a network for families of people we support to meet, share experiences, and learn from each other. Several groups (in North, Mid, Southeast, and Southwest Wales) held regular meetups and workshops. These groups, facilitated by our activity coordinators, have helped families feel less isolated and more empowered.

Cartrefi Fest 2024: We hosted another successful “**Cartrefi Fest**”, our annual festival of events celebrating the people we support and our communities. This year’s Festival featured both in-person and online activities across Wales over one week. From art and music workshops in Mid and North Wales, to a sports day, and parties in all areas, there was a fashion show and storytelling sessions – the festival had something for everyone. Participation grew compared to last year, with hundreds of individuals (supported people, their families, colleagues, and local community members) joining in. Cartrefi Fest has become a highlight of our calendar, showcasing the talents and joy of the people at the heart of our charity.



Successful Tendering and Growth: We experienced growth through successful tendering, enabling us to extend our services to new areas. For example, we won contracts with 6 local authorities during 2024/25 including successful tendering for Swansea and Pembrokeshire frameworks, transferring in 5 new supported living services in Swansea as well as new services in Pembrokeshire, and Anglesey. We also retained existing contracts across Wales including in RCT, Powys, and Carmarthenshire as well as receiving extended shared prosperity funding for The Social Bean in Swansea. These successes in competitive tenders demonstrate our strong reputation for quality support and value, allowing us to reach more people in need.

3. Upholding our Co-Operative ethos and values

Strengthening Co-operative Forums and activities: In keeping with our co-operative spirit, we expanded and strengthened our member forums and democratic participation this year. We improved our regional “Co-op Forums” where members (including supported individuals and colleagues) can discuss issues and propose ideas, introducing a new local forum in Pembrokeshire to allow greater accessibility to meetings for members in the area. Members voted on key resolutions including new mobile phone options for colleagues, Bridgend forum discussed and voted on donating some money from their fund to help support our North Wales forum to set up their community Hwb, All areas voted on supporting the Benevolent Fund and whether they as local forums would like to donate to help set it up and then to fundraise throughout the year to help keep funds available.

Votes and discussions have been held regarding what equipment people we support may like to see in groups, there have been discussions around new policies and discussions with colleagues around changes. This robust engagement ensures our direction remains grounded in the needs and ideas of our community.

With regards to co-operative activities, the Social Bean hosts weekly group work experience for students from a local ALN school, offers a fortnightly coffee morning for patients from Ty Olwyn in a non-clinical setting, and provides a weekly social evening for Your Voice advocacy. Two regular volunteers are gaining valuable skills and confidence, and Health and Social Care students from the local college also gain work experience there. The Social Bean holds weekly group sessions that continue to attract new participants through independent referrals and local care managers.

The activity group at Kenfig Rugby Club remains strong, welcoming both people supported by Cartrefi and those who are not. In the Vale of Glamorgan, there is a large weekly activity group that provides a valuable social opportunity for older adults, and the Citizens group meets monthly with steadily growing attendance. Sensory sessions in the Bridgend office are also expanding, and a local allotment is being actively developed alongside the Town Council's plan for a fully accessible Sensory Garden.

In Rhondda Cynon Taf (RCT), Monday and Friday sessions have grown in attendance and receive referrals from the local authority, including individuals not supported by Cartrefi. A weekly walking group has proven popular, and strong links have been established with a local ALN school, where a large donation of Easter Eggs was made. Meanwhile, in North Wales, the opening of Club Cartrefi has fostered stronger connections among local providers and day centres, improving information-sharing and enabling the additional sessions in different areas.

Mid Wales has seen regular group activities such as storytelling events, outdoor activities, and a walk up Pen Y Fan. Themed days and nights, Makaton groups, and music sessions are drawing participants in Llandrindod. Craft groups and family events in Pontypool also enjoy strong attendance. Carmarthen has welcomed an activity coordinator who has helped decorate a new HWB and open a sensory room. Last year's allotment has been successfully maintained, producing vegetables that were shared among the services, a practice that will continue.



Summary : By the close of March 2025, Cartrefi had supported more people, engaged more families and members, and improved its internal capabilities significantly. The above achievements illustrate our impact not just in statistics but in real lives improved – from the colleagues whose jobs are further supported and more rewarding, to the families who feel heard, to each person we support who has been able to achieve something meaningful to them. The Trustees are delighted to report that we met or made substantial progress on the year’s objectives, and the charity is delivering on its mission effectively.



Financial Review

Overall Financial Performance: In the financial year 2024/25, Cartrefi Cymru Co-operative remained financially stable. Total income for the year was **£42,912,687** and total expenditure was **£42,607,910** resulting in a surplus of **£304,777**.

This outcome reflects careful financial management amid rising costs and continued investment in our workforce and systems. We navigated challenges such as increased salary costs (due to the rise of the real living wage) and inflation in operating expenses, while also benefiting from some growth in funded services through new contracts.

Income Sources: Our income is derived primarily from contracts and grants to provide support services. The largest income sources were payments from local authorities and health boards for commissioned support. We also received grant funding and donations, including support from charitable trusts for specific projects (such as the Social Bean In Swansea). We expanded our tendering efforts successfully, which will reflect in increased contract income (as noted in Achievements). Fundraising comprised a modest portion of income, via community fundraising events and campaigns during the year. We remain committed to diversifying income where possible to enhance sustainability.

Expenditure: The majority of our expenditure goes directly to charitable activities – mainly the provision of support services (colleague salaries, related support costs, travel, etc.). We also invested in colleague training and recruitment (aligning with our People Strategy), as well as in new technology (like Sona and Talos systems). Support and governance costs (management, administration, premises, and governance processes) accounted for the remainder of spending, which we aim to keep efficient. No funds were used for purposes outside our charitable aims. We closely monitor our expenditure to ensure value for money and maximum impact for each pound spent.

Reserves Policy: The Board of Trustees reviews the charity's reserves policy annually. Our policy is to maintain sufficient free reserves to protect our operations against unforeseen downturns and to ensure continuity of support for beneficiaries. As of 31 March 2025, General unrestricted reserves stood at **£6,646,373**. This is in line with our target of holding between 3–6 months of operating expenditure in reserves. The trustees consider this level prudent, given the size and nature of our activities, to manage cash flow timing and any unexpected financial challenges.

Going Concern: The Trustees confirm that the charity is in a stable financial position and has adequate resources to continue in operational existence for the foreseeable future. This Annual Report and the accompanying financial statements are prepared on a going concern basis. We have secured the majority of our contract income for 2025/26 and continue to manage costs carefully.

The Board remains vigilant regarding financial risks, such as changes in government funding or rising costs, and will take proactive measures to ensure Cartrefi's sustainability.

Note: Full audited financial statements for the year ended 31 March 2025 are provided separately in this report.

Public Benefit Statement

The Trustees confirm that they have complied with their duty under section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit.

Benefit Identified: The activities described in this report – from daily support services to community events – clearly further our charitable purposes and lead to positive outcomes for the individuals we support and society at large. We have identified numerous benefits, such as improved quality of life, greater independence, enhanced wellbeing and skills for people with learning disabilities and others we support. These benefits are evidenced by personal testimonials, case studies, and outcome measures.

Benefit to the Public: Our services target a section of the public in need: adults in Wales who have learning disabilities, autism, mental health needs, physical disabilities, or who are older and require support to live independently. By supporting these individuals (approximately 650 people this year), and engaging their families and communities, we benefit the wider public by promoting inclusion, reducing strain on other health and social services, and fostering more compassionate communities.

The difference made by Cartrefi extends beyond direct beneficiaries – for instance, our family support groups strengthen community networks, and our fair wage policy contributes to economic wellbeing in local areas.

No Private Benefit or Undue Restrictions: Any private benefits (such as salaries to colleagues or payments to suppliers) are incidental and necessary to carry out our work – they are a means to our charitable ends. Our membership structure and co-operative model enhance our accountability to the people we serve. We do not restrict benefits in a way that unduly excludes anyone who could reasonably benefit, eligibility for our services is based on need and referrals (often via local authority commissioning), and we work to accommodate as many people as resources allow. In fact, as noted, we often go beyond funded support to ensure needs are met.

In conclusion, the Trustees are satisfied that during 2024/25 Cartrefi Cymru Co-operative's activities provided public benefit in accordance with our aims. We will continue to review our Programmes to ensure they align with our charitable objectives and deliver meaningful benefit to the public.

Future Plans

As we look ahead to 2025/26 and beyond, Cartrefi is planning strategically to build on this year's successes and address the challenges that remain. Our forward plans focus on deepening our impact, growing sustainably, and continuing to innovate in how we support people in line with our strategic goals. Key priorities for the next year include:

Be a well-run and caring Co-Operative

Embedding Digital Innovations: After implementing Sona and Talos, our focus shifts to fully embedding these tools into daily operations. In 2025/26 we plan to provide additional training for colleagues to utilise all features of the Sona rostering system and use the data to inform and process our payroll. We plan to refine our recruitment process using data insights from Talos.

Strengthening Our Co-operative Governance: In the coming year we plan to further energise our membership and co-operative governance model. This includes running regional member workshops to further share our next long-term strategy, improving communication channels, and growing our membership numbers. We will encourage more families to become members, and more colleagues at all levels to exercise their voice.

Environmental and Social Responsibility: We recognise our role in the broader community and environment. In the year ahead, we will deliver our environmental action plan – for example, exploring greener transport options for colleagues traveling in the community, and reducing paper use now that many systems are digital and working with the people we support to be as green as we can be at home.

Have a skilled and motivated workforce

Workforce Development and Wellbeing: Following development and initial launch at the annual retreat, our People Strategy officially launches to colleagues from 1 April 2025, with projects identified as priorities for year 1. We plan to improve our recruitment, retention, colleague engagement efforts. We will be introducing a benevolent fund to support colleagues in times of hardship. We will introduce a managers development programme for team leaders and aspiring managers to build internal talent. Our Senior Leadership Team are embarking on a 9-month programme of development to enhance their skills and equip them to navigate the changes ahead and deliver the strategic plans. To further support wellbeing, we intend to create dedicated “wellbeing champion” roles in each region – colleagues who can lead local wellness activities and signpost colleagues to support.

Coupled with maintaining fair pay (we will review our pay rates again in line with cost of living and the Real Living Wage movement) we plan to consult with our members and colleagues around implementing financial wellbeing tools and a flexible pay system such as Wagestream, these efforts aim to make Cartrefi an employer of choice in social care, which in turn means continuity and quality for those we support.

Deliver support that matters to people and communities

Delivering great outcomes: We plan to develop our person-centred planning tools and training maximising the benefits from our digital support planning platform Nourish further advancing our practice in this area, delivering great support and delivering 'what matters' to the individual.



Expanding Outreach and community hub offers across Wales

In Swansea, The Social Bean has secured an additional £25,000 in SCVS funding, which will support its activities until December 2025, and is preparing to collaborate with Barnardo's on a project that will provide work experience to 16–19-year-olds, as well as supporting Barnardo's in maintaining a local accessible garden area. In the Vale of Glamorgan, plans are underway to facilitate a monthly visit to Cardiff International Pool for swimming sessions.

In Rhondda Cynon Taf (RCT), further work is expected with the local ALN school to develop a dedicated sensory garden. In Carmarthen, the newly appointed activity coordinator will introduce additional groups and activities to enhance community engagement and involvement. Meanwhile, the development of a sensory area in the Brecon Office is underway. In Haverfordwest, recruitment is ongoing for a dedicated Activity Co-ordinator, and there are plans to relaunch both Co-op meetings and family meetings in the area.

Focus on advocacy, impact and sharing 'the Cartrefi way'

Everyday Remarkable in Action – Communications and Fundraising: With our new "Everyday Remarkable" brand in place, we will launch a refreshed communications strategy. Storytelling will be central – we plan to publish regular impact stories and short videos highlighting achievements of the people we support and our colleagues. This not only celebrates their accomplishments but also educates the public and stakeholders about our work.

We will also use these stories to bolster modest fundraising efforts, demonstrating the impact donations can have. Our goal is to raise the charity's profile across Wales: engaging more community supporters and attracting potential funders or partners. This includes continuing events like Cartrefi Fest (with plans to make it bigger and even more inclusive next year) and participating in national conversations on social care and co-operative development as well as taking part in large scale events such as the Cardiff half marathon.

We have set these priorities to ensure that in the next year Cartrefi not only continues to deliver its current services well but also moves forward in line with our vision. we aim to ensure Cartrefi Cymru's impact is **"Everyday Remarkable"** for many years to come.

Section 172(1) Statement

The Trustees of Cartrefi Cymru Co-operative confirm that they have acted in accordance with their duties under Section 172(1) of the Companies Act 2006 to act in a way we consider most likely to promote the success of the organisation for the benefit of its members. In doing so, we have had regard to the matters set out in the following paragraphs.

The likely consequences of any decision in the long term:

The Board has taken a long-term view in all strategic decisions, particularly in the development and launch of Cartrefi's long-term strategy and the implementation of digital tools such as the Sona rostering system and Talos recruitment platform. These investments are designed to improve operational efficiency and sustainability, ensuring that Cartrefi can continue to deliver high-quality support well into the future.

The interests of the company's colleagues:

The Trustees have prioritised the wellbeing, development, and fair treatment of all colleagues. This is evidenced by the implementation of a comprehensive People Strategy, the increase in frontline pay to £12.14 per hour, and the introduction of wellbeing initiatives such as a colleague assistance programme and regional wellbeing champions. The Board also approved leadership development programmes and a new benevolent fund to support colleagues in times of hardship.

The need to foster the company's business relationships with suppliers, customers and others:

Cartrefi's co-operative model places strong emphasis on collaboration and partnership. The Trustees have maintained and strengthened relationships with local authorities, health boards, and community Organisation's. For example, the charity worked closely with commissioners to address gaps in funded support, delivering approximately 3,600 hours of unfunded care per quarter to ensure continuity of service. The Social Bean café and other community hubs also exemplify Cartrefi's commitment to working with local partners to deliver social value.

The impact of the Organisation's operations on the community and the environment:

The Trustees are committed to delivering public benefit and promoting inclusion. Cartrefi's services support over 650 individuals across Wales, with a focus on person-centred care, community engagement, and empowerment. Initiatives such as Cartrefi Fest, family support groups, and regional forums have strengthened community ties. Environmental responsibility is also a growing focus, with plans to reduce paper use and explore greener transport options in 2025/26.

The desirability of the company maintaining a reputation for high standards of business conduct:

The Trustees have upheld high standards of governance and transparency. The Board receives regular quality assurance reports, maintains a comprehensive risk register, and ensures compliance with the Charities SORP and Companies Act 2006.

The rebranding to “Everyday Remarkable” reflects a renewed commitment to celebrating excellence and integrity in all aspects of the charity’s work.

The need to act fairly as between members of the organisation:

As a multi-stakeholder co-operative, Cartrefi’s governance structure ensures that the voices of supported individuals, colleagues, and community members are heard and respected. The Council of Members and regional forums provide democratic platforms for participation, and members vote on key decisions such as policy changes and community investments. This inclusive approach ensures fairness and accountability across the organisation.



Carbon and Energy

The following information serves as an overview of Cartrefi Cymru Co-Operative Ltd carbon use for the relevant scoping period. The period covered by this report is Mon 1st Apr 2024 to Mon 31st Mar 2025.

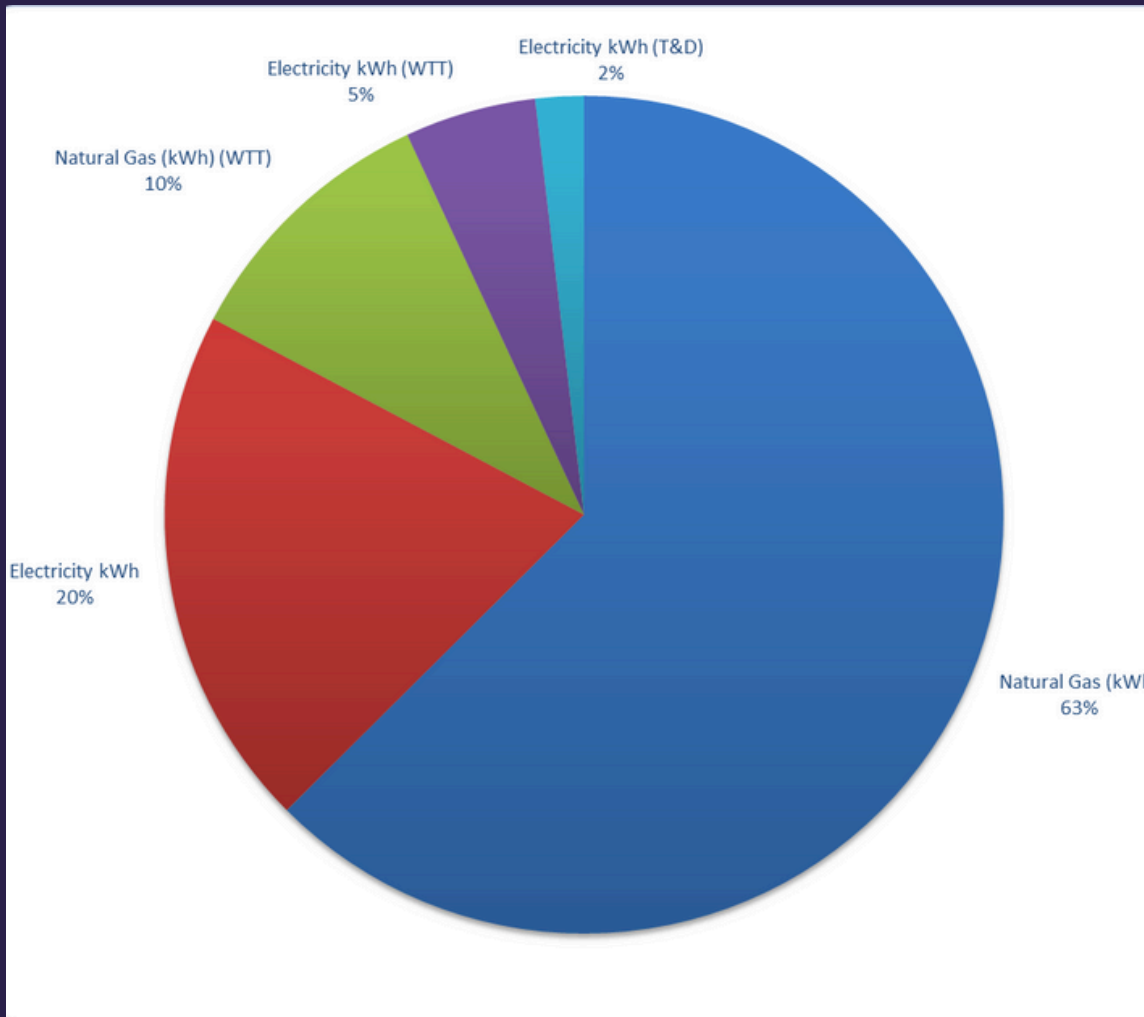
Sites Within the Scope

Site	Estate size (sqft)	Description	Tenure
Support Setting BP	1,700	Support Setting	Owned, in scope
Support Setting SM	2,691	Support Setting	In scope
Support Setting CM	1,302	Support Setting	Owned, in scope
Support setting FC	1,184	Support Setting	Owned, in scope
Bangor Office	4,951	General Office Offices	Owned, in scope
Brecon Office	5,005	General Office Offices	Owned, in scope
Bridgend Office	4,790	General Office Offices	Owned, in scope
Cardiff Office	5,384	General Office Offices	Owned, in scope
Carmarthen Office	4,133	General Office Offices	Owned, in scope
Support Setting HR	2,152	Support Setting	Owned, in scope
Llandrindod Wells Office	4,489	General Office	Owned, in scope
Newtown Office	753	General Office	Owned, in scope
Pontypool Office	2,691	General Office	Owned, in scope
SYM	3,014	Support Setting	In scope
Trealaw Office	2,551	General Office	Owned, in scope
Total applicable estate size (excludes out of scope)	46,790		
Number of sites	20		

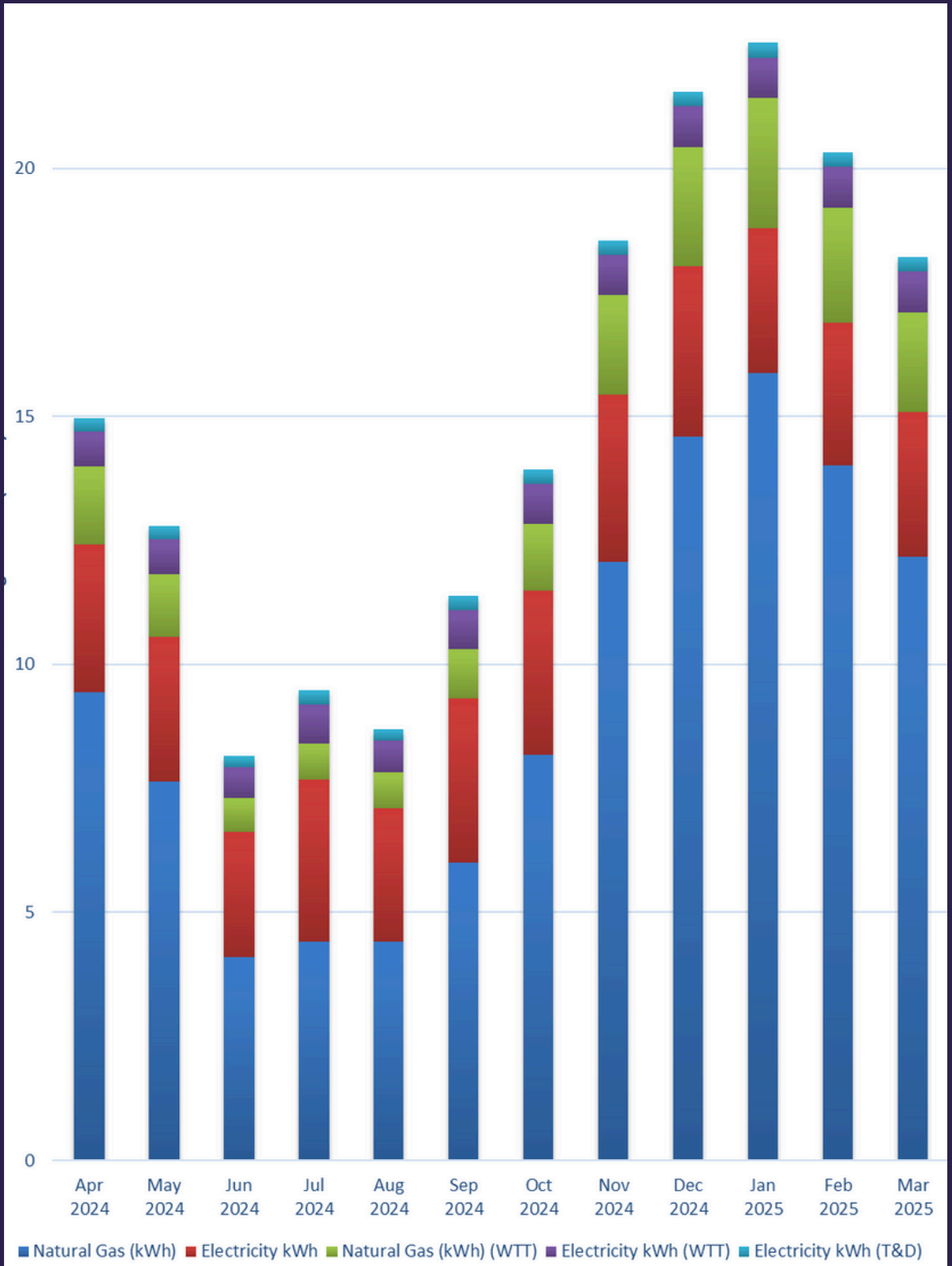
Carbon Footprint

181 tCO₂e

Emission categories making up your carbon footprint



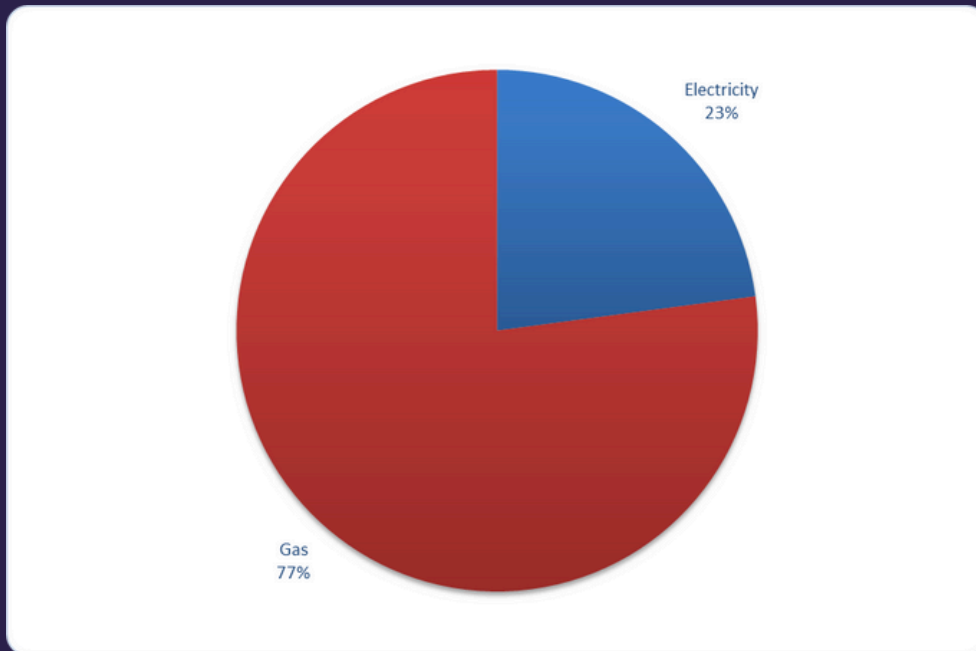
Breakdown Of Your Carbon Footprint Over Time (tCO2e)



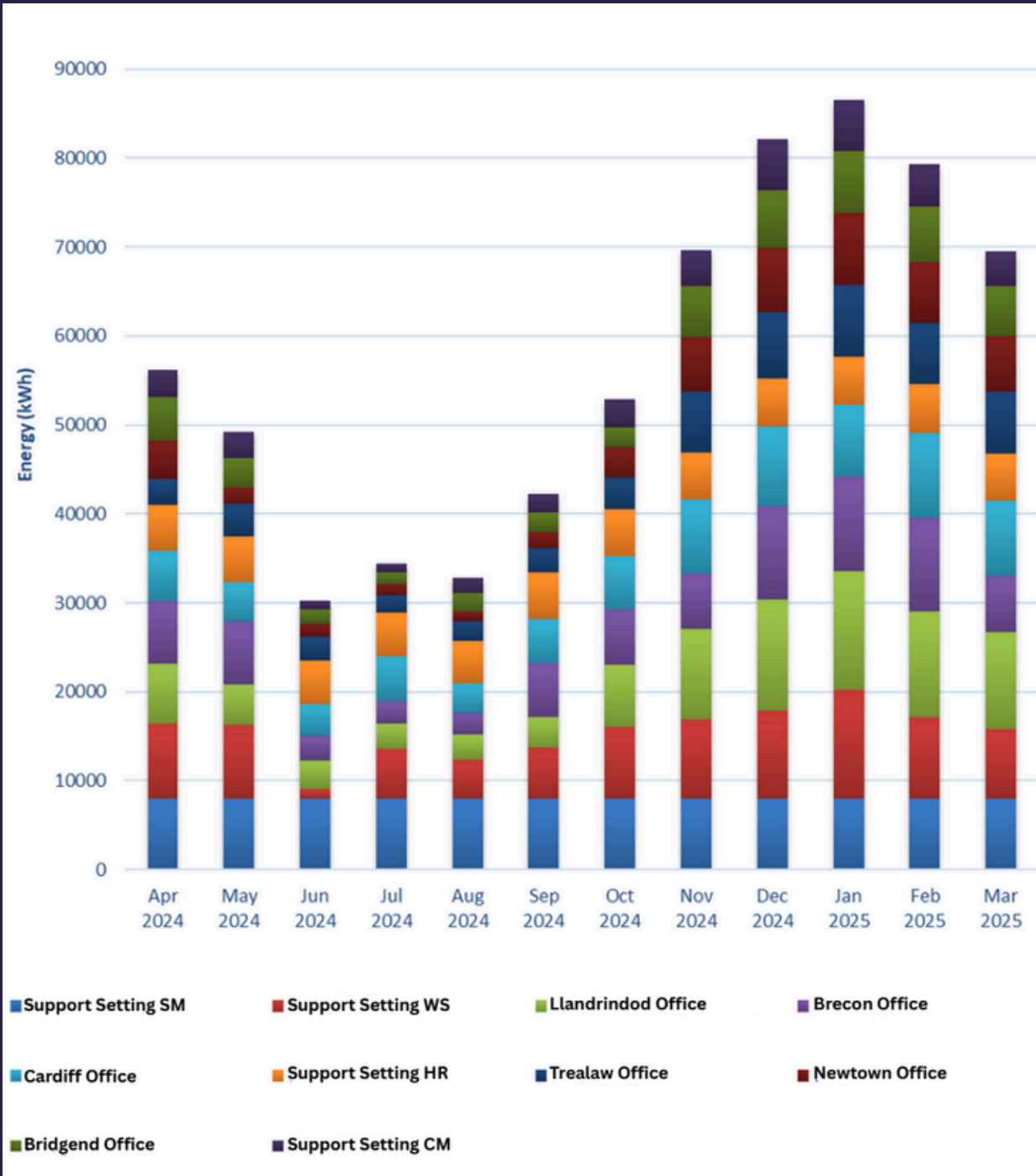
Energy consumption

800,679 kWh

Energy consumption categories making up your carbon footprint (kWh)



Energy consumption by site (including transport in kWh)



Benchmarks of energy use

Site	Building Type	Estate size (sqft)	Electricity use (kWhE)	Electricity used (kWhE /	Percentage of average	Your rating
Support Setting BP	Support Setting	1,700	1,777	1	17%	A - Excellent
Brecon Office	General Office	5,005	7,433	1.5	17%	A - Excellent
Carmarthen Office	General Office	4,133	7,210	1.7	20%	A - Excellent
Bridgend Office	General Office	4,790	11,324	2.4	27%	A - Excellent
Pontypool Office	General Office	2,691	6,558	2.4	28%	A - Excellent
Bangor Office	General Office	4,951	15,220	3.1	35%	A - Excellent
Llandrindod Wells Office	General Office	4,489	16,764	3.7	42%	A - Excellent
Newtown Office	General Office	753	3,198	4.2	48%	A - Excellent
Support Setting FC	Support Setting	1,184	3,948	3.3	55%	B - Good
Support Setting CM	Support Setting	1,302	4,515	3.5	57%	B - Good
Trealaw Office	General Office	2,551	15,144	5.9	67%	B - Good
Support Setting WS	Support Setting	2,691	12,974	4.8	80%	C - Average
Cardiff Office	General Office	5,384	40,451	7.5	85%	C - Average
Support Setting HR	Support Setting	2,152	11,824	5.5	91%	C - Average
Support Setting SM	Support Setting	3,014	24,996	8.3	137%	D - Below Average

SECR Output

Total Emissions:

	Prior ESOS reporting period (01 Apr 23 – 31 Mar 24)	Current reporting period (01 Apr 24 - 31 Mar 25)	% change
Total Scope 1 (tCO2e)	218.1	112.9	
Total Scope 2 (tCO2e)	44.2	36.5	
Location-based (tCO2e)	44.2	36.5	
Market-based (tCO2e)	0	0	
Total Scope 3 (tCO2e)	60.9	31.2	
Total Scope 1, 2 and 3 (tCO2e)	323.2	180.6	

Total Energy Use:

	Prior reporting period (01 Apr 23 – 31 Mar 24)	Current reporting period (01 Apr 24 – 31 Mar 25)	% change
Total Scope 1 (kWh)	1,047,998	617,341.9	
Total Scope 2 (kWh)	220,468	183,336.7	
Location-based (kWh)	220,468	183,336.7	
Market-based (kWh)	0.0	0.0	
Total Scope 3 (kWh)	0.0	0.0	
Total Scope 1, 2 and 3	1,268,466	800,678.6	

Intensity Ratios:

	Prior reporting period (01 Apr 23 - 31 Mar 24)	Current reporting period (01 Apr 24 - 31 Mar 25)	% change
Carbon Intensity Ratio	6.9 kgCO ₂ e per saft	3.8 kgCO ₂ e per saft	

Energy Efficiency actions:

Throughout the reporting year, the organisation implemented a series of targeted energy efficiency initiatives aimed at reducing overall energy consumption and associated carbon emissions. These actions focused on both behavioural change and upgrades.

An internal campaign was launched to promote energy-conscious behaviours among staff. The initiative included:

- Practical guidance on reducing gas, water, and electricity usage in the workplace.
- Regular communications and visual prompts to reinforce energy-saving habits.
- Engagement activities to foster a culture of sustainability.

This campaign contributed to a reduction in energy waste, particularly during non-operational hours.

A phased replacement of non-LED lighting with energy-efficient LED alternatives was initiated across the Cardiff and Bridgend sites. Key benefits of this upgrade include:

- Lower electricity consumption due to the high efficiency of LED technology.

- Extended lifespan of lighting fixtures, reducing maintenance and replacement frequency.
- Elimination of hazardous materials, such as mercury, found in older lighting types.
- Reduction in lighting-related carbon emissions, contributing to overall emissions targets.

The LED conversion is expected to have long-term energy savings and significantly reduce the carbon footprint associated with lighting operations.

Methodology:

SECR methodology as specified in 'Environmental Reporting Guidelines: including Streamlined Energy and Carbon Reporting and carbon reporting guidance' used in conjunction with the latest UK Government GHG Conversion Factors for Company Reporting.

The calculations have been approved by a PAS51215 compliant body.



Case Studies & Impact Stories

North Wales

Triumph Over Adversity: JH's Journey to Independence and Wellbeing

Challenge:

JH has recently navigated a significant, long-term lifestyle change due to a rapid deterioration in her mobility, which threatened her independence and risked her losing her day service placement. Frequent falls posed a great risk to her physical health, and the impact on her mental health caused distress and understandable upset. This changing need was a life-changing experience JH had to endure. JH's support team was fully committed to working with her, at her pace, with professional guidance, to face these challenges.

Intervention:

For JH's safety, her physio recommended that she start using her wheelchair rather than walking. As a result, JH had to learn a new way to mobilise using a steady hoist. This wasn't easy for her, and she had to practice daily to build up her strength. Being able to attend the day service of her choice was reliant on her being able to safely use the steady hoist. JH was determined to make this work. With a lot of support and encouragement from her physio and her support staff, JH was able to change the way she mobilizes herself in the most independent way possible.

Outcome:

JH uses weights daily to exercise and strengthen her arms, making it much easier to use the steady hoist. The overall benefit of building her muscle tone has supported her safely during transfers. JH can access her day service again because of her determination to succeed. Recently, JH has been able to start attending other activities, which was her goal.

Her physio gave her an achievement certificate, and JH now has a much happier outlook on life. She explained that she used to worry all the time about falling, but now she doesn't need to worry. JH's overall health and wellbeing have improved immensely, with reduced anxiety and less upset.

JH's achievement is even more outstanding because she doesn't like change and is always anxious about new things. The team and other co-tenants' days are brighter due to fewer challenges and positive outcomes. Every day is more remarkable.

JH's journey is a testament to the power of determination and support. Her story is truly inspiring, showing that with the right guidance and a strong will, one can overcome even the most daunting challenges.

Mid Wales

Confidence and Community: GT's Journey of Personal Growth

Challenge:

GT faced the need to develop his independence and confidence while dealing with a challenging tenancy period. He also lacked strong community ties and essential life skills that could help foster self-esteem and personal growth.

Intervention:

GT actively participated in coffee morning at the local church, forming relationships and creating connections. He successfully organised and supported three fundings events for various charities (Mencap, Meifod Church, Dog Trust), raising approximately £100.00 each. He co-hosted a Comic Relief coffee morning during a difficult period, raising over £160.00.

GT worked closely with his support team to plan and promote events, designing posters, using social media and learning digital skills with his new iPad.

He engaged in shopping, baking, event setup, customer service, and other responsibilities, building confidence and independence through hands on experience.

Outcome:

GT has gained confidence, improved his social skills, and developed essential life skills. He has formed meaningful friendships within his community and built resilience during challenging times. His growing independence and sense of responsibility have inspired him to organise more events, creating a cycle of personal growth and empowerment.

South East Wales

JE's Transition to More Independence

Challenge:

Over the past few months, we have been managing the transition of a young gentleman, JE, into Quarry Cottage, one of our supported living services in the Vale of Glamorgan. The overall goal was to provide JE with a well-structured, person-centred transition that would meet both his care needs and promote his independence in a new environment. After several attempts to transition into various types of supported accommodation, the family and JE felt apprehensive and were not optimistic about trying again.

One of the key challenges encountered was around the complexity of JE's diabetes. While it was known from the outset that he had Type 1 diabetes and that training would be provided by his diabetes nurse, the full extent of what this would involve was not initially clear during early discussions with the Local Authority and the Social Worker. It wasn't until the first formal training session with the nurse that the team fully understood the depth of information and practical knowledge that would be required to safely and confidently support JE. Unfortunately, there was a delay between JE's initial visit in early August and the first diabetes training session being scheduled. This gap created some uncertainty and anxiety among the team, who were keen to ensure they were prepared and equipped to meet JE's health needs from the start.

Intervention

The support team worked incredibly hard to build their knowledge and confidence around diabetes care, engaging in hands-on training and seeking guidance from health professionals throughout the process.

This dedication was recognised by JE's diabetes nurse, Meg, who shared the following feedback: "Gemma and your team have worked so hard to learn about diabetes to support JE. It's rare that I see situations with young people who have learning disabilities and diabetes go this well—with people so willing to help and implement change."

Despite the initial challenges, the team responded positively. They embraced the training, asked the right questions, and sought out additional learning materials to reinforce their understanding. Their proactive approach, combined with close working relationships with external professionals, made a significant difference.

Outcome:

We are pleased to share that JE has now successfully moved. The move itself went very smoothly, and JE is settling in well, forming positive relationships with the team and cotenants, adapting to his new surroundings. Importantly, he appears comfortable and supported, and the environment is enabling him to thrive.

JE's diabetes is well-managed with his Omnipod, allowing him to stay independent and actively participate in social groups and sports activities.

The feedback from JE's diabetes nurse reflects not only the commitment of the team but also highlights the importance of professional collaboration and willingness to learn when supporting individuals with complex needs. The team's adaptability and openness to acquiring new skills were instrumental in ensuring JE's health needs were safely managed from day one.



South West Wales

Finding Freedom: JT's Personal Growth and Achievements

Challenge:

JT spent 17 years, his whole adult life, living in a residential setting which placed restrictions on the activities and events that JT could engage with, care plans determined by the provider meant that he had set times to return to his placement and did not afford him the opportunity to develop his skills and confidence. "I found very restricting and didn't give me the freedom to do the things I wanted to like walking the coastal path."

Intervention:

JT moved into a supported living flat supported by Cartrefi in Pembrokeshire in December 2024. The package of support was co-produced with JT and his adults services care manager. He was able to explain his interests, needs and wishes and agree a package of support that would work for him. A flexible model was agreed whereby JT could drop-in for support with core staff as well as arrange planned sessions bespoke to him.

Outcome:

JT is a very independent and active person who likes to be busy and help others. The independence that being supported by Cartrefi has brought him means he continues to go from strength to strength with ever growing confidence.

“Now living independently, I have so much more freedom to do what I want to do but know that I have support from Cartrefi support workers when I need it. I work for Carmarthen People first and am a health check champion for Pembrokeshire People First. I also volunteer with The Torch Theatre and for Barod media where I have interviewed MPs and other people with learning disabilities. I like to help people and in 2022 I was a transport champion showing other people with learning disabilities how to use trains, buses and taxis in Wales. I also make YouTube videos to help people with learning disabilities, showing them how to become more independent and get jobs. I say if you want to achieve something, then go for it. Everyone can achieve anything they want as long as you keep trying.”

Each of these stories exemplifies the challenges many people face and how Cartrefi’s intervention leads to positive, often life-changing outcomes.



Acknowledgments & Thanks

As we conclude this annual report, we wish to extend our heartfelt gratitude to all those who made the year 2024/25 successful for Cartrefi Cymru Co-operative.

Our Funders and Commissioners: *Thank you to the local authorities, health boards, and grant-making bodies across Wales* who have trusted and supported us to deliver services. Your funding enables us to reach hundreds of individuals who need support.

Community Partners: We are grateful to the partner Organisation's and community groups we work alongside. Whether it's local charities, housing providers, advocacy groups, or co-operatives, these partnerships amplify our impact.

Our colleagues and Volunteers: *To our dedicated employees and volunteers – thank you.* The compassion, skill, and resilience of our **1,200+ colleagues** are the driving force behind every achievement in this report. You are the friendly faces, brave and courageous advocates, and kind and compassionate supporters that make “everyday remarkable” for the people we support. We also thank our volunteers and student placements who contribute their time and energy. This year asked a lot of our front-line support workers, and they rose to each challenge with admirable commitment. The Trustees and leadership are deeply grateful for your hard work and heart.

The People We Support and Their Families: *Most importantly, we thank the individuals we support and their families.* You are the reason we exist. Thank you for trusting us to be part of your lives, for inspiring us with your courage and achievements, and for providing feedback that helps us improve. We are honoured to work for you and alongside you. Your involvement – from participating in events, to joining our co-operative forums, to sharing your stories – enriches Cartrefi Cymru and helps change society's perceptions about disability and community.

Members and Governance Contributors: We also extend thanks to our co-operative members (including people we support, colleagues, and community members) who engaged in our democratic processes, attended forums, and voted on important decisions. Thank you to the Council of Members and our Board of Trustees for your leadership, guidance, and countless hours of voluntary service governing the charity. Your stewardship underpins all our impacts.

Finally, we want to recognise the spirit of co-operation and kindness that defines Cartrefi. Every contribution – big or small – has helped us make a difference this year. As we move forward into the next year, we do so with deep appreciation **diolch yn fawr** thank you very much.



CARTREFI CYMRU CO-OPERATIVE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CARTREFI CYMRU CO-OPERATIVE LIMITED

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

CARTREFI CYMRU CO-OPERATIVE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CARTREFI CYMRU CO-OPERATIVE LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' 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; 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.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

CARTREFI CYMRU CO-OPERATIVE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CARTREFI CYMRU CO-OPERATIVE LIMITED

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

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

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

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

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

Use of our report

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 and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Katherine Parkin (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

17 October 2025

Chartered Accountants
Statutory Auditor

Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
South Glamorgan
United Kingdom
CF23 8AB

CARTREFI CYMRU CO-OPERATIVE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

		Unrestricted funds 2025 £	Unrestricted funds 2024 £
<u>Income and endowments from:</u>	Notes		
Donations and legacies	3	11,843	8,852
Charitable activities	4	42,756,168	38,420,121
Investments	5	144,676	98,684
Other income	6	-	6,138
Total income		42,912,687	38,533,795
<u>Expenditure on:</u>			
Charitable activities	7	42,607,910	37,053,983
Net income for the year/ Net movement in funds		304,777	1,479,812
Fund balances at 1 April 2024		11,043,746	9,563,934
Fund balances at 31 March 2025		11,348,523	11,043,746

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

All income and expenditure derive from continuing activities.

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

CARTREFI CYMRU CO-OPERATIVE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025		2024	
		£	£	£	£
Fixed assets					
Tangible assets	12		1,967,673		1,926,252
Current assets					
Debtors	13	4,129,527		4,034,055	
Cash at bank and in hand		6,629,746		6,407,854	
		10,759,273		10,441,909	
Creditors: amounts falling due within one year	14	(1,378,423)		(1,324,415)	
Net current assets			9,380,850		9,117,494
Total assets less current liabilities			11,348,523		11,043,746
Income funds					
<u>Unrestricted funds</u>					
Designated funds	16	4,702,150		4,303,240	
General unrestricted funds		6,646,373		6,740,506	
			11,348,523		11,043,746
			11,348,523		11,043,746

The financial statements were approved by the Trustees on 17 OCTOBER 2025

I. V. Courtney
I Courtney

Trustee

IAN JAMES COURTNEY

Company registration number 2420623

CARTREFI CYMRU CO-OPERATIVE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash generated from operations	19		204,711		2,997,886
Investing activities					
Purchase of tangible fixed assets		(127,495)		(112,675)	
Proceeds from disposal of tangible fixed assets		-		274,730	
Investment income received		144,676		98,684	
Net cash generated from investing activities			17,181		260,739
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			221,892		3,258,625
Cash and cash equivalents at beginning of year			6,407,854		3,149,229
Cash and cash equivalents at end of year			6,629,746		6,407,854

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

Cartrefi Cymru Co-operative Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Units 5 & 6 Coopers Yard, Curran Road, Cardiff, CF10 5NB, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

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

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

1.4 Income

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

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

Income from local authority contracts and service user income is recognised in the period in which the service was provided.

Investment income is recognised when received.

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Costs are allocated between the different categories according to the nature of the cost. Where costs are shared, they are apportioned between the categories on a basis consistent with the use of the resources.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fee and costs linked to the strategic management of the charity.

1.6 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	1.5% Straight Line
Fixtures and fittings	Over 31 months
Computers	Over 31 months
Motor vehicles	20% Straight Line

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

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

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

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

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

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

Basic financial assets

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

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

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

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, are charged as an expense on a straight line basis over the term of the relevant lease.

1.13 Taxation

As a registered charity, Cartrefi Cymru Co-operative Limited is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

2 Critical accounting estimates and judgements

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

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

Critical judgements

Bad debt provision

Contained in the financial statements is a bad debt provision totalling £136,097 (2024: £250,000). The provision requires judgements to be made which include the charity's review of the debtors' listing and those debts that are aged or where debtors are not timely in settling debt owed.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2025 £	2024 £
Donations and gifts	11,843	8,852

4 Charitable activities

	Charitable activities 2025 £	Charitable activities 2024 £
Service users charges' receivable	31,275,078	22,614,928
Local authority contracts	10,743,255	13,246,556
Other grants and allowances	665,497	2,430,482
Appointeeship income, consultancy and central sales	67,190	118,818
Meeting room hire	5,148	9,337
	<u>42,756,168</u>	<u>38,420,121</u>

CARTREFI CYMRU CO-OPERATIVE LIMITED

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

5 Investments

	Unrestricted funds	Unrestricted funds
	2025	2024
	£	£
Interest receivable	144,676	98,684

6 Other income

	Total Unrestricted funds	Total Unrestricted funds
	2025	2024
	£	£
Net gain on disposal of tangible fixed assets	-	6,138

7 Charitable activities

	2025	2024
	£	£
Staff costs	32,575,068	27,811,759
Depreciation and impairment	86,074	44,274
Other staff-related costs	1,234,382	1,348,840
Accommodation costs	2,923,747	2,717,853
Other costs	435,289	557,730
Operating leases	43,030	81,209
	<u>37,297,590</u>	<u>32,561,665</u>
Share of support costs (see note 8)	5,284,370	4,462,219
Share of governance costs (see note 8)	25,950	30,099
	<u>42,607,910</u>	<u>37,053,983</u>

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

8 Support costs

	Support costs £	Governance costs £	2025 £	Support costs £	Governance costs £	2024 £
Staff costs	2,830,217	-	2,830,217	2,418,414	-	2,418,414
Accommodation costs	394,199	-	394,199	370,617	-	370,617
Other costs	2,059,954	-	2,059,954	1,673,188	-	1,673,188
Auditor fees	-	25,950	25,950	-	30,099	30,099
	<u>5,284,370</u>	<u>25,950</u>	<u>5,310,320</u>	<u>4,462,219</u>	<u>30,099</u>	<u>4,492,318</u>
Analysed between						
Charitable activities	<u>5,284,370</u>	<u>25,950</u>	<u>5,310,320</u>	<u>4,462,219</u>	<u>30,099</u>	<u>4,492,318</u>

Governance costs includes payments to the auditors of £23,950 (2024 - £27,399) for audit fees and £2,000 for accountancy services (2024 - £2,700).

9 Trustees

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

No trustees were reimbursed for expenses during the current or prior year.

10 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Supported accommodation and domiciliary care	1,135	1,092
Management and administrative staff	86	76
Total	<u>1,221</u>	<u>1,168</u>

Employment costs

	2025 £	2024 £
Wages and salaries	31,990,669	27,341,381
Social security costs	2,698,989	2,238,281
Other pension costs	715,627	650,511
	<u>35,405,285</u>	<u>30,230,173</u>

During the year, the charity made non-contractual payments to employees totalling £48,873 (2024: £60,288) which were approved by the trustees in recognition of exceptional circumstances. In addition, included in the above, are redundancy costs of £3,699 (£Nil) and other termination costs of £73,696 (£Nil).

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

10 Employees

(Continued)

Key management personnel

The key management personnel of the charity during the period are noted in the trustees report.

The total emoluments and benefits received by the key management personnel during the year was £889,585 (2024: £639,267). The total above includes an amount of £Nil (2024: £58,800 paid to entities that provide key management personnel services to the charity).

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2025 Number	2024 Number
£60,000 - £70,000	1	-
£70,001 - £80,000	4	-
£80,000 - £90,000	-	1
£90,000 - £100,000	-	1
£100,000 - £110,000	1	-
	<u>1</u>	<u>2</u>

11 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.

12 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost					
At 1 April 2024	2,186,418	35,821	560,218	74,595	2,857,052
Additions	-	2,100	125,395	-	127,495
	<u>2,186,418</u>	<u>37,921</u>	<u>685,613</u>	<u>74,595</u>	<u>2,984,547</u>
At 31 March 2025	2,186,418	37,921	685,613	74,595	2,984,547
	<u>2,186,418</u>	<u>37,921</u>	<u>685,613</u>	<u>74,595</u>	<u>2,984,547</u>
Depreciation and impairment					
At 1 April 2024	362,350	35,568	510,479	22,403	930,800
Depreciation charged in the year	31,954	105	33,815	20,200	86,074
	<u>394,304</u>	<u>35,673</u>	<u>544,294</u>	<u>42,603</u>	<u>1,016,874</u>
At 31 March 2025	394,304	35,673	544,294	42,603	1,016,874
	<u>394,304</u>	<u>35,673</u>	<u>544,294</u>	<u>42,603</u>	<u>1,016,874</u>
Carrying amount					
At 31 March 2025	1,792,114	2,248	141,319	31,992	1,967,673
	<u>1,792,114</u>	<u>2,248</u>	<u>141,319</u>	<u>31,992</u>	<u>1,967,673</u>
At 31 March 2024	1,824,068	253	49,739	52,192	1,926,252
	<u>1,824,068</u>	<u>253</u>	<u>49,739</u>	<u>52,192</u>	<u>1,926,252</u>

Banking facilities are secured by way of fixed charges over properties owned by the charity.

CARTREFI CYMRU CO-OPERATIVE LIMITED

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

13 Debtors

	2025	2024
	£	£
Amounts falling due within one year:		
Trade debtors	2,105,580	1,972,041
Other debtors	91,101	94,062
Prepayments and accrued income	1,932,846	1,967,952
	<u>4,129,527</u>	<u>4,034,055</u>

14 Creditors: amounts falling due within one year

	2025	2024
	£	£
Other taxation and social security	649,255	530,540
Trade creditors	141,614	224,038
Other creditors	454,450	505,884
Accruals	133,104	63,953
	<u>1,378,423</u>	<u>1,324,415</u>

15 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £715,627 (2024 - £650,511).

Balances outstanding at year end totalled £148,678 (2024 - £116,355).

CARTREFI CYMRU CO-OPERATIVE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

16 Designated funds

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

	Balance at 1 April 2023	Resources expended	Transfers	Balance at 1 April 2024	Resources expended	Transfers	Balance at 31 March 2025
	£	£	£	£	£	£	£
Internal decoration	151,419	(17,800)	52,695	186,314	(3,687)	52,975	235,602
Furniture & equipment replacement	376,828	(34,048)	154,627	497,407	(62,543)	277,498	712,362
Future business development	2,876	-	-	2,876	-	-	2,876
Major repairs	34,169	(83,487)	30,744	(18,574)	(96,089)	21,716	(92,947)
Housing management	145,803	(119,398)	23,954	50,359	-	144,473	194,832
Laundry	49,642	(11,960)	42,924	80,606	(987)	24,133	103,752
Powys local authority fund	60,000	-	-	60,000	-	-	60,000
Roger McMahon - Pilots and new idea implementation	568,000	-	-	568,000	-	-	568,000
Strategy development	200,000	-	-	200,000	-	-	200,000
Salary increase mitigation provision	650,000	-	-	650,000	-	-	650,000
Pandemic preparation	100,000	-	-	100,000	-	-	100,000
Fixed asset fund	2,126,443	(200,191)	-	1,926,252	-	41,421	1,967,673
	4,465,180	(466,884)	304,944	4,303,240	(163,306)	562,216	4,702,150

CARTREFI CYMRU CO-OPERATIVE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

16 Designated funds (Continued)

Internal decoration
Fund designated to cover future internal decoration costs.

Furniture & equipment replacement
Fund designated to cover furniture and equipment replacement in future periods.

Future business development
Fund designated to cover future strategy and development costs.

Major repairs
Fund designated to cover any significant repairs in future periods.

Housing management
Funds designated to cover housing benefit related expenditure on behalf of people we support.

Laundry
Funds designated to cover washing machines on behalf of people we support.

Powys local authority fund
Funds designated for use within the Powys area.

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

16 Designated funds

(Continued)

Roger McMahon - Pilots and new idea implementation

Funds designated to support pilots and new idea implementation across the charity.

Strategy development

Funds designated to support the development of strategy, including development of strategic development such as diversification or alliances.

Salary increase mitigation provision

Funds designated to ensure the charity can respond to changes in the national minimum wage or make other choices about salary without relying on immediate funding from local authorities. In part the fund will act as working capital.

Pandemic preparation

Funds designated to funding pandemic preparation such as procurement of PPE should another pandemic occur.

Fixed asset fund

Relates to the unrestricted net book value of the charity's fixed assets.

Transfers

Transfers relate to the clearing down of old balances held within designated funds and the new designations of additional funds earmarked by the trustees.

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

17 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025 £	2024 £
Within one year	22,689	3,390
Between two and five years	-	16
	<u>22,689</u>	<u>3,406</u>

18 Related party transactions

During the year the charity incurred charges from Antur Waunfarw regarding the collection and shredding of paper totalling £57 (2024: £142). At the current and prior year end amounts of £nil were outstanding. The organisations are related by the way of common trustees.

19 Cash generated from operations

	2025 £	2024 £
Surplus for the year	304,777	1,479,812
Adjustments for:		
Investment income recognised in statement of financial activities	(144,676)	(98,684)
Gain on disposal of tangible fixed assets	-	(6,138)
Depreciation and impairment of tangible fixed assets	86,074	44,274
Movements in working capital:		
(Increase)/decrease in debtors	(95,472)	1,535,220
Increase in creditors	54,008	343,402
(Decrease) in deferred income	-	(300,000)
Cash generated from operations	<u>204,711</u>	<u>2,997,886</u>

20 Analysis of changes in net funds

The charity had no debt during the year.

CARTREFI CYMRU CO-OPERATIVE LIMITED

England & Wales - Charity number 702290

Accounts

Charity registration number 702290

Company registration number 2420623 (England and Wales)

CARTREFI CYMRU CO-OPERATIVE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

CARTREFI CYMRU CO-OPERATIVE LIMITED

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CARTREFI CYMRU CO-OPERATIVE LIMITED

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

The trustees present their annual report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

Cartrefi Cymru's objectives as given in the Memorandum and Articles of Association are the relief of suffering by:

- providing for the care, accommodation, training, education, future living, employment, occupation and sustenance of persons normally, but not exclusively, resident in Wales with a mental or physical disability or suffering from a mental illness in order to foster and encourage a sense of independence
- the provision of a holiday home for the rest and recreation of aged, infirm or poor persons and their families who are in need of the facilities of the Company by reason of their age, infirmity or social and economic circumstances (and for the avoidance of doubt "infirm" and "infirmity" shall include suffering from a mental illness or mental or physical difficulty)

The second objective relates to a period when Cartrefi Cymru owned and ran a registered care home providing holiday breaks. The home was sold in 2016 and the objective is no longer relevant. Trustees agreed in early 2022 that the objective should be removed from the Articles and this legal process is likely to be concluded during the financial year 2024-2025.

The principal activity for the period under review was the promotion of health and welfare of people with special needs by the provision of accommodation and support to enable them to live in the community. To fulfil this activity, the charity is dependent on the continuing support of the Local Authorities with whom we have contracts and partnerships. It is the Local Authorities' responsibility to provide care and support to people with disabilities within their areas. This is delegated to Cartrefi Cymru through contracts.

Cartrefi Cymru's vision is of a future where the people who need support, and their families, are enjoying good lives.

Through our mission, Cartrefi Cymru is building a better future by focusing on people with learning disabilities and their families in Wales. Being a great support provider for:

- the individuals and families that we support
- our employees
- our partners and funders
- the communities in which we work

As a co-operative, we also embrace the following principles as agreed by the International Co-operative Alliance:

- Voluntary and Open Membership
- Democratic Member Control
- Member Economic Participation
- Autonomy and Independence
- Education, Training and Information
- Co-operation Among Co-operatives
- Concern for the Community

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Ensuring Our Work Delivers Our Aims

We review our aims, objectives, and activities each year. This review looks at what we achieved and the outcomes of our work in the previous twelve months. The review looks at the success of each key activity and the benefits delivered from our services. The review also helps us ensure our aims, objectives and activities remained focused on our stated objectives. In determining our work for each period we have regard to the Charity Commission’s general guidance on public benefit.

We continued to apply a Framework for Planning and Action, the elements of which are as follows:

The elements of the Framework



Public benefit statement

Our main activities and who we try to help are described in this report. All our charitable activities focus on providing support to people suffering from a disability and are undertaken to further our charitable purposes for the public benefit. Our aims, objective and activities are centred around us as a charity, providing benefit to the people we support and our communities. Any Council of Members and Board decisions are made in the interest of the people we support and the benefit we provide to them.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit to ensure compliance with the Charities Act 2011.

In 2023-2024 Cartrefi continued the strategy stakeholder consultation including events with council of members, trustees, all colleagues, and people we support. The findings from the strategy consultations were incorporated into the vision, mission, values and strategic goals outlined below.

Our Vision

Our vision is to build a future where people who need support and their families are enjoying good lives as valued contributors to their communities.

Our Mission

Our mission is to build a better future by focusing on people with learning disabilities and their families in Wales. We strive to be a great support provider for the individuals and families that we support, our employees, our partners and funders, and the communities in which we work.

Our values

- Honesty
- Kindness
- Respect
- Wellbeing

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Our strategic goals

We will be a well-run, sustainable and environmentally conscious organisation.

We will have stable, skilled, and motivated people who embrace new ways of working and are appropriately rewarded and supported.

We will develop innovative digital and cooperative social care delivery models to afford choice and control to those we support.

We will be a widely recognised charitable cooperative valued for our work as a support provider and an advocate for people with learning disabilities and their families.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

Achievements and performance

Summary

Against the backdrop of continuing strong operational and financial performance, the organisation has encountered opportunities for growth and improvement, both externally and internally, throughout 2023-2024.

- Cartrefi embraced leadership changes on the Board and in the senior leadership team and the need to provide stability while changes took place.
- Cartrefi faced the macro and micro impact of the cost-of-living crisis including sharing the downward pressure on funding due to the cost-of-living crisis faced by local authorities and the wider health and social care sector, as well as the impact on recruitment and personal financial challenges faced by each individual colleague.
- Cartrefi faced workload capacity and prioritisation challenges with the need to work in different ways, especially the development of a digital first approach and the aspiration to undertake multiple projects at once.

Financial and operational performance continued to progress in 2023-2024:

We will be a well-run, sustainable and environmentally conscious organisation.

In 2023-2024 there were several achievements working towards being a well-run, sustainable and environmentally conscious organisation:

- Strategy Stakeholder Engagement:
 - Strategy workshops were attended by Service Managers in May – June 2023 in Bangor, Brecon, Bridgend, Carmarthen, Llandrindod Wells, Penrhyn, Pontypool and Trealaw; to share how what we want to do as an organisation was being developed, check in with Service Managers to get their feedback on the ideas so far and ask the Service Managers if there was anything else we should be doing
 - Two strategy and business planning days took place in Cardiff in June 2023 and January 2024 with Operations managers and Central Support Teams attending and working collaboratively considering Cartrefi's values and business planning priorities.
 - Five Cartrefi Chat sessions were held in September – October 2023 across north, mid and south regions with fantastic attendance from the people we support. The people we support took part in an interactive exercise identifying what makes a great support worker.
 - The people we support said they want their support workers to have empathy and understanding, be accepting, patient, respectful, and supportive, have a caring nature, as well as being calm, happy and positive.
 - The people we support said their ideal support worker would be someone who is outgoing and encourages them to take part in new experiences, including new opportunities, new hobbies and new friendships.

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

- In addition, the people we support said their ideal support worker would be organised with planning to fit in everyday tasks like attendance at medical appointments, money management, helping them cook and being able to drive them to where they need to be.
- The Annual Retreat took place over two days in November 2023, bringing together the organisations Board of Management, Council of Members and other key Cartrefi Leaders and people receiving support. The sessions covered a look back over what had been achieved over the year as well as future planning. With sessions centring around co-operative activities, the presentation and approval of accounts, and confirmation of Trustee and Council appointments.
- Quality Assurance Framework introduced:
 - During 2023 the Quality Assurance Framework was introduced to evaluate, learn and improve our services to the people we support so that they are fit for purpose and deliver what matters. The framework sets out all the organisations' systems, processes, and goals to ensure we can be confident in delivering great support and outcomes for the people who use our services. It also serves as a vehicle to document our checks and balances and how we use data to report on key performance indicators, find opportunities to improve, celebrate and share good practice and support and develop our staff teams.
 - The Quality Assurance Framework is led by the Governance Team in conjunction with the Assistant Regional Director from North, Mid and South.
 - The Quality Assurance Framework set out expectations and standards for managers, and business partners across Cartrefi:
 - Outlining expectations and standards for documenting interactions with the people we support and their families, such as tenant and forum meetings, care plans, support plans and risk assessments, including the use of Nourish digital care planning and surveys with the families of the people we support.
 - Outlining expectations and standards for interactions with colleagues, such as supervisions and appraisals and the role of Cartrefi's Code of Conduct and Social Care Wales Code of Professional Practice.
 - Outlining expectations and standards for routine quality monitoring such as area manager visits, team meetings and dashboard reporting compliance and the audit process.
 - The audit team is made up of representatives from Operations and Central Support Teams and each audit visit comprises team members from both Operations and Central Support.
 - During 2023-2024 the service RAG ratings dashboard was used to prioritise service audit visits. During the year 27 central and operational colleagues made up the audit team, and 20 service audits were completed.
 - Managers have fed back that having the itemised list of recommendations following an audit has been helpful to assist with prioritising their time and knowing which areas to focus on first.
 - Auditors have been mindful around seeking permission from people to visit, and planning around what works best for the people who live at the services and consequently, people we support have enjoyed welcoming auditors into their homes and showing off their spaces, with lovely feedback being received around how well people feel supported.
- Cashflow and reserves were managed through financial control systems implemented to manage both income and expenditure ensuring the financial security of the charity.

We will have stable, skilled, and motivated people who embrace new ways of working and are appropriately rewarded and supported.

In 2023-2024 there were several achievements working towards having stable, skilled, and motivated colleagues who embrace new ways of working and are appropriately rewarded and supported:

- Leadership stability and development:
 - Board changes:
 - We welcomed three new trustees during 2023.

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- Following the departure in June 2023 of the recently appointed CEO, as it was not the right fit, Adrian Roper, who had retired from Cartrefi following 26 years of service as CEO in July 2022, rejoined Cartrefi on a part-time interim basis, to work with the Senior Leadership Team. Adrian supported the Chair to appoint the new CEO, Geraint Jenkins. Geraint had already been part of the Cartrefi team for 12 years, working in several operational management roles and spending 3 years as Director of Operations as well overseeing the ICT team. As well knowledge and expertise spanning the whole organisation, Geraint brings a track record of relationship building with internal and external stakeholders.
- Following the promotion of Geraint Jenkins to CEO, Cartrefi's Senior Leadership Team were pleased to be in a position to backfill the Director of Operations role internally by promoting the Assistant Director (South) to Director of Operations and in turn to backfill the ARD (South) role by promoting an Area Manager to the role of ARD (South).
- The Board were keen to introduce a new role, Director of People, to the Senior Leadership Team and the role was recruited in February 2024.
- Recruitment
 - The recruitment team continued to work with recruiting managers across Operations and Central Teams to improve the recruitment and onboarding process and test innovative recruitment and onboarding approaches.
 - Recruitment workshops
 - Five recruitment workshops took place in September – October 2023 in Bangor, Carmarthen, Llandrindod Wells, Pontypool and RCT to identify recruitment best practice and what makes a fantastic recruitment process from the employee's perspective.
 - Fantastic feedback was received from colleagues who attended with best practice findings across Cartrefi's brand and employer value proposition, adverts, interviews, use of technology and onboarding.
- Invested in teams to develop capacity:
 - Increased the capacity of the HR team with two new Business Partner roles
 - Increased the capacity of the Central Support Projects Team from 1 to 3 full time employees
 - Increased the capacity of the Marketing, Comms and Fundraising team from 4 to 6 full time employees
 - Invested in Community Engagement Activity Coordinator roles across Cartrefi in RCT, Swansea, the Vale, Brecon, the North.
- A key theme for Cartrefi continued to be the efforts to improve pay and conditions for all colleagues. Cartrefi became a real living wage employer in April 2022 and despite lack of clarity around funding that would be awarded by each local authority, in line with Welsh Government aspirations, was again able to plan to increase frontline support worker pay and honour differential pay for frontline managers in April 2024 in line with the real living wage. In addition, in November 2023 all staff were paid £100 one off payment in recognition of the cost-of-living challenges being experienced.
- The roll out of Disc profiling tool continued throughout 2023-24, enabling individual colleagues and teams to understand their own profiles and support relationship building.
- In 2023-24 a cohort of learners from across Cartrefi started the ILM Level 5 Certificate in Effective Coaching course, enabling Cartrefi to offer person-centred and tailored one-to-one coaching support sessions to colleagues.
- Implementation of business partnering approaches in several teams and set up Regional Development Team Meetings for team business partners to attend which increased collaborative working.

We will develop innovative digital and cooperative social care delivery models to afford choice and control to those we support.

In 2023-2024 there were several achievements working towards developing innovative digital and cooperative social care delivery models to afford choice and control to those we support:

- Nourish is now fully operational for the operations teams.
- Focus will shift to exploring how central teams can benefit from Nourish, with workshops planned in the coming months to identify opportunities.

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- New insights boards have been implemented to provide operational managers with improved oversight of service statistics.
- The system now includes tracking for incidents involving the people we support, staff incidents, and medication errors.
- The process for reporting these incidents is being transitioned from MS Forms to Nourish, ensuring all data is consolidated in one place for ease of use and accuracy.
- Increased team capacity has simplified the reporting of low-level information, which can now be used to support the development of additional BI dashboards for both high- and low-level reporting.
Since the launch:
 - 818,699 interactions have been closed.
 - 62,580 handover notes have been utilised.
 - 17,273 support plan reviews have been completed.
 - Sona has been implemented across the organisation for rostering purposes.
 - The HR system within Sona has been developed and is currently undergoing User Acceptance Testing (UAT) by the HR Team.
 - Payroll parallel runs will commence in the coming weeks to verify accuracy and identify areas of improper usage.
 - We are now positioned to begin exploring additional functionalities, particularly in reporting and dashboards, with the goal of streamlining processes.
 - During the year we delivered supported living and residential care services in 131 settings, supporting 355 people (320 last year) providing 1.5 Million hours of support across the year.
 - We provided support across 16 Local Authority Areas and all 7 Health Board areas across Wales, working collaboratively with 102 different organisations across Wales.
 - We have supported 11 people to repair relationships that are important to them and have supported 245 people to complete their goals or learn new skills throughout the year.
 - We managed 5 short stay services providing 18 respite beds providing respite support for families and breaks for people with learning disabilities. During the year we delivered short stay services to 91 people.
 - We continue to provide sessional support services for people requiring short periods of support in their own home or in the community. During the year we delivered sessional support to 172 people mainly funded by local authority contracts but with some personal contribution.
 - We established 9 new supported living services, supporting 84 new people across supported living, respite and sessional services.
 - We have delivered 16,342 hours of unfunded support in the community throughout the year which is a saving to the Welsh Social Care economy of approximately 376k.
 - We have supported 17 people in decreasing the number of hours paid support they require.
 - We supported 144 people to go on holiday to a wide range of destinations, from staycations across Wales, to Caribbean cruises.
 - Through CIW inspections we have received 17 Excellent ratings across the organisation, as well as 10 'Good' ratings.
- To provide these services Cartrefi Cymru employed a total of 1,151 staff of which there were 66 posts fulfilling central management functions. The remaining staff provided managerial and direct support as follows:
 - 13 Area Managers who provide management, quality and budgetary support
 - 56 Service Managers who manage the support staff and provide hands-on care and support
 - 80 Assistant Service Managers who assist the Service Managers
 - 927 Support Workers who provide direct care and support
 - 9 Area Administrators who provide administrative services to the above managers

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FOR THE YEAR ENDED 31 MARCH 2024

We will be a widely recognised charitable cooperative valued for our work as a support provider and an advocate for people with learning disabilities and their families.

In 2023-2024 there were several achievements working towards being a widely recognised charitable cooperative valued for our work as a support provider and an advocate for people with learning disabilities and their families:

- Tenders:
 - Successfully tendered for new business in Pembrokeshire, Carmarthenshire and Denbighshire as well as retaining services in RCT, Powys and Carmarthenshire.
- Having understood the importance of the Activity Coordinator role from developing the Community Hub models in Swansea, Brecon and Bangor, a focus through the year was development of the Activity Coordinator roles and an aspiration to have them in place everywhere. At the end of 2023-24, there were five Activity Coordinators in place in Brecon, Bridgend and the Vale, the North, RCT and Swansea and the intention to add Activity Coordinators in Carmarthen and Pembroke early in 2024-25.
- Arts and Business Award for partnership with National Dance Company Wales
 - In May 2023, Arts and Business Cymru awarded Cartrefi and National Dance Company Wales the Arts, Business and Employees 2023 award for the Moving Beyond Compliance pilot that had taken place in May 2022. Arts and Business Cymru noted they were impressed by how Cartrefi and National Dance Company Wales collaborated to achieve positive change through arts activity that developed colleagues.
 - https://youtu.be/xD8_S6oloFU

CEO's Foreword

As I reflect on my first year as CEO of Cartrefi Cymru Cooperative, I am filled with immense pride and gratitude for the incredible achievements and resilience displayed by our organisation over the past year. Since stepping into this role in February, I have been consistently inspired by the dedication of our workforce, the trust of our partners, and the amazing commitment to the people we support across Wales.

This has been a year of both successes and challenges. We have successfully navigated a rapidly changing social care environment, responding to the cost-of-living crisis, recruitment challenges, and the need for new ways of working. Through it all, our cooperative spirit has shone brightly, enabling us to not only adapt but to continue building a future where people with learning disabilities can live fulfilling and independent lives. Our work together ensures that we remain a trusted, sustainable, and innovative organisation that consistently strives to provide choice and control for those we support.

One of our significant achievements this year has been our continued emphasis on delivering exceptional care. Through our new Quality Assurance Framework, our digital transformation projects, and our expanded services across Wales, we have enhanced both the quality and accessibility of our support. We have extended our reach, forged new partnerships, and continued to innovate in social care models that benefit our communities and empower our people.

Looking to the future, I am optimistic about Cartrefi's ability to continue thriving in this complex landscape. With a strong foundation built on our cooperative values, a dedicated and skilled workforce, and a clear commitment to the people we support and the communities we serve we are well-positioned to embrace new opportunities. We will keep driving forward, focusing on innovation, expanding our workforce, and strengthening our cooperative social care models. Together, we will continue to advocate for and deliver a social care model that is inclusive, responsive, and genuinely focused on the people and communities of Wales.

Thank you to our exceptional team and every person involved in our journey. Your passion, resilience, and commitment make Cartrefi a *remarkable* place to be, and it is an honour to work alongside each of you. Together, let's look forward to another year of positive impact and shared success.

Thank you!
Geraint Jenkins
CEO, Cartrefi Cymru Co-operative

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Statement from Chair of Trustees

As trustees of Cartrefi we are immensely proud of the achievements and commitment from all involved over the last 12 months.

With a change of Leadership, we have seen the organisation grow from strength to strength with Geraint and his Senior Leadership team working relentlessly to deliver Cartrefi's vision and goals, and to make a significant impact in the wider social care environment across Wales, benefitting the people we support and their families, our colleagues, council of members and wider communities.

During this period of change Cartrefi has continued to deliver core services exceptionally well, it is lovely to hear about the difference the organisation is making to people's lives, and the appreciation felt for our staff.

Looking ahead, we remain committed to our mission and are determined to build on the successes of this year.

We'd like to acknowledge the ongoing commitment and support of the voluntary Trustees and we look forward to building on Cartrefi's cooperative model in the coming year with the Senior Leadership Team and Council of Members.

A big thank you to everyone for making Cartrefi Every Day Remarkable!

Christine Brian – Chair of the Board
Imogen Brown – Vice Chair

Financial review

During the financial year 2023-24, Cartrefi earned £38.5m of income from: local authority related contracts (£37.6m), income reimbursing expenditure incurred on behalf of people supported (£0.75m), appointeeship management (£0.05m) and bank interest (£0.1m)

Overall, Cartrefi earned £1.8m more income than had been budgeted. This was due to £1m more Operations income earned than budget due to new services being acquired through tenders in Flintshire and Pembroke as well as ongoing work to clarify billing rates throughout the year. In addition, £0.7m unbudgeted income billing people supported for expenditure incurred on their behalf; this nets off the expenditure incurred and £0.1m bank interest earned.

During the year, the sale of a property completed and a £6k profit on disposal was recognised in income. The property sold for £275k and the cash contributed to the growth of cash held by Cartrefi. The property was a residential home leased to a housing association and in turn leased to people supported; a property with a different profile to Cartrefi's main property portfolio, consisting of office buildings, and a set up agreed with the local authority and housing association several years ago as at the time neither of the other parties were in a position to purchase the property.

Expenditure in the year totalled £37m including salaries and other staff costs (£31.5m), housing benefit associated accommodation costs (£3m), organisation running costs (£2.4m).

Overall, Cartrefi spent £0.7m more than had been budgeted. This was due to unbudgeted expenditure incurred on behalf of people supported which is netted off in Other Income with income billed to the people supported reimbursing the expenditure incurred on their behalf. There was significant underspend on salary costs netted off by the use of agency staff to fill vacancies which were significantly more expensive than salaries.

The final year end position was positive; a surplus of £1.5m, whereas the original budget had been for a surplus of approx. £0.16m.

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Funds

For the third year in a row, funds grew during the year and the total funds balance at the end of the year was £11m; an increase of £1.5m on the funds held at the end of the previous financial year, £9.5m. After removing fixed assets and designated funds, free reserves totalled £6.7m.

The trustees reviewed and amended the designations in place totalling £2.3m:

- Housing Benefit related designated reserve - £798k
- Salary increases mitigation fund - £650k
- Roger McMahon pilots and new idea implementation fund - £568k
- Strategy development fund - £200k
- Pandemic preparation fund - £100k

Reserves

In July 2024, the trustees carried out the annual review of the charity's reserves policy. The trustees agreed the lower threshold, the minimal level of free reserves required to wind the company up should that ever be required, should be increased from £1.255m to £1.363m to take account of the impact of inflation. In addition, the trustees agreed the upper threshold, available to mitigate the organisation's main risks, should be increased from £6m to £6.6m, to mitigate one of the main financial risks the charity holds: cashflow challenges around local authority payment of invoices.

The free reserves held at the end of March 2024 were £6.7m. This is above the minimum threshold and in line with the upper threshold and is therefore in line with the amount of reserves the charity requires.

Financial forecast 2024-2025 and beyond and going concern

The 2024-2025 budget was signed off by the trustees in April 2024 when most local authority contract rate increases had been received. The 2024-2025 budget was balanced with income and expenditure of £40m.

The 2024-2025 budget was focused on investing in our colleagues as organisational performance in 2023-2024 had been stable, with some great outcomes for the people we support, but taxing on our colleagues. The operating environment remained challenging with ongoing pressures to meet the needs of our colleagues by paying the real living wage and improving terms and conditions. This is in the context of a challenging funding environment with local authorities facing the macro cost of living crisis. Recruitment and retention remained difficult while demand for our services increased. Against this backdrop, the 2024-2025 budget included several areas of investment including investment to support recruitment and retention, including colleague wellbeing, improvements to terms and conditions, investment in brand and an aim to reduce expenditure on expensive agency workers.

Cartrefi had become a real living wage employer in April 2022 and although the real living wage increased again to £12 in November 2023 Cartrefi was able to continue to pay support workers the real living wage and was a real living wage employer for the third year. To be considered a real living wage employer, the employer must increase the rate of pay to the RLW within six months of the RLW increasing. In line with this requirement, Cartrefi increased support workers' pay to the real living wage in April 2024.

Any factors that are likely to affect the financial performance or position going forward

Cartrefi's short term financial position is stable, largely due to earning surpluses between 2020-2024, achieved by implementing innovative social care solutions across seventeen well-diversified local authorities, as well as continual process improvements transforming the central support departments to ensure efficiencies are made and Cartrefi is a well-run organisation.

However, Cartrefi is still paying in year salaries from in year income earned, and as a result, Cartrefi is still dependent on in year local authority uplifts to inform pay increase decisions. The charity still does not have enough free reserves to sustainably commit to long term spending increases unless the local authority award the compensating income increases. The real living wage increase in October 2024 will again present the charity with a challenge, while welcoming the pay increase for employees, the commitment to implementing the increase without having confirmation from local authorities that they will honour increase through rate uplifts, is a precarious balancing act.

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As one of the biggest charities and cooperative organisations in Wales, Cartrefi is well placed to re-design and deliver innovative social care services, and Cartrefi is committed to working with local authorities to identify, pilot and implement innovative social care approaches to support the statutory authorities to do more with less statutory funding in the future.

Principal risks and uncertainties

The charity operates a risk register aligned to the three main Board Committee agendas: Audit and Risk (including service delivery quality assurance, governance and digital), People and Engagement (formally HR and Remuneration) and Finance. Health and Safety is in the process of being moved into its own Committee remit. Risks are scored based on existing controls and mitigations and planned controls and mitigations are identified and the risks are given a further score following the planned controls and mitigations. Risks are considered and the four "t"s are used to identify how the organisation should deal with risk: treat, terminate, tolerate or transfer.

The following risks have been identified in the risk register as high or critical risks ie having the following characteristics: a critical risk of an unwanted event happening; risk requires immediate action; production activities are heavily affected therefore financial impact or reputational loss might occur; strategies should be developed to reduce, eliminate or transfer the risk of the unwanted event(s).

The critical risks identified at the end of the 2023-2024 financial year, some of which are the same as the previous year, were:

- Audit and Risk:
 - Several data management risks were identified including data protection, data loss, theft or corruption and failure to comply with legislation requirements
 - To mitigate the data management risks, the following mitigation measures have been implemented:
 - Robust policy in place, regular meetings around data protection to monitor compliance, confidentiality agreements in place, engagement of external review, appointment of an External Data Protection Officer, E learning Module in place for all staff. Robust back up system in place.
- Audit and Risk:
 - Two main risks were identified regarding implementation of a digital project including resistance to change and failure to measure and track benefits
 - To mitigate the project implementation risks, the following mitigation measures have been implemented:
 - Address colleagues' reluctance to change through training and clear communication of the benefits
 - Measure changes in relation to: implementation progress, user adoption rates, processing efficiency improvements, data accuracy, colleague satisfaction and cost savings
 - In the longer term, the following areas will be developed:
 - Involve stakeholders, develop a robust change management plan, pilot areas with feedback loops, clearly communicate objectives and follow up with a phased roll out and celebrate success
 - Establish clear benefit metrics, utilise dashboards for real time tracking and monitoring, continue to engage with stakeholders and use feedback mechanisms and regularly report and communicate status.
- People and Engagement:
 - Several talent related risks were identified including loss of key senior leaders and managers, failure to recruit and retain employees, absence management and employee shortages leading to burn out
 - To mitigate the talent related risks, the following mitigation measures have been implemented:
 - Career progression opportunities, focus on pay, benefits and employee wellbeing

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FOR THE YEAR ENDED 31 MARCH 2024

- Regular workforce requirements review, clear job descriptions and person specifications, robust recruitment processes, investment in a recruitment team
- In the longer term, the following areas will be developed:
 - Succession planning, coaching and mentoring, delegated skills and responsibilities, shared knowledge, process mapping, leadership development at all levels
 - Investment in Employer Value Proposition and end to end employee experience including onboarding, pay and benefits, training and development, access to professional qualifications, exit interviews identifying trends
- Finance:
 - The risk of fraud of theft affecting the people we support was identified
 - To mitigate the risk of fraud or theft affecting the people supported, the following mitigation measures have been implemented:
 - Embracing new technologies and finding solutions to move away from cash as much as possible
 - In the longer term, the following areas will be developed:
 - Training and raising awareness, regular credit score/credit report checking on behalf of the service user to discover unusual behaviours
 - The risk of climate change including the loss of energy supply, travel disruption, property damage and flooding particularly for the people we support and employees.
 - To mitigate the risk of climate change, the charity is implementing an environmental policy and property strategy.
 - In the longer term, a service and office level environmental impact assessment will be developed.

Plans for future periods

The 2024-25 business plan objectives are:

We will be a well-run, sustainable and environmentally conscious organisation.

- Improve workplaces and ensure workplaces are fit for purpose meeting the needs of colleagues and people we support and invest in new roles to increase capacity and efficiency.
- Enhance risk management practices to mitigate potential operational and financial risks by developing a Decision-Making Framework and a new Risk Management Framework that features like a golden thread through projects, business as usual and meetings.
- Develop governance capacity with the Board and Council of Members, testing next strategic steps at a residential retreat.

We will have stable, skilled, and motivated people who embrace new ways of working and are appropriately rewarded and supported.

- Develop a comprehensive people strategy focused on recruitment, retention, and well-being to address challenges such as high turnover and reliance on agency staff.

We will develop innovative digital and cooperative social care delivery models to afford choice and control to those we support.

- Continue the development and implementation of digital tools like Sona and Nourish to streamline operations and improve service delivery.
- Develop the Activity Coordinators' Team to standardise the offering for people we support across Wales and improve and standardise systems and processes.
- Invest in a pilot Dysphasia Secondment Project to identify support needed across the organisation and piloting new ways of working.

We will be a widely recognised charitable cooperative valued for our work as a support provider and an advocate for people with learning disabilities and their families.

- Invest in a brand refresh and enhance our employee value proposition to build loyalty and attract talent.
- Invest in Hubspot to deliver a new website and support stewardship of all stakeholders

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FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management

Cartrefi Cymru Co-operative Ltd is a charitable company limited by guarantee. The Trustees of the charity form the Board of Management and are directors of the company.

During 2016/17, the company's Articles of Association were revised in order to incorporate a commitment to the principles of Co-operation, and to enable the charity to function as a multi-stakeholder co-operative while retaining its status as a charity and company limited by guarantee.

The Charity Commission approved all the changes, and the Finance Conduct Authority approved the use of the protected name "Co-operative". The principal objective of this change was to provide a better platform for achieving our charitable purpose by being able to offer:

- New opportunities for beneficiaries to have a strong voice and real control,
- New opportunities for beneficiaries to experience equality and inclusion through "one-member-one-vote" decision-making structures,
- New opportunities for beneficiaries and other stakeholders to form positive relationships by building stronger communities together.

Members

Cartrefi Cymru Co-operative Limited was incorporated on 7th September 1989, is limited by guarantee, and has no share capital. Following the adoption of new Memorandum and Articles of Association on 13th November 2016, the Board of Management has the power to admit individuals to membership in the following categories:

1. Individual Members
2. Community Members
3. Employee Members.

Every member is liable to contribute a sum not exceeding £1 in the event of the company being wound up. The liability continues up to one year after membership ceases.

Board of Management

A Representative Body (known as the Council of Members) is in place which reviews the composition of the Board of Management on an annual basis and may appoint, replace or re-appoint trustees ceasing to hold office. In accordance with standing orders, each year one third of the membership of the Board of Management, based on length of service, shall retire from office. A retiring member of the Board is eligible for re-election.

Open recruitment methods are utilised to reach potential trustees with desirable knowledge and skills. Trustees may only be Community Members or non-Members who have the relevant skills and experience to perform the duties required of a Trustee. Historically, recruitment of Trustees was mainly by invitation and introduction by members and senior managers due to contacts and working within the learning disability and not for profit sector.

Trustee training is delivered by both in-house staff and external trainers on an ad hoc basis following specific requests from trustees or circularisation of trustee training courses. A trustee induction programme is in development.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Board of Management meetings are held at least eight times a year. The Trustees who served during the year were:

C Brian

I Brown

N Grimes

I Courtney - appointed 24 October 2023

A Pala - appointed 24 October 2023

L Williams - appointed 27 November 2023

R Ahmed - Resigned 21 July 2023

S Pullen - Resigned 8 April 2023

C Williams - Resigned 21 April 2023

Board of Management delegates authority for the day to day running of the company to the Senior Management team. Arrangements relating to delegation are set out in the Financial Regulations and the Schedule of Delegated Authority. Both documents are reviewed regularly and amendments are submitted to the trustees for approval. All policies, budgets, purchase of office buildings, changes to staff structure and appointment of the Chief Executive are approved by the Trustees.

In accordance with the Company's commitment to co-operative principles, Trustees are required to share decision-making, as far as possible, with the Council of Members including delegating appropriate decisions. The objective is to enable the democratic decision-making amongst Members as far as possible to have ownership of the governance of the Company. Where it is not appropriate to share or delegate a decision to the Council of Members the Board must incorporate, as far as practically possible, the views of the Council of Members on the matter.

Major risks have been reviewed and systems and procedures have been established to manage those risks. With regards to the financial risks the Trustees have been monitoring major risks, and progress to mitigate these, at every Board meeting.

Employment Policies

The charity's policy is to give full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities.

Disabled employees receive appropriate training to promote their career development within the charity. Employees who become disabled are retained in their existing posts where possible or retrained for suitable alternative posts.

Regular meetings are held between senior management and employee representatives to discuss matters of concern. Employees are kept well-informed about the progress and position of the charity by means of regular departmental meetings.

Pay Policy for Senior Staff

The board of directors, who are trustees, give their time freely and did not receive remuneration in the year. The Senior Management Team comprises the key management personnel of the charity and oversees the directing, controlling and running of the charity on a day to day basis.

The pay of the Senior Management Team and other management grades was reviewed by an external consultant who carried out a salary review of management's remuneration using benchmarking within the sector and with similar providers of similar size in 2017. The results of the external consultant's report were submitted to the Board of Management and approved.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

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Reference and administrative details

Charity Name	Cartrefi Cymru Co-operative Limited
Charity Number	702290
Company Number	2420623
Registered Office	5 & 6 Coopers Yard Curran Road Cardiff CF10 5NB
Company Secretary	A Roper - appointed 23 June 2023
Trustees	C Brian I Brown N Grimes S Pullen - resigned 8 April 2023 R Ahmed- resigned 21 July 2023 C Williams- resigned 21 April 2023 I Courtney - appointed 24 October 2023 A Pala - appointed 24 October 2023 L Williams - appointed 27 November 2023
Senior Management	A Roper (Interim Chief Executive from 23 June 2023) G Meredith (Chief Executive resigned 23 June 2023) J Nicholson (Operations Director retired 31 March 2023) S Jones (Assistant Regional Director) S Coffey (Director of Finance) C Ferris (Assistant Director of People retired 31 December 2022) G Jenkins (Operations Director) N Phillips (Assistant Regional Director) K Wilshaw (Assistant Regional Director)
Auditors	Azets Audit Services Ty Derw Lime Tree Court Cardiff Gate Business Park Cardiff CF23 8AB
Bankers	National Westminster Bank PLC 277 Cowbridge Road East Canton Cardiff CF5 1WX
Solicitors	Antony Collins Solicitors LLP 134 Edmund Street Birmingham. B3 2ES

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Geldards LLP
4 Capital Quarter
Tyndall Street
Cardiff
CF10 4BZ

Messrs, Passmores, Lewis & Jacobs
Solicitors
21 Tynwydd Road
Barry
CF62 8HB

Funds held as custodian trustee

The charity manages money on behalf of the people it supports. This service includes paying expenditure on the service users behalf; detailed records are kept to ensure that the charity is able to identify amounts owed to/by each individual.


Each service user has its own bank account held with NatWest which is linked to the charity, this ensures service user accounts and balances are easily identifiable. No other assets or liabilities are held on behalf of service users.

The total value of such accounts at the year end totalled £1,486,252 (2023: £636,282).

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report, including the strategic report, was approved by the Board of Trustees.


.....
C Brian
Trustee
Dated: 4/11/24

CARTREFI CYMRU CO-OPERATIVE LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2024

The trustees, who are also the directors of Cartrefi Cymru Co-operative Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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

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

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

CARTREFI CYMRU CO-OPERATIVE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CARTREFI CYMRU CO-OPERATIVE LIMITED

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

CARTREFI CYMRU CO-OPERATIVE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CARTREFI CYMRU CO-OPERATIVE LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' 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; 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.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

CARTREFI CYMRU CO-OPERATIVE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CARTREFI CYMRU CO-OPERATIVE LIMITED

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

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

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

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

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

Use of our report

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 and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Katherine Parkin (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

13 November 2024

Chartered Accountants
Statutory Auditor

Ty Derw, Lime Tree Court
Cardiff Gate Business Park
Cardiff
United Kingdom
CF23 8AB

CARTREFI CYMRU CO-OPERATIVE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds 2024 £	Unrestricted funds 2023 £
<u>Income and endowments from:</u>			
Donations and legacies	3	8,852	-
Charitable activities	4	38,420,121	35,580,651
Investments	5	98,684	21,211
Other income	6	6,138	-
Total income		38,533,795	35,601,862
<u>Expenditure on:</u>			
Charitable activities	7	37,053,983	35,046,123
Net income for the year/ Net movement in funds		1,479,812	555,739
Fund balances at 1 April 2023		9,563,934	9,008,195
Fund balances at 31 March 2024		11,043,746	9,563,934

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

All income and expenditure derive from continuing activities.

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

CARTREFI CYMRU CO-OPERATIVE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	12		1,926,252		2,126,443
Current assets					
Debtors	13	4,034,055		5,569,275	
Cash at bank and in hand		6,407,854		3,149,229	
		10,441,909		8,718,504	
Creditors: amounts falling due within one year	14	(1,324,415)		(1,281,013)	
Net current assets			9,117,494		7,437,491
Total assets less current liabilities			11,043,746		9,563,934
Income funds					
<u>Unrestricted funds</u>					
Designated funds	17	4,303,240		4,465,182	
General unrestricted funds		6,740,506		5,098,752	
			11,043,746		9,563,934
			11,043,746		9,563,934

The financial statements were approved by the Trustees on 4/1/24.....



 C Brian
 Trustee

Company registration number 2420623

CARTREFI CYMRU CO-OPERATIVE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	20		2,997,886		(963,114)
Investing activities					
Purchase of tangible fixed assets		(112,675)		-	
Proceeds from disposal of tangible fixed assets		274,730		-	
Investment income received		98,684		21,211	
Net cash generated from investing activities			260,739		21,211
Financing activities					
Repayment of bank loans		-		(195,421)	
Net cash used in financing activities			-		(195,421)
Net increase/(decrease) in cash and cash equivalents			3,258,625		(1,137,324)
Cash and cash equivalents at beginning of year			3,149,229		4,286,553
Cash and cash equivalents at end of year			6,407,854		3,149,229

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

Cartrefi Cymru Co-operative Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Units 5 & 6 Coopers Yard, Curran Road, Cardiff, CF10 5NB, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

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

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

1.4 Income

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

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

Income from local authority contracts and service user income is recognised in the period in which the service was provided.

Investment income is recognised when received.

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Costs are allocated between the different categories according to the nature of the cost. Where costs are shared, they are apportioned between the categories on a basis consistent with the use of the resources.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fee and costs linked to the strategic management of the charity.

1.6 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	1.5% Straight Line
Fixtures and fittings	Over 31 months
Computers	Over 31 months
Motor vehicles	20% Straight Line

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

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

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

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

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

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

Basic financial assets

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

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

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

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, are charged as an expense on a straight line basis over the term of the relevant lease.

1.13 Taxation

As a registered charity, Cartrefi Cymru Co-operative Limited is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

2 Critical accounting estimates and judgements

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

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

Critical judgements

Bad debt provision

Contained in the financial statements is a bad debt provision totalling £300,000 (2023: £277,716). The provision requires judgements to be made which include the charity's review of the debtors listing and those debts that are aged or where debtors are not timely in settling debt owed.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Donations and gifts	8,852	-

4 Charitable activities

	Charitable activities	Charitable activities
	2024	2023
	£	£
Service users charges' receivable	22,614,928	19,415,188
Local authority contracts	13,246,556	10,701,556
Other grants and allowances	2,430,482	5,363,731
Appointeeship income, consultancy and central sales	118,818	78,411
Meeting room hire	9,337	21,765
	<u>38,420,121</u>	<u>35,580,651</u>

CARTREFI CYMRU CO-OPERATIVE LIMITED

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

5 Investments

	Unrestricted funds	Unrestricted funds
	2024 £	2023 £
Interest receivable	98,684	21,211

6 Other income

	Unrestricted funds	Total
	2024 £	2023 £
Net gain on disposal of tangible fixed assets	6,138	-

7 Charitable activities

	2024 £	2023 £
Staff costs	27,811,759	27,594,757
Depreciation and impairment	44,274	99,716
Other staff-related costs	1,348,840	990,328
Accommodation costs	2,717,853	2,441,540
Other costs	557,730	265,335
Operating leases	81,209	107,351
	<u>32,561,665</u>	<u>31,499,027</u>
Share of support costs (see note 8)	4,462,219	3,521,436
Share of governance costs (see note 8)	30,099	25,660
	<u>37,053,983</u>	<u>35,046,123</u>

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

8 Support costs

	Support costs	Governance costs	2024	Support costs	Governance costs	2023
	£	£	£	£	£	£
Staff costs	2,418,414	-	2,418,414	2,392,495	-	2,392,495
Accommodation costs	370,617	-	370,617	332,937	-	332,937
Other costs	1,673,188	-	1,673,188	796,004	-	796,004
Auditor fees	-	30,099	30,099	-	25,660	25,660
	<u>4,462,219</u>	<u>30,099</u>	<u>4,492,318</u>	<u>3,521,436</u>	<u>25,660</u>	<u>3,547,096</u>
Analysed between						
Charitable activities	<u>4,462,219</u>	<u>30,099</u>	<u>4,492,318</u>	<u>3,521,436</u>	<u>25,660</u>	<u>3,547,096</u>

Governance costs includes payments to the auditors of £27,399 (2023 - £23,660) for audit fees and £2,700 for accountancy services (2023 - £2,000).

9 Trustees

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

No trustees were reimbursed for expenses during the current or prior year.

10 Employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Supported accommodation and domiciliary care	1,092	1,088
Management and administrative staff	76	79
Total	<u>1,168</u>	<u>1,167</u>

Employment costs

	2024	2023
	£	£
Wages and salaries	27,341,381	27,001,794
Social security costs	2,238,281	2,332,062
Other pension costs	650,511	653,396
	<u>30,230,173</u>	<u>29,987,252</u>

During the year, the charity made ex-gratia payments totalling £60,288 (2023: £Nil) which were approved by the trustees in recognition of exceptional circumstances.

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

10 Employees

(Continued)

Key management personnel

The key management personnel of the charity during the period are noted in the trustees report.

The total emoluments and benefits received by the key management personnel during the year was £639,267 (2023: £556,780). The total above includes an amount of £58,800 (2023: £nil) paid to entities that provide key management personnel services to the charity.

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2024 Number	2023 Number
£60,000 - £70,000	-	3
£80,000 - £90,000	1	1
£90,000 - £100,000	1	-
	<u> </u>	<u> </u>

11 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.

12 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost					
At 1 April 2023	2,473,125	35,507	508,457	13,995	3,031,084
Additions	-	314	51,761	60,600	112,675
Disposals	(286,707)	-	-	-	(286,707)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2024	2,186,418	35,821	560,218	74,595	2,857,052
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Depreciation and impairment					
At 1 April 2023	347,054	35,507	508,085	13,995	904,641
Depreciation charged in the year	33,411	61	2,394	8,408	44,274
Eliminated in respect of disposals	(18,115)	-	-	-	(18,115)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2024	362,350	35,568	510,479	22,403	930,800
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Carrying amount					
At 31 March 2024	1,824,068	253	49,739	52,192	1,926,252
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2023	2,126,071	-	372	-	2,126,443
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Banking facilities are secured by way of fixed charges over properties owned by the charity.

CARTREFI CYMRU CO-OPERATIVE LIMITED

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

13 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	1,972,041	5,300,193
Other debtors	94,062	165,943
Prepayments and accrued income	1,967,952	103,139
	<u>4,034,055</u>	<u>5,569,275</u>

14 Creditors: amounts falling due within one year

	Notes	2024	2023
		£	£
Other taxation and social security		530,540	541,233
Deferred income	15	-	300,000
Trade creditors		224,038	57,857
Other creditors		505,884	359,023
Accruals		63,953	22,900
		<u>1,324,415</u>	<u>1,281,013</u>

Included within 'Other creditors' for the current year is an amount of £356,386 which was previously classified as 'Deferred income'. This reclassification has been made to better reflect the nature of the liability. This change in classification has no impact on the overall financial position and has been made to enhance clarity within the financial statements.

15 Deferred income

	2024	2023
	£	£
Other deferred income	-	300,000
	<u>-</u>	<u>300,000</u>

Deferred income is included in the financial statements as follows:

	2024	2023
	£	£
Deferred income is included within:		
Current liabilities	-	300,000
	<u>-</u>	<u>300,000</u>
Movements in the year:		
Deferred income at 1 April 2023	300,000	-
Released from previous periods	(300,000)	-
Resources deferred in the year	-	300,000
	<u>-</u>	<u>300,000</u>
Deferred income at 31 March 2024	-	300,000
	<u>-</u>	<u>300,000</u>

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

16 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £650,511 (2023 - £653,396).

Balances outstanding at year end totalled £116,355 (2023 - £110,406).

CARTREFI CYMRU CO-OPERATIVE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

17 Designated funds

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

	Balance at 1 April 2022	Resources expended	Transfers	Balance at 1 April 2023	Resources expended	Transfers	Balance at 31 March 2024
	£	£	£	£	£	£	£
Internal decoration	149,896	-	1,523	151,419	(17,800)	52,695	186,314
Furniture & equipment replacement	315,118	-	61,710	376,828	(34,048)	154,627	497,407
Future business development	2,876	-	-	2,876	-	-	2,876
Major repairs	180,425	-	(146,256)	34,169	(83,487)	30,744	(18,574)
Housing management	119,399	-	26,404	145,803	(119,398)	23,954	50,359
Laundry	48,615	-	1,027	49,642	(11,960)	42,924	80,606
Powys local authority fund	60,000	-	-	60,000	-	-	60,000
Roger McMahon - Pilots and new idea implementation	568,000	-	-	568,000	-	-	568,000
Strategy development	200,000	-	-	200,000	-	-	200,000
Salary increase mitigation provision	400,000	-	250,000	650,000	-	-	650,000
Pandemic preparation	100,000	-	-	100,000	-	-	100,000
Fixed asset fund	2,226,160	(99,717)	-	2,126,443	(200,191)	-	1,926,252
	<u>4,370,489</u>	<u>(99,717)</u>	<u>194,408</u>	<u>4,465,180</u>	<u>466,884</u>	<u>304,944</u>	<u>4,303,240</u>

CARTREFI CYMRU CO-OPERATIVE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

17 Designated funds (Continued)

Internal decoration
Fund designated to cover future internal decoration costs.

Furniture & equipment replacement
Fund designated to cover furniture and equipment replacement in future periods.

Future business development
Fund designated to cover future strategy and development costs.

Major repairs
Fund designated to cover any significant repairs in future periods.

Housing management
Funds designated to cover housing benefit related expenditure on behalf of people we support.

Laundry
Funds designated to cover washing machines on behalf of people we support.

Powys local authority fund
Funds designated for use within the Powys area.

CARTREFI CYMRU CO-OPERATIVE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

17 Designated funds (Continued)

Roger McMahon - Pilots and new idea implementation
Funds designated to support pilots and new idea implementation across the charity.

Strategy development
Funds designated to support the development of strategy, including development of strategic development such as diversification or alliances.

Salary increase mitigation provision
Funds designated to ensure the charity can respond to changes in the national minimum wage or make other choices about salary without relying on immediate funding from local authorities. In part the fund will act as working capital.

Pandemic preparation
Funds designated to funding pandemic preparation such as procurement of PPE should another pandemic occur.

Fixed asset fund
Relates to the unrestricted net book value of the charity's fixed assets.

Transfers
Transfers relate to the clearing down of old balances held within designated funds and the new designations of additional funds earmarked by the trustees.

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

18 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024 £	2023 £
Within one year	3,390	12,592
Between two and five years	16	3,426
	<u>3,406</u>	<u>16,018</u>

19 Related party transactions

During the year the charity incurred charges from Antur Waunfarw regarding the collection and shredding of paper totalling £nil (2023: £382). At the current and prior year end amounts of £nil were outstanding. The organisations are related by the way of common trustees.

20 Cash generated from operations

	2024 £	2023 £
Surplus for the year	1,479,812	555,739
Adjustments for:		
Investment income recognised in statement of financial activities	(98,684)	(21,211)
Gain on disposal of tangible fixed assets	(6,138)	-
Depreciation and impairment of tangible fixed assets	44,274	99,716
Movements in working capital:		
Decrease/(increase) in debtors	1,535,220	(2,051,598)
Increase in creditors	343,402	154,240
(Decrease)/increase in deferred income	(300,000)	300,000
Cash generated from/(absorbed by) operations	<u>2,997,886</u>	<u>(963,114)</u>

21 Analysis of changes in net funds

The charity had no debt during the year.

CARTREFI CYMRU CO-OPERATIVE LIMITED

England & Wales - Charity number 702290

Accounts

Charity registration number 702290

Company registration number 2420623 (England and Wales)

CARTREFI CYMRU CO-OPERATIVE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

CARTREFI CYMRU CO-OPERATIVE LIMITED

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CARTREFI CYMRU CO-OPERATIVE LIMITED

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

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

Cartrefi Cymru's objectives as given in the Memorandum and Articles of Association are the relief of suffering by:

- providing for the care, accommodation, training, education, future living, employment, occupation and sustenance of persons normally, but not exclusively, resident in Wales with a mental or physical disability or suffering from a mental illness in order to foster and encourage a sense of independence
- the provision of a holiday home for the rest and recreation of aged, infirm or poor persons and their families who are in need of the facilities of the Company by reason of their age, infirmity or social and economic circumstances (and for the avoidance of doubt "infirm" and "infirmity" shall include suffering from a mental illness or mental or physical difficulty)

The second objective relates to a period when Cartrefi Cymru owned and ran a registered care home providing holiday breaks. The home was sold in 2016 and the objective is no longer relevant. Trustees agreed in early 2022 that the objective should be removed from the Articles and this legal process is likely to be concluded during the financial year 2024-2025.

The principal activity for the period under review was the promotion of health and welfare of people with special needs by the provision of accommodation and support to enable them to live in the community. To fulfil this activity, the charity is dependent on the continuing support of the Local Authorities with whom we have contracts and partnerships. It is the Local Authorities' responsibility to provide care and support to people with disabilities within their areas. This is delegated to Cartrefi Cymru through contracts.

Cartrefi Cymru's vision is of a future where the people who need support, and their families, are enjoying good lives.

Through our mission, Cartrefi Cymru is building a better future by focusing on people with learning disabilities and their families in Wales. Being a great support provider for:

- the individuals and families that we support
- our employee
- our partners and funders
- the communities in which we work

As a co-operative, we also embrace the following principles as agreed by the International Co-operative Alliance:

- Voluntary and Open Membership
- Democratic Member Control
- Member Economic Participation
- Autonomy and Independence
- Education, Training and Information
- Co-operation Among Co-operatives
- Concern for the Community

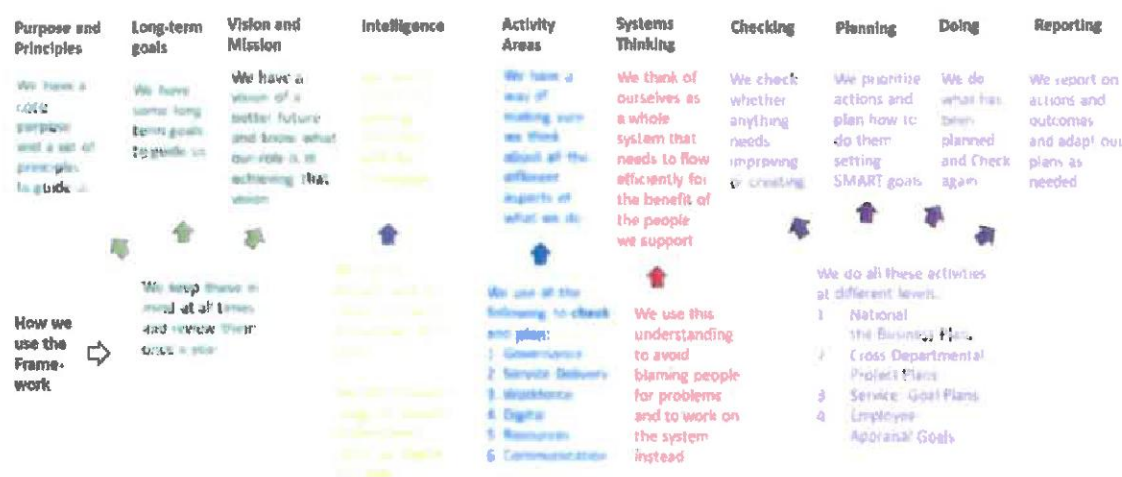
CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

We continued to apply a Framework for Planning and Action, the elements of which are as follows:

The elements of the Framework



In 2022-2023 a series of strategy consultation events took place with trustees, central support and operations management level employees and people we support, and the strategy consultation events continued into the following financial year with a wider group of operational employees. The focus of the strategy consultation events was to check in that the strategic aims and focus was correct and understand how Cartrefi would achieve the strategy, the resources needed and how to promote success. To focus discussions, key themes were discussed including: company culture, recruitment and retention, brand awareness and marketing, communications, social media, community hubs and digital technology. The findings from the strategy consultations were incorporated into the long-term strategic goals outlined below.

Cartrefi's long-term goals were reviewed in 2022-2023 and updated as follows:

Activity Area	Long-Term Goals
Governance	<p>We will be a well-run organization:</p> <ul style="list-style-type: none"> • Skilled and experienced trustees and senior managers • Good systems for checking, planning, doing and reviewing all our activities. • Openness and accountability to our members
People	<p>We will have stable, skilled, and motivated people that embrace new ways of working and are appropriately rewarded and supported:</p> <ul style="list-style-type: none"> • The best mix of affordable pay and benefits • Positive employee experience from onboarding to learning, development and recognition. • Good leadership skills at all levels
Service Delivery	<p>We will continually develop and integrate innovative and sustainable models of delivery for social care and community well-being.</p> <p>We will develop our cooperative activities to enable the people we support to have more choice and control and be able to effect positive change in their lives and the lives of others.</p>

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Digital	We will keep on top of technological developments and ensure that the people we support are able to benefit. We will continually improve our digital systems to make it easier for employees to do their jobs and for work to flow.
Resources	We will price our work so that we make enough money to be a good employer, a quality support provider, and an investor in the future of care and community well-being. We will develop funding streams alongside public contracts so that we can add value to our contracted work and be more independent and innovative in what we do.
Comms	We will be a widely recognized charitable cooperative that is valued for its work as: <ul style="list-style-type: none">• a support provider• an advocate for people with learning disabilities and their families.

Ensuring Our Work Delivers Our Aims

We review our aims, objectives, and activities each year. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits delivered from our services. The review also helps us ensure our aims, objectives and activities remained focused on our stated objectives. In determining our work for each period, we have regard to the Charity Commission's general guidance on public benefit.

Public benefit statement

Our main activities and who we try to help are described in this report. All our charitable activities focus on providing support to people suffering from a disability and are undertaken to further our charitable purposes for the public benefit.

Our aims, objective and activities are centred around us as a charity, providing benefit to the people we support and our communities. Any Board decisions are made in the interest of the people we support and the benefit we provide to them.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit to ensure compliance with the Charities Act 2011.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

Achievements and performance

Summary

Against the backdrop of strong operational and financial performance in 2022-2023, there were challenges posed by some anticipated and unanticipated changes in the organisation's governance and leadership. Very sadly, Peter Higson, who had been the charity's Chair for four years, suddenly passed away in January 2023. Rej Ahmed, an existing trustee and member of the Finance Committee took over the role of Chair in January 2023.

Remembering our chairman - Peter Higson

By Adrian Roper

Peter joined Cartrefi as a Trustee in 2013 and served the company with huge enthusiasm and commitment for the next 10 years, right up until he sadly passed away in January 2023.

Peter brought enormous experience and knowledge to the Board of Management, having had a career that included being a consultant psychologist, CEO of Health Inspectorate Wales and chair of Betsi Cadwaladr Health Board.

He was an enthusiastic supporter of Cartrefi's transformation into a Cooperative and welcomed the opportunities that this brought for the people we support and frontline staff to share status and power with managers and trustees. Peter volunteered to represent the Board on the Cartrefi's Council of Members and he was skilful at helping everyone to feel relaxed and able to speak up.

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

He was very aware of the need for people with learning disabilities to be supported in a safeguarding environment, not just within Cartrefi but in the wider multi-agency context as well. In his role as Chair, he strengthened Cartrefi's safeguarding training and reporting systems and always ensured that time was taken to reflect on any serious incidents that may have occurred.

Peter was an exemplary trustee, a calm and solutions-oriented Chair, and above all, a decent man with a deep commitment to doing right by people with learning disabilities.

He is already sadly missed but will be long remembered.

Adrian Roper, who had been the charity's CEO for several years, retired in July 2022 and a new CEO took over the role.

Acknowledgement to Adrian Roper

As Adrian Roper, our CEO, approaches retirement, we at Cartrefi Cymru take this opportunity to express our deep gratitude for his remarkable leadership and dedication. Beginning his journey in social care with the transformative NIMROD project, Adrian has been an instrumental force in advancing learning disability services in Wales. Since becoming the director of Cartrefi Cymru in 1996, his commitment to fostering equality, community integration and co-operative values has profoundly shaped our organization and positively impacted numerous lives. His visionary leadership, particularly in maintaining our core values amidst the challenges of social care marketisation, has been invaluable. Adrian's legacy is one of compassion, innovation and unwavering dedication, which will continue to inspire us for years to come. We extend our heartfelt thanks and best wishes for a fulfilling and joyful retirement.

Financial and operational performance continued to progress in 2022-2023:

Governance

We will be a well-run organization:

- *Skilled and experienced trustees and senior managers*
- *Good systems for checking, planning, doing and reviewing all our activities.*
- *Openness and accountability to our members*

Achievements in 2022-2023:

- Board meetings and Finance Committee moved to quarterly reflecting the steady state of the organisation.
- The Audit and Risk Committee was set up focusing on operations service delivery and quality across the charity.
- Strategy consultation events took place including:
 - September 2022 with the people we support in Swansea, Llandrindod and Bangor
 - September, October and December 2022 with Central Support teams and Operational Area Managers
 - October 2022 with trustees.
- A Project Management framework was developed by a multidisciplinary collaborative team and rolled out across the organisation including a project management overview and toolkit outlining the nine guiding principles: consider value, accountability and transparency, business justification, change management, data driven decisions, cooperative and collaborative, risk management, set project performance and learn from experience.

People

We will have stable, skilled, and motivated people that embrace new ways of working and are appropriately rewarded and supported:

- *The best mix of affordable pay and benefits*
- *Positive employee experience from onboarding to learning, development and recognition.*
- *Good leadership skills at all levels*

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Achievements in 2022-2023:

- In May 2022, the Moving Beyond Compliance pilot project took place to explore how movement can benefit the wellbeing of staff working in care settings. The partnership with National Dance Company Wales, who create ambitious, engaging dance work, taking Wales to the world and reflecting the world in Wales and was also supported by NAPA, UK's leading activity and engagement charity supporting care homes and settings to prioritise wellbeing and promoting activity, arts, and engagement. Arts Council Wales funding was secured for the project to fund the workshops as well as the evaluation report, film and resources provided to staff following the workshops. The project was successful in terms of addressing a range of physical, mental, and emotional wellbeing needs of the participants, in the short-term. The project won Arts & Business Cymru Arts, Business & Employees Award and the judges were "impressed by the way the partners collaborated to achieve positive change, balancing arts activity while developing staff".
- Recruited a new Assistant Director of People.
- Undertook values consultation work with employees.
- Rolled out of Disc Simple profiling for central support teams and service delivery managers to support individuals to understand themselves and their colleagues and improve individual and team relationships.
- Invested in learning and development including a cohort of learners starting a coaching qualification.
- Implementation of business partnering approaches in several teams and set up Regional Development Team Meetings for team business partners to attend which increased collaborative working.
- Recruitment systems and processes and established, documented and rolled out.
- LinkedIn set up to support recruitment.
- Recruitment pilots undertaken such as: Petrol pump advertising in the North; Local management of some Indeed credits in Carmarthen.

Service Delivery

We will continually develop and integrate innovative and sustainable models of delivery for social care and community well-being.

We will develop our cooperative activities to enable the people we support to have more choice and control and be able to effect positive change in their lives and the lives of others.

Achievements in 2022-2023:

- During the year we delivered supported living and residential care services in 127 settings, supporting 320 people (344 last year).
- We managed 6 short stay services providing 20 respite beds providing respite support for families and breaks for people with learning disabilities. During the year we delivered short stay services to 94 people.
- We continue to provide sessional support services for people requiring short periods of support in their own home or in the community. During the year we delivered sessional support to 195 people mainly funded by local authority contracts but with some personal contribution. The number of people wanting sessional support dipped during the pandemic, but the numbers are now increasing again.
- To provide these services Cartrefi Cymru employed a total of 1,094 staff of which there were 79 posts fulfilling central management functions. The remaining staff provided managerial and direct support as follows:
 - 15 Area Managers who provide management, quality and budgetary support.
 - 62 Service Managers who manage the support staff and provide hands-on care and support.
 - 75 Assistant Service Managers who assist the Service Managers.
 - 957 Support Workers who provide direct care and support.
 - 10 Area Administrators who provide administrative services to the above managers.
- Development of the Community Hub model, including:
 - Social Bean cafe, Swansea - In Swansea, Cartrefi were able to take advantage of a new city centre site to centralise service delivery employees and terminate the lease of office space in an out-of-town industrial site. Using the Social Bean as office space enabled the operations teams to develop the community hub model without being financially exposed. The business case was developed and the longer-term strategy of using the site as a drop-in centre and a regular timetable of activities sustained by grant funding was developed.

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

- Warm spaces, Brecon – In Brecon, a warm space grant was secured and used to develop the office space for anyone in the community to drop-in and use the community space.
- Exploration of local requirements from the Bangor office community hub was undertaken.
- A key finding from developing the Community Hub models in Swansea, Brecon and Bangor was the importance of the Activity Coordinator roles. Activity Coordinators are key to unlocking opportunities by working with existing Cartrefi teams to deliver on Cartrefi Cymru's promise to build relationships and partnerships in the community by developing activities in community hubs across the region as well as signposting to existing activities, thereby increasing opportunities above and beyond statutory support and delivering enhanced outcomes for people with learning disabilities and complex needs. We were able to invest in Activity Coordinator posts in several local authority areas where funding enabled this, and we worked to develop grant applications in other local authority areas.

Digital

We will keep on top of technological developments and ensure that the people we support are able to benefit.

We will continually improve our digital systems to make it easier for employees to do their jobs and for work to flow.

Achievements in 2022-2023:

- Completion of the roll out of mobile phones for all employees.
- Implementation of the digital care planning system across service delivery teams.
- A robot system that provides support to individuals with additional support needs was successfully piloted and the learning has informed our Assistive technology plans for the coming year.
- Multi-factor authentication implemented along with additional Microsoft security features bolstering our organisational digital security.

Resources

We will price our work so that we make enough money to be a good employer, a quality support provider, and an investor in the future of care and community well-being.

We will develop funding streams alongside public contracts so that we can add value to our contracted work and be more independent and innovative in what we do.

Achievements in 2022-2023:

- Cashflow and reserves were managed through financial control systems implemented to manage both income and expenditure ensuring the financial security of the charity.
- Cartrefi successfully retendered local authority contract that had been at a historically low rate for several years as well as the transition to service funds away from hourly rates by some local authorities which enable service delivery innovation and economies of scale.
- Cartrefi became a real living wage employer in April 2022 and in line with Welsh Government aspirations, was again able to plan to increase frontline support worker pay in April 2023 in line with the real living wage.
- In November 2022, all staff were paid £100, a one-off payment in recognition of the cost-of-living challenges being experienced.
- A new role, Tendering and Fundraising Manager was introduced to the charity with the aim of centralising all tender work and developing fundraising initiatives. The Tendering and Fundraising Manager championed development of several initiatives including:
 - Infrastructure set up: Enthuse; QR codes; Looking at Branch Accounting in Skynet to enable local fundraising
 - Walk this May engagement pilot developed to take place in May 2023
 - Development of grant application infrastructure

Comms

We will be a widely recognized charitable cooperative that is valued for its work as:

- a support provider
- and an advocate for people with learning disabilities and their families.

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Achievements in 2022-2023:

- To develop Cartrefi's brand the following communications collateral was developed:
 - Development and use of a case study template to tell the story of the people we support, often in their words.
 - Films were used to showcase Cartrefi's work.
 - Won the Arts and Business Award Cymru for the partnership project with National Dance Company Wales.
 - Set up LinkedIn for recruitment – including company pages to showcase Cartrefi.
- To improve internal communications the following communications tools were developed:
 - Ask Cartrefi webinars started in December 2022 and were run monthly.
 - Companywide monthly or bi-monthly updates were implemented.
 - Business partnering approach established and monthly Regional Development Team meetings implemented.
 - Consultation through the strategy meetings took place.

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Financial review

During the financial year 2022-23, Cartrefi earned £35.6m of income from: local authority related contracts (£32.8m), other grant income including Welsh Government recognition payment for social care workers made by local authorities and passed on directly to Support Workers (£2m), funds reimbursing expenditure incurred on behalf of people supported (£0.7m), appointeeship management (£0.05m) and bank interest (£0.02m).

Overall, Cartrefi earned £2.2m more income than had been budgeted. This was due to £2m of income received for an additional payment to Support Workers to demonstrate the Welsh Government's commitment to improve the status, terms and conditions and career pathways for social care workers and it was immediately passed onto to Support Workers and £0.2m more operations income than had been budgeted.

Expenditure in the year totalled £35m including: salaries and other staff costs (£31m), housing benefit costs accommodation costs (£2.4m), organisation running costs (£1.6m).

Overall, Cartrefi spent £1.5m more than had been budgeted. This was due to the £2m of expenditure of the £1,498 payment passed onto to Support Workers, as well as underspends across payroll and other running costs.

The final year end position was positive; a surplus of £0.6m, whereas the original budget had been for a deficit of approx. £0.16m. The positive variance of £0.76m was due to £0.2m Operations income received than budgeted, payroll being underspent by approx. £0.3m after taking account of the £2m payments to Support Workers netted off with income received as well as £0.7m spent on temporary agency worker to compensate for the vacancies and other running costs being £0.2m underspent compared to budget. The £0.3m element of the surplus due to payroll underspends, represents an unexpected financial saving, although vacant positions represent capacity challenges and it's anticipated and hoped that vacant positions will be recruited and the element of the surplus due to vacancies will not be repeated.

Improving pay and conditions continued to be an organisation priority with progress made in several ways. Cartrefi became a real living wage employer in April 2022 and in line with Welsh Government aspirations, was again able to plan to increase frontline support worker pay in April 2023 in line with the real living wage. Paying all employees, a fair wage is both a priority and a significant challenge given the need to increase differential pay in line with the increase in the real living wage. In June 2022 Cartrefi paid all eligible employees £1498, the Welsh Government additional payment scheme for social care workers, aligning pay to the Real Living Wage aimed at demonstrating commitment to improve the status, terms and conditions and career pathways for social care workers. In addition, in November 2022 all staff were paid £100 one off payment in recognition of the cost-of-living challenges being experienced.

Funds

For the second year in a row, funds grew during the year and the total funds balance at the end of the year was £9.6m; an increase of £0.6m on the funds held at the end of the previous financial year, £9m. After removing fixed assets and designated funds, free reserves totalled £5.1m.

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

The trustees reviewed and amended the designations in place totalling £2.3m:

- Housing Benefit related designated reserve - £761k
- Salary increases mitigation fund - £850k
- Roger McMahon pilots and new idea implementation fund - £568k
- Strategy development fund - £200k
- Pandemic preparation fund - £100k
- Powys service delivery fund - £60k
- Fixed asset fund - £2,126k

Reserves

In October 2022, the trustees carried out the annual review of the charity's reserves policy. The trustees agreed the lower threshold, the minimal level of free reserves required to wind the company up should that ever be required, should be increased from £0.85m to £1.255m to take account of increased costs. In addition, the trustees agreed the upper threshold, available to mitigate the organisation's main risks, should be increased from £5.6m to £6m, to mitigate one of the main financial risks the charity holds: cashflow challenges around local authority payment of invoices.

The free reserves held at the end of March 2023 were £5.1m. This is above the minimum threshold and below the upper threshold and is therefore in line with the reserves required by the charity at this time.

Financial forecast 2023-2024 and beyond and going concern

The 2023-2024 budget was signed off by the trustees in April 2023 when most local authority contract rate increases had been received.

The 2023-2024 budget included several areas of investment including new roles to help improve and develop Cartrefi's work, including developing the communications, marketing and fundraising teams and business support. In addition, to support ongoing efficiencies through digital improvements, investment was included in a new customer relationship management system and a digital rostering, human resources, and payroll system.

The 2023-2024 budget was for £36.5m income and £36.3m expenditure, and a small surplus of £0.2m. Depreciation included in expenditure totalled £36k.

Cartrefi had become a real living wage employer in April 2022 and although the real living wage increased again to £10.90 in November 2022, Cartrefi was able to continue to pay support workers the real living wage and was a real living wage employer for the second year. To be considered a real living wage employer, the employer must increase the rate of pay to the RLW within six months of the RLW increasing. In line with this requirement, Cartrefi increased support workers' pay to the real living wage in April 2023.

For the second year running, a stepped approach to pay increases was taken. This was necessary due to the need to provide much needed pay increases, many needed to protect pay differentials that make promotions and taking on more responsibility attractive, in a safe way, given that the charity was still awaiting some local authority contract rate increase notifications. The stepped approach included the first increase in December 2022 of 6% pay increase for Support Workers to the national living wage rate and 6% for Assistant Service Managers too, followed by 4% increase in April 2023 for both Support Workers and Assistant Service Managers so that Support Workers came into line with the real living wage. Similarly, a stepped approach was implemented for Service Managers and Area Managers who received pay increases totalling 7% and 6% respectively implemented across December 2022 and April 2023.

In addition, Central Support salaries were increased by 6% in April 2023.

Any factors that are likely to affect the financial performance or position going forward

Cartrefi's short term financial position is in a stable position, largely due to earning surpluses in 2020-2021 and 2021-2022, from discretionary Covid related and recovery funding, and increasing the level of free reserves to £5.1m. As outlined above, Cartrefi's free reserves are in line with the levels required to mitigate organisation risks. However, Cartrefi is still paying in year salaries from in year income earned, and as a result, Cartrefi is still dependent on in year local authority uplifts to inform pay increase decisions.

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

As anticipated in 2021-2022, in 2022-2023, Cartrefi still had to implement a stepped approach to pay increases to balance the need to implement necessary pay increases to retain and attract employees, and yet do so in a manner that is risk free. The charity still does not have enough free reserves to sustainably commit to long term spending increases unless the local authority awards the compensating income increases. The real living wage increase in October 2023 will again present the charity with a challenge. While welcoming the pay increase for employees, the commitment to implementing the increase, without having confirmation from local authorities that they will honour increase through rate uplifts, is a precarious balancing act.

As one of the biggest charities and cooperative organisations in Wales, Cartrefi is well placed to re-design and deliver innovative social care services. Cartrefi is committed to working with local authorities to identify, pilot and implement innovative social care approaches to support the statutory authorities to do more with less statutory funding in the future.

As well as implementing innovative social care solutions, Cartrefi is transforming the central support departments to ensure efficiencies are made and Cartrefi is a well-run organisation.

Principal risks and uncertainties

The charity operates a risk register which was reorganised during 2022-2023 from the five main sections: governance; service delivery; workforce; digital; and resources to three main sections, in line with the organisation's Board Committees: Audit and Risk, HR and Remuneration and Finance. Risks are scored based on existing controls and mitigations and planned controls and mitigations are identified and the risks are given a further score following the planned controls and mitigations. Risks are considered and the four "t"s are used to identify how the organisation should deal with risk: treat, terminate, tolerate or transfer.

The following risks have been identified in the risk register as high or critical risks ie having the following characteristics: a critical risk of an unwanted event happening; risk requires immediate action; production activities are heavily affected therefore financial impact or reputational loss might occur; strategies should be developed to reduce, eliminate or transfer the risk of the unwanted event(s).

The critical risks identified at the end of the 2022-2023 financial year were: Several data management risks were identified including data protection, data loss, theft or corruption and failure to comply with legislation requirements:

- To mitigate the data management risks, the following mitigation measures have been implemented:
 - Robust policy in place, regular meetings around data protection to monitor compliance, confidentiality agreements in place, engagement of external review, appointing External Data Protection Officer, E learning Module in place for all staff. Robust back up system in place.
- HR and Remuneration:
 - Several talent related risks were identified including loss of key senior leaders and managers, failure to recruit and retain employees, absence management and employee shortages leading to burn out:
 - To mitigate the talent related risks, the following mitigation measures have been implemented:
 - Career progression opportunities, focus on pay, benefits and employee wellbeing.
 - In the longer term, the following areas will be developed:
 - Succession planning, coaching and mentoring, delegated skills and responsibilities, shared knowledge, process mapping, leadership development at all levels.
 - A risk arising from employees' lack of digital skills were identified:
 - To mitigate the risk arising from employees' lack of digital skills, the following mitigation measures have been implemented:
 - Work started through the Digital System implementation group, pay at or above real living wage to all staff from April 2022, work on job evaluation completed.

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

- Finance:
 - The risk of fraud of theft affecting the people we support was identified:
 - To mitigate the risk of fraud or theft affecting the people supported, the following mitigation measures have been implemented:
 - Embracing new technologies and finding solutions to move away from cash as much as possible.
 - In the longer term, the following areas will be developed:
 - Training and raising awareness, regular credit score/credit report checking on behalf of the service user to discover unusual behaviours.
 - The risk of climate change including the loss of energy supply, travel disruption, property damage and flooding particularly for the people we support and employees:
 - To mitigate the risk of climate change, the charity is implementing an environmental policy and property strategy.
 - In the longer term, a service and office level environmental impact assessment will be developed.

Plans for future periods

The Senior Management Team and Board are considering activities for the next seven years until 2030. From the organisation wide strategy consultation events, the steer has been clear from trustees, employees and the people we support, the focus is to continue working in Wales, primarily supporting people with learning disabilities, their families, and the wider community, as well as reaching out to people with learning disabilities who don't receive statutory support currently. We want to reach more people and have greater impact. In addition, we want to develop the support we provide to people with complex needs such as to older people in home care settings.

The themes we are working on across the long-term goals include:

- Governance:
 - Board and SMT development
 - Cooperative development work
 - Internal audit development
 - Environmental strategy development
- People:
 - Development of a Health and Safety Committee
 - Pay and Benefits Review
 - Development of the People Strategy including:
 - ◆Values and Behaviours
 - ◆Management Development
 - ◆Equality
 - ◆Diversity and Inclusion
 - ◆Recruitment and Retention
 - ◆Health and Wellbeing Working Group
- Service Delivery:
 - Accommodation Research and Development, looking at developing partnerships
 - Community Hub development
 - Safeguarding training
- Digital
 - CRM and website integration
 - Support Planning Software implementation
 - Rostering, Payroll and HR Software development
- Resources
 - Develop Fundraising Strategy
 - Develop Investment Strategy
- Comms
 - Develop internal communications programme
 - Develop external communications programme

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management

Cartrefi Cymru Co-operative Ltd is a charitable company limited by guarantee. The Trustees of the charity form the Board of Management and are directors of the company.

During 2016/17, the company's Articles of Association were revised in order to incorporate a commitment to the principles of Co-operation, and to enable the charity to function as a multi-stakeholder co-operative while retaining its status as a charity and company limited by guarantee.

The Charity Commission approved all the changes, and the Finance Conduct Authority approved the use of the protected name "Co-operative". The principal objective of this change was to provide a better platform for achieving our charitable purpose by being able to offer:

- New opportunities for beneficiaries to have a strong voice and real control,
- New opportunities for beneficiaries to experience equality and inclusion through "one-member-one-vote" decision-making structures,
- New opportunities for beneficiaries and other stakeholders to form positive relationships by building stronger communities together.

Members

Cartrefi Cymru Co-operative Limited was incorporated on 7th September 1989, is limited by guarantee, and has no share capital. Following the adoption of new Memorandum and Articles of Association on 13th November 2016, the Board of Management has the power to admit individuals to membership in the following categories:

1. Individual Members
2. Community Members
3. Employee Members.

Every member is liable to contribute a sum not exceeding £1 in the event of the company being wound up. The liability continues up to one year after membership ceases.

Board of Management

A Representative Body (known as the Council of Members) is in place which reviews the composition of the Board of Management on an annual basis and may appoint, replace or re-appoint trustees ceasing to hold office. In accordance with standing orders, each year one third of the membership of the Board of Management, based on length of service, shall retire from office. A retiring member of the Board is eligible for re-election.

Open recruitment methods are utilised to reach potential trustees with desirable knowledge and skills. Trustees may only be Community Members or non-Members who have the relevant skills and experience to perform the duties required of a Trustee. Historically, recruitment of Trustees was mainly by invitation and introduction by members and senior managers due to contacts and working within the learning disability and not for profit sector.

Trustee training is delivered by both in-house staff and external trainers on an ad hoc basis following specific requests from trustees or circularisation of trustee training courses. A trustee induction programme is in development.

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Board of Management meetings are held at least eight times a year. The Trustees who served during the year were:

P Higson – resigned 13 January 2023
R Ahmed - resigned 21 July 2023
C Williams - resigned 21 April 2023
I Brown
W Copp- resigned 31 March 2023
S Pullen
C Brian
N Grimes - appointed 26 April 2022

Board of Management delegates authority for the day to day running of the company to the Senior Management team. Arrangements relating to delegation are set out in the Financial Regulations and the Schedule of Delegated Authority. Both documents are reviewed regularly and amendments are submitted to the trustees for approval. All policies, budgets, purchase of office buildings, changes to staff structure and appointment of the Chief Executive are approved by the Trustees.

In accordance with the Company's commitment to co-operative principles, Trustees are required to share decision-making, as far as possible, with the Council of Members including delegating appropriate decisions. The objective is to enable the democratic decision-making amongst Members as far as possible to have ownership of the governance of the Company. Where it is not appropriate to share or delegate a decision to the Council of Members the Board must incorporate, as far as practically possible, the views of the Council of Members on the matter.

Major risks have been reviewed and systems and procedures have been established to manage those risks. With regards to the financial risks the Trustees have been monitoring major risks, and progress to mitigate these, at every Board meeting.

Employment Policies

The charity's policy is to give full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities.

Disabled employees receive appropriate training to promote their career development within the charity. Employees who become disabled are retained in their existing posts where possible or retrained for suitable alternative posts.

Regular meetings are held between senior management and employee representatives to discuss matters of concern. Employees are kept well-informed about the progress and position of the charity by means of regular departmental meetings.

Pay Policy for Senior Staff

The board of directors, who are trustees, give their time freely and did not receive remuneration in the year. The Senior Management Team comprises the key management personnel of the charity and oversees the directing, controlling and running of the charity on a day to day basis.

The pay of the Senior Management Team and other management grades was reviewed by an external consultant who carried out a salary review of management's remuneration using benchmarking within the sector and with similar providers of similar size in 2017. The results of the external consultant's report were submitted to the Board of Management and approved.

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Reference and administrative details

Charity Name	Cartrefi Cymru Co-operative Limited
Charity Number	702290
Company Number	2420623
Registered Office	5 & 6 Coopers Yard Curran Road Cardiff CF10 5NB
Company Secretary	A Roper - appointed 23 June 2023
Trustees	C Brian I Brown N Grimes S Pullen R Ahmed- resigned 21 July 2023 W Copp- resigned 31 March 2023 P Higson - resigned 13 January 2023 C Williams- resigned 21 April 2023
Senior Management	A Roper (Interim Chief Executive from 23 June 2023) G Meredith (Chief Executive resigned 23 June 2023) J Nicholson (Operations Director retired 31 March 2023) S Jones (Assistant Regional Director) S Coffey (Director of Finance) C Ferris (Assistant Director of People retired 31 December 2022) G Jenkins (Operations Director) N Phillips (Assistant Regional Director) K Wilshaw (Assistant Regional Director)
Auditors	Azets Audit Services Ty Derw Lime Tree Court Cardiff Gate Business Park Cardiff CF23 8AB
Bankers	National Westminster Bank PLC 277 Cowbridge Road East Canton Cardiff CF5 1WX
Solicitors	Antony Collins Solicitors LLP 134 Edmund Street Birmingham B3 2ES

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Geldards LLP
4 Capital Quarter
Tyndall Street
Cardiff
CF10 4BZ

Messrs, Passmores, Lewis & Jacobs
Solicitors
21 Tynwydd Road
Barry
CF62 8HB

Funds held as custodian trustee

The charity manages money on behalf of the people it supports. This service includes paying expenditure on the service users behalf; detailed records are kept to ensure that the charity is able to identify amounts owed to/by each individual.

Each service user has its own bank account held with NatWest which is linked to the charity, this ensures service user accounts and balances are easily identifiable. No other assets or liabilities are held on behalf of service users.

The total value of such accounts at the year end totalled £636,282 (2022: £420,679).

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report, including the strategic report, was approved by the Board of Trustees.



C Brian
Trustee

Dated: 14 December 2023

CARTREFI CYMRU CO-OPERATIVE LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2023

The trustees, who are also the directors of Cartrefl Cymru Co-operative Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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

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

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

CARTREFI CYMRU CO-OPERATIVE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CARTREFI CYMRU CO-OPERATIVE LIMITED

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

CARTREFI CYMRU CO-OPERATIVE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CARTREFI CYMRU CO-OPERATIVE LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' 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; 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.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

CARTREFI CYMRU CO-OPERATIVE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CARTREFI CYMRU CO-OPERATIVE LIMITED

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

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

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

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

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

Use of our report

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 and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

John Howard
(Senior Statutory Auditor)
for and on behalf of Azets Audit Services

21-12-2023
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Chartered Accountants
Statutory Auditor

Ty Derw, Lime Tree Court
Cardiff Gate Business Park
Cardiff
United Kingdom
CF23 8AB

CARTREFI CYMRU CO-OPERATIVE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income from:			
Charitable activities	3	35,580,651	33,202,470
Investments	4	21,211	181
Total income		<u>35,601,862</u>	<u>33,202,651</u>
Expenditure on:			
Charitable activities	5	<u>35,046,123</u>	<u>30,714,491</u>
Net income for the year/ Net movement in funds		555,739	2,488,160
Fund balances at 1 April 2022		9,008,195	6,520,035
Fund balances at 31 March 2023		<u>9,563,934</u>	<u>9,008,195</u>

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

All income and expenditure derive from continuing activities.

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

CARTREFI CYMRU CO-OPERATIVE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Tangible assets	9		2,126,443		2,226,159
Current assets					
Debtors	10	5,569,275		3,517,677	
Cash at bank and in hand		3,149,229		4,286,553	
		8,718,504		7,804,230	
Creditors: amounts falling due within one year	11	(1,281,013)		(1,022,194)	
Net current assets			7,437,491		6,782,036
Total assets less current liabilities			9,563,934		9,008,195
Income funds					
<u>Unrestricted funds</u>					
Designated funds	15	4,465,182		4,370,489	
General unrestricted funds		5,098,752		4,637,706	
			9,563,934		9,008,195
			9,563,934		9,008,195

The financial statements were approved by the Trustees on 14 December 2023

C Brian
Trustee

Company registration number 2420623

CARTREFI CYMRU CO-OPERATIVE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	21		(963,114)		3,593,701
Investing activities					
Investment income received		21,211		181	
Net cash generated from investing activities			21,211		181
Financing activities					
Repayment of bank loans		(195,421)		(88,248)	
Net cash used in financing activities			(195,421)		(88,248)
Net (decrease)/increase in cash and cash equivalents			(1,137,324)		3,505,634
Cash and cash equivalents at beginning of year			4,286,553		780,919
Cash and cash equivalents at end of year			<u>3,149,229</u>		<u>4,286,553</u>

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Cartrefi Cymru Co-operative Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Units 5 & 6 Coopers Yard, Curran Road, Cardiff, CF10 5NB, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

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

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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

1.4 Income

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

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

Income from local authority contracts and service user income is recognised in the period in which the service was provided.

Investment income when received.

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Costs are allocated between the different categories according to the nature of the cost. Where costs are shared, they are apportioned between the categories on a basis consistent with the use of the resources.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fee and costs linked to the strategic management of the charity.

1.6 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	1.5% Straight Line
Fixtures and fittings	Over 31 months
Computers	Over 31 months
Motor vehicles	20% Straight Line

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

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

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

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

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

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Basic financial assets

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

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

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

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, are charged as an expense on a straight line basis over the term of the relevant lease.

1.13 Taxation

As a registered charity, Cartrefi Cymru Co-operative Limited is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

CARTREFI CYMRU CO-OPERATIVE LIMITED

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

2 Critical accounting estimates and judgements

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

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

Critical judgements

Bad debt provision

Contained in the financial statements is a bad debt provision totalling £277,716 (2022: £1,267,000). The provision requires judgements to be made which include the charity's review of the debtors listing and those debts that are aged or where debtors are not timely in settling debt owed.

3 Charitable activities

	2023	2022
	£	£
Service users charges' receivable	19,415,188	2,926,924
Local authority contracts	10,701,556	27,714,568
Other grants and allowances	5,363,731	2,454,929
Appointeeship income, consultancy and central sales	78,411	69,904
Meeting room hire	21,765	36,145
	<u>35,580,651</u>	<u>33,202,470</u>

The movement between Service users' charges receivable and local authority contracts and other grants and allowances does not reflect a change in activities, rather this is a change in coding; the movement between Service users' charges receivable and local authority contracts and other grants and allowances is due to the reduction in use of code Local Authority and Health Boards and move to using Day Support, as we wish to track activities and the source of income is tracked analysed separately.

4 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Interest receivable	<u>21,211</u>	<u>181</u>

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

5 Charitable activities

	2023 £	2022 £
Staff costs	27,594,757	24,096,927
Depreciation and impairment	99,716	144,584
Other salary costs	990,328	525,806
Accommodation costs	2,441,540	1,965,869
Other costs	265,335	375,987
Operating leases	107,351	83,117
	<u>31,499,027</u>	<u>27,192,290</u>
Share of support costs (see note 6)	3,521,436	3,504,801
Share of governance costs (see note 6)	25,660	17,400
	<u>35,046,123</u>	<u>30,714,491</u>

6 Support costs

	Support costs £	Governance costs £	2023 £	Support costs £	Governance costs £	2022 £
Staff costs	2,392,495	-	2,392,495	2,095,385	-	2,095,385
Accommodation costs	332,937	-	332,937	268,073	-	268,073
Other costs	796,004	-	796,004	1,141,343	-	1,141,343
Audit fees	-	25,660	25,660	-	17,400	17,400
	<u>3,521,436</u>	<u>25,660</u>	<u>3,547,096</u>	<u>3,504,801</u>	<u>17,400</u>	<u>3,522,201</u>
Analysed between						
Charitable activities	<u>3,521,436</u>	<u>25,660</u>	<u>3,547,096</u>	<u>3,504,801</u>	<u>17,400</u>	<u>3,522,201</u>

Governance costs includes payments to the auditors of £23,660 (2022- £15,960) for audit fees and £2,000 for accountancy services (2022: £1,440).

The charity incurred £nil (2022: £3,176) on interest accrued on bank loans and overdraft facilities.

7 Trustees

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

No trustees were reimbursed for expenses during the current or prior year.

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8 Employees

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
Supported accomodation and domiciliary care	1,088	1,103
Management and administrative staff	79	59
Total	1,167	1,162

Employment costs

	2023	2022
	£	£
Wages and salaries	27,001,794	23,851,549
Social security costs	2,332,062	1,773,877
Other pension costs	653,396	566,886
	29,987,252	26,192,312

Key management personnel

The key management personnel of the charity during the period are noted in the trustees report.

The total emoluments and benefits received by the key management personnel during the year was £556,780 (2022: £581,338).

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2023	2022
	Number	Number
£60,000 - £70,000	3	3
£70,001 - £80,000	-	1
£80,001-£90,000	1	-

Contributions totalling £11,161 (2022: £14,124) were made to defined contribution pension schemes on behalf of employees whose emoluments exceed £60,000.

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

9 Tangible fixed assets	Freehold land and buildings	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2022	2,473,125	35,507	508,457	13,995	3,031,084
At 31 March 2023	2,473,125	35,507	508,457	13,995	3,031,084
Depreciation and impairment					
At 1 April 2022	310,156	29,503	451,271	13,995	804,925
Depreciation charged in the year	36,898	6,004	56,814	-	99,716
At 31 March 2023	347,054	35,507	508,085	13,995	904,641
Carrying amount					
At 31 March 2023	2,126,071	-	372	-	2,126,443
At 31 March 2022	2,162,969	6,004	57,186	-	2,226,159

Freehold land and buildings with a carrying amount of £nil (2022 - £ 2,162,969) have been pledged to secure borrowings of the charity. The charity is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

10 Debtors	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	5,300,193	3,339,430
Other debtors	165,943	-
Prepayments and accrued income	103,139	178,247
	<u>5,569,275</u>	<u>3,517,677</u>

11 Creditors: amounts falling due within one year	Notes	2023	2022
		£	£
Bank loans	12	-	195,421
Other taxation and social security		541,233	467,615
Deferred income	13	300,000	-
Trade creditors		57,857	62,474
Other creditors		359,023	114,594
Accruals		22,900	182,090
		<u>1,281,013</u>	<u>1,022,194</u>

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Loans and overdrafts

	2023 £	2022 £
Bank loans	-	195,421
Payable within one year	-	195,421

The long-term mortgage are secured by fixed charges over the charity's offices in Cardiff, Brecon, Llandrindod and Bangor.

The long term loan of £1,275,000 was agreed in March 2007 with a repayment term of 20 years. The interest rate is set at base plus 1.45%.

The long term loan was repaid in full in the current year.

13 Deferred income

	2023 £	2022 £
Other deferred income	300,000	-

Deferred income is included in the financial statements as follows:

	2023 £	2022 £
Deferred income is included within:		
Current liabilities	300,000	-
Movements in the year:		
Deferred income at 1 April 2022	-	42,268
Released from previous periods	-	(42,268)
Resources deferred in the year	300,000	-
Deferred income at 31 March 2023	300,000	-

14 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £653,396 (2022 - £566,886).

Balances outstanding at year end totalled £110,406 (2022: £94,818).

CARTREFI CYMRU CO-OPERATIVE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

15 Designated funds

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

	Balance at 1 April 2021	Resources expended	Transfers	Balance at 1 April 2022	Resources expended	Transfers	Balance at 31 March 2023
	£	£	£	£	£	£	£
Internal decoration	126,517	-	23,379	149,896	-	1,523	151,419
Furniture & equipment replacement	290,165	-	24,953	315,118	-	61,710	376,828
Future business development	2,671	-	205	2,876	-	-	2,876
Major repairs	149,525	-	30,900	180,425	-	(146,256)	34,169
Housing management	28,698	-	90,701	119,399	-	26,404	145,803
Laundry	9,531	-	39,084	48,615	-	1,027	49,642
Powys local authority fund	60,000	-	-	60,000	-	-	60,000
Roger McMahon - Pilots and new idea implementation	568,000	-	-	568,000	-	-	568,000
Strategy development	200,000	-	-	200,000	-	-	200,000
Salary increase mitigation provision	400,000	-	-	400,000	-	250,000	650,000
Pandemic preparation	100,000	-	-	100,000	-	-	100,000
Fixed asset fund	2,370,743	(144,583)	-	2,226,160	(99,717)	-	2,126,443
	7,944,593	(144,583)	209,222	4,370,489	(99,717)	194,408	4,465,180

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

(Continued)

15 Designated funds

Internal decoration

Fund designated to cover future internal decoration costs.

Furniture & equipment replacement

Fund designated to cover furniture and equipment replacement in future periods.

Future business development

Fund designated to cover future strategy and development costs.

Major repairs

Fund designated to cover any significant repairs in future periods.

Housing management

Funds designated to cover housing benefit related expenditure on behalf of people we support.

Laundry

Funds designated to cover washing machines on behalf of people we support.

Powys local authority fund

Funds designated for use within the Powys area.

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

15 Designated funds

(Continued)

Roger McMahon - Pilots and new idea implementation

Funds designated to support pilots and new idea implementation across the charity.

Strategy development

Funds designated to support the development of strategy, including development of strategic development such as diversification or alliances.

Salary increase mitigation provision

Funds designated to ensure the charity can respond to changes in the national minimum wage or make other choices about salary without relying on immediate funding from local authorities. In part the fund will act as working capital.

Pandemic preparation

Funds designated to funding pandemic preparation such as procurement of PPE should another pandemic occur.

Fixed asset fund

Relates to the unrestricted net book value of the charity's fixed assets.

Transfers

Transfers relate to the clearing down of old balances held within designated funds and the new designations of additional funds earmarked by the trustees.

CARTREFI CYMRU CO-OPERATIVE LIMITED

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

16 Analysis of net assets between funds

	Unrestricted 2023 £	Designated 2023 £	Total 2023 £	Unrestricted 2022 £	Designated 2022 £	Total 2022 £
Fund balances at 31 March 2023 are represented by:						
Tangible assets	-	2,126,443	2,126,443	-	2,226,159	2,226,159
Current assets/(liabilities)	5,098,754	2,338,737	7,437,491	2,411,547	4,370,489	6,782,036
	<u>5,098,754</u>	<u>4,465,180</u>	<u>9,563,934</u>	<u>2,411,547</u>	<u>6,596,648</u>	<u>9,008,195</u>

17 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	12,592	29,491
Between two and five years	3,426	16,235
	<u>16,018</u>	<u>45,726</u>

18 Events after the reporting date

Property sale

The charity agreed a sale price of £275,000 for its Argoed property in February 2021. The sale of the property was completed on 28th June 2023.

19 Related party transactions

During the year the charity incurred charges from Antur Waunfarw regarding the collection and shredding of paper totalling £382 (2022: £115). At the current and prior year end amounts of £nil were outstanding. The organisations are related by the way of common trustees.

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

20 Subsidiaries

These financial statements are separate charity financial statements for Cartrefi Cymru Co-operative.

A former trustee of the charity holds the entire issued shared capital of 100 ordinary shares of £1 each in Action Research (Cardiff) Limited, a company incorporated in England and Wales.

The company was incorporated on 13 October 1988 and remains dormant, company number 02305238, registered office, 5 Coopers Yard, Curran Road, Cardiff, CF10 5NB.

Details of the charity's subsidiaries at 31 March 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Action Research (Cardiff) Limited	England and Wales	Dormant	Ordinary	100.00	

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Action Research (Cardiff) Limited	-	100

As the company is dormant the accounts do not consolidate the subsidiary.

21 Cash generated from operations	2023	2022
	£	£
Surplus for the year	555,739	2,488,160
Adjustments for:		
Investment income recognised in statement of financial activities	(21,211)	(181)
Depreciation and impairment of tangible fixed assets	99,716	144,584
Movements in working capital:		
(Increase)/decrease in debtors	(2,051,598)	871,861
Increase in creditors	154,240	131,545
Increase/(decrease) in deferred income	300,000	(42,268)
Cash (absorbed by)/generated from operations	(963,114)	3,593,701

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

22 Analysis of changes in net funds

	At 1 April 2022	Cash flowsAt 31 March 2023	
	£	£	£
Cash at bank and in hand	4,286,553	(1,137,324)	3,149,229
Loans falling due within one year	(195,421)	195,421	-
	<u>4,091,132</u>	<u>(941,903)</u>	<u>3,149,229</u>

CARTREFI CYMRU CO-OPERATIVE LIMITED

England & Wales - Charity number 702290

Accounts

Charity registration number 702290

Company registration number 2420623 (England and Wales)

CARTREFI CYMRU CO-OPERATIVE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

CARTREFI CYMRU CO-OPERATIVE LIMITED

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CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their annual report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

Cartrefi Cymru's objectives as given in the Memorandum and Articles of Association are the relief of suffering by:

- providing for the care, accommodation, training, education, future living, employment, occupation and sustenance of persons normally, but not exclusively, resident in Wales with a mental or physical disability or suffering from a mental illness in order to foster and encourage a sense of independence
- the provision of a holiday home for the rest and recreation of aged, infirm or poor persons and their families who are in need of the facilities of the Company by reason of their age, infirmity or social and economic circumstances (and for the avoidance of doubt "infirm" and "infirmity" shall include suffering from a mental illness or mental or physical difficulty)

The second objective relates to a period when Cartrefi Cymru owned and ran a registered care home providing holiday breaks. The home was sold in 2016 and the objective is no longer relevant. Trustees agreed in early 2022 that the objective should be removed from the Articles and this legal process is likely to be concluded during the financial year 2022-23.

The principal activity for the period under review was the promotion of health and welfare of people with special needs by the provision of accommodation and support to enable them to live in the community. To fulfil this activity, the charity is dependent on the continuing support of the Local Authorities with whom we have contracts and partnerships. It is the Local Authorities' responsibility to provide care and support to people with disabilities within their areas. This is delegated to Cartrefi Cymru through contracts.

Cartrefi Cymru's vision is of a future where the people we support, and their families, are enjoying good lives as valued contributors to their communities. Cartrefi Cymru's mission is to focus on people with learning disabilities and their families in Wales, and to be a great support provider for:

- the individuals and families that we support
- our employees
- our partners and funders
- the communities in which we work.

As a co-operative, we also embrace the following principles as agreed by the International Co-operative Alliance:

- Voluntary and Open Membership
- Democratic Member Control
- Member Economic Participation
- Autonomy and Independence
- Education, Training and Information
- Co-operation Among Co-operatives
- Concern for the Community

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

We continued to apply a Framework for Planning and Action, the elements of which are as follows:



Our long-term goals for 2020/2025 are:

Activity Areas	Long-Term Goals
<i>Governance</i>	To become an exemplar of good governance in compliance with charity and co-operative expectations
<i>Service Delivery</i>	To become an exemplar of the co-productive achievement of well-being outcomes for the people we support
<i>Workforce</i>	To have the lowest staff turnover and absence rates in our sector
<i>Digital</i>	To become an exemplar of the good use of data, digital systems and technology in a well-being/outcomes-focused support provider
<i>Resources</i>	To build our reserves to the level desired in our Reserves Policy

Ensuring Our Work Delivers Our Aims

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits delivered from our services. The review also helps us ensure our aims, objectives and activities remained focused on our stated objectives. In determining our work for each period we have regard to the Charity Commission's general guidance on public benefit.

Public benefit statement

Our main activities and who we help are described in this report. All our charitable activities focus on providing support to people with a learning and or physical disability and are undertaken to further our charitable purposes for the public benefit.

Our aims, objective and activities are centred around us as a charity, providing benefit to the people we support and our communities. Any Board decisions are made in the interest of the people we support and the benefit we provide to them.

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit to ensure compliance with the Charities Act 2011.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance

Summary

The progress made in 2020/21 in addressing a significant downward financial trend was consolidated in 2021/22 and our transformational changes proved their value in terms of both financial and operational performance. Investment in digital systems facilitated better financial management and enabled us to meet the challenges of the Covid pandemic through productive homeworking, virtual management support and online training. Both our cash flow and reserves positions improved throughout the year, at least partly because of our improved ability to control expenditure and to secure payments due. We also acknowledge that the pandemic engendered a very positive response from Welsh Government and local authorities in terms of emergency funding, making timely payments and paying against contracts. The relationship between commissioners and providers became much more collaborative and trusting during the pandemic and we hope this proves to be a long-term approach.

The pandemic also shone a powerful light on the value of care work, the inequity of low pay, and the rising challenge of staff shortages, culminating with the Welsh Government increasing its funding for social care to ensure all care workers received at least the Real Living Wage. By the end of the financial year, working in partnership with Unison, we were not only able to become a real Living Wage Employer but to exceed this level for all care workers. This was a very positive development that has definitely helped with recruitment and retention challenges but it has by no means fully or permanently resolved them.

Looking to the future, it will be vital that the funding of care in Wales is sufficient to maintain the Real Living Wage as a minimum, with due regard to the increasing impact of wider economic developments such as rising travel, energy and food costs. We would also like to see a permanent shift from retrospective and variable funding based on hourly rates to guaranteed contractual payments which acknowledge the need for responsible, public service providers to have stable funding for day-to-day operations and sufficient reserves for investing in quality improvements and increased efficiency. Our current financial strength is enabling us to invest in digital improvements, such as updating our HR system and rolling out of mobile phones to all support workers, but our ability to continually improve like this for everyone's benefit is significantly dependent on the funding and commissioning environment.

Looking back at 2021/22, we are enormously proud of the way in which we have supported people through the pandemic, maintaining high standards of infection control, maintaining safe staffing levels, supporting people through periods of isolation or hospitalisation, and showing enormous creativity and commitment to enable people to find pleasure in life during the seemingly never-ending months of lockdown and restricted freedom. The people we support showed great resilience too and undoubtedly helped their staff get through some dark days. Everyone played their part, from corporate support services to operational managers, but above all, we must thank our support teams for their huge hearts and wonderful skills.

Goal 1: To be an exemplar of good governance in compliance with charity and co-operative expectations

During 2021/22 we maintained the following systems and practices to ensure good governance:

- Monthly Board meetings
- Monthly Finance Committee meetings
- Quarterly HR and Remuneration Committee meetings
- Bi-monthly Council of Members meetings
- Annual skills audit of the Board
- Proactive recruitment of new trustees via open advertisement
- Annual review of our Framework for Planning and Action
- Quarterly review of the Risk Register

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

- Quarterly reports of a Dashboard of high-level performance indicators covering:
 - Workforce
 - Health and Safety
 - Finances
 - Service Delivery
 - Digital
 - Participation/Membership
- Reporting of "Serious Incidents" to the Board.
- Using the National Planning Forum to enable leaders from all departments and areas to contribute to the development and implementation of improvement activities.

Goal 2: To achieve a high performing leadership capacity

During 2021/22 we invested in and strengthened the senior management team in a range of ways:

- Recruited an Assistant Director (North) to give us a senior leader in every region and additional capacity as a national team
- Recruited new trustees with relevant specialist skills and high level leadership experience
- Commissioned a leadership development programme delivered by Vanguard Consulting Wales and extended participants skills in areas such as active listening, avoiding assumptions, and normative learning: talking to people at the delivery end to find out what is happening and needed
- Introduced an annual skills audit for senior managers

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Goal 3: To become an exemplar of co-designing well-being outcomes with the people we support

During 2021/22, we maintained the following exemplary systems and practices:

- Nationally consistent Daily Goal Planner system
- Quality of Service reporting forms
- Effective reporting system for Medication errors
- Effective systems for planning sessional support and short stays
- 24/7 "on call" helpline
- "Quality Checkers" involving people we support as checkers
- The use of "video diaries" for and by the people we support
- Holistic and person-centred Risk Assessment forms
- Promotion of the rights of people we support to enjoy sexual relationships and LGBTQ+ identities
- Increased awareness and skills in relation to the risk of people choking
- Regular and wide-ranging social opportunities for people online

Covid was a challenge throughout the year, compounded by staffing shortages, but by maintaining these systems and applying local energy, creativity and commitment, the people we support continued to choose and successfully pursue the well-being outcomes that mattered to them.

Goal 4: To maintain our position as a national provider through being successful in retaining or winning work

During 2021/22, we had opportunities to participate in 21 tenders or framework applications for relevant work within Wales but decided not to tender for three of these opportunities because we already had plenty of work to do and did not want to over-stretch our capacity. Of the 18 applications submitted, we won 9, which represents a very positive success rate of 50%. The successes were as follows:

- Gwynedd short-stay framework
- Vale of Glamorgan supported living locality
- Conwy support for a person at home
- Bridgend framework for people with ASD or who may challenge
- Powys supported living locality
- Bridgend framework for supported living
- Carmarthenshire supported living
- Bridgend – supported living in Porthcawl
- Bridgend – supported living in Pyle

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Goal 5: To have a stable, skilled and motivated workforce that embraces new ways of working and is appropriately rewarded.

During 2021/22, we continued to experience the challenges of recruitment and retention which have been impacting on the whole of social care following the combination of Brexit and Covid. The Pay and Benefits Review which was initiated in 2020 ultimately led to formal consultations with staff during 2021 that we were then able to implement at the start of 2022/23. In particular, this enabled staff to trade some benefits for an equivalent rise in pay. We had initially anticipated this extra pay being additional to the National Minimum Wage, so we are delighted that it is now additional to the Real Living Wage instead. Pay rates are not the only issues impacting on recruitment and retention, but they are a fundamental issue and we hope current progress can be maintained. In addition to addressing pay issues, we have been giving a lot of attention to other relevant areas of activity, including:

- Staff on-boarding experience
- Induction training
- Communication and digital connectivity
- Recruitment techniques and coordination
- Staff well-being initiatives

With regard to staff well-being, we were very pleased to develop an innovative new partnership with Dance Company Wales and planned a programme of dance workshops to take place in 2022/23 for employees aimed at bringing groups of staff together with professional dancers to explore the connections between dance, ergonomics and well-being. We look forward to the workshops and the partnership evolving during 2022/23 and beyond.

Goal 6: To deploy technology for the benefit of people we support

During 2021/22, we maintained and increased our deployment of digital devices and systems for the benefit of the people we support. Activities of note included:

- A week-long online Cartrefi Fest in August (now an annual event) with five days of diverse sessions ranging from yoga to cake baking
- Regular online social activities in local areas, with a big thank you to the local organisers
- Increased use of voice-activated virtual assistants (such as Alexa)
- Increased use of video diaries
- Identifying and promoting programmes on phones and iPads which people can enjoy.
- Preparing for the roll-out of smart phones to every employee, so that this technology is available for all aspects of work, and most importantly can enhance our support work.

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Goal 7: To introduce and maintain effective and inclusive digital systems which connect employees and members and improve service delivery.

During 2021/22, we continued to make progress with our digital transformation which had begun in 2020 with the introduction of a new Finance system and Microsoft 365. These two developments continue to prove their worth and we continue to expand our use of the functionality they offer. Other digital developments have been:

- Preparing for the roll-out of smart phones to every employee. This will provide the platform for digitising the vast majority of transactions that have previously been paper-based. It will also greatly aid communication and give support workers all sorts of tools which they can use with and for the benefit of the people we support.
- Adapting our current Co-op Membership database into a system that can meet all our current CRM (Customer Relations Management) requirements.
- Continuing with the design work for a new HR system which we hope will be operational by the end of 2022/23.
- Exploring possible software options for rostering and care management, although we have yet to find an option on the market which is sufficiently applicable to our core work (supported living for adults with learning disabilities).

Goal 8: To maintain positive reserves and cash flow to mitigate risks and invest in our workforce and service delivery.

During 2021/22, we significantly improved both our reserves and cash flow.

We have achieved the target for free reserves which is set in our Reserves Policy and which reflects the need for a level of reserves that will address potential risks, such as needing to wind up, and to cope with significant delayed payments. Trustees are considering whether to increase this target for reserves so that it also incorporates reserves which are explicitly intended for quality improvement and innovation. In this context, we would like to acknowledge again the generous donation of £600k from the will of trustee Roger McMahon, who died in 2019.

Cash flow projections throughout 2021/22 and into 2022/23 have always been healthy and our actual performance has confirmed the validity of our projections. We have become better at chasing funds due, and funders (prompted by the pandemic) have taken a far more collaborative approach with prompter payments and a significant reduction in delays based on the micro-management of hours delivered. We hope this approach continues.

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Service Delivery

During the year we delivered supported living and residential care services in 123 settings, supporting 344 people (335 last year).

We managed 6 short stay services providing 19 respite beds providing respite support for families and breaks for people with learning disabilities. The number of respite stays continued to be restricted by Covid requirements that allowed only one person to stay at a service at any one time.

We continue to provide sessional support services for people requiring short periods of support in their own home or in the community. During the year we delivered sessional support to 177 people mainly funded by local authority contracts but with some personal contribution. The number of people wanting sessional support dipped during the pandemic but the numbers are now increasing again.

To provide these services Cartrefi Cymru employed a total of 1,135 staff of which there were 40 posts fulfilling central management functions. The remaining staff provided managerial and direct support as follows:

69 Service Managers	who manage the support staff and provide hands-on care and support
73 Assistant Service Managers	who assist the Service Managers
929 Support Workers	who provide direct care and support
11 Area Administrators	who provide administrative services to the above managers

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Financial review

During the financial year 2021/22, Cartrefi earned £33.2m of income from: operations delivery (£28m), Housing Benefit awards for people we support (£2.7m), other income related to Covid recovery and the £735 payment made by local authorities and passed on directly to Support Workers (£2.4m), and appointeeship management (£0.05m).

Compared to the previous financial year, operations delivery was back in line with budget and the delivery of discretionary support hours for domiciliary or sessional and private support hours was back to the budgeted level, whereas it had been significantly reduced in the financial year 2020/21.

Housing benefit income and expenditure was largely in line with each other as is expected.

Expenditure in the year totalled £30.7m including: salaries and other staff costs (£26.7m), housing benefit costs accommodation costs (£2.2m), organisation running costs (£1.7m)

The final year end position was positive; a surplus of £2.4m, whereas the original budget had been for a surplus of approx. £15k. The positive variance of £2.4m was due to £1.3m discretionary Covid recovery funding provided by local authorities, £1m more Operational income than budgeted due to increased rates received from several local authorities during the year and payroll other expenditure being £0.1m under budget.

Funds

For the second year in a row, funds grew considerably during the year and the total funds balance at the end of the year was £9m; an increase of £2.5m on the funds held at the end of the previous financial year, £6.4m. After removing fixed assets and designated funds, free reserves totalled £4.6m.

The trustees reviewed and retained the designations in place totalling £2.1m:

- Housing Benefit related designated reserve - £866k
- Roger McMahon pilots and new idea implementation fund - £568k
- Strategy development fund - £200k
- Salary increases mitigation fund - £400k
- Pandemic preparation fund - £100k
- Powys service delivery fund - £60k

Reserves

In July 2022, the trustees reviewed the charity's reserves policy, and agreed the lower threshold was still appropriate and the upper threshold should be increased. The reserve requirement, based on having financial resources available to mitigate the charity's main risks is for a minimum free reserve of £0.85m, based on the winding up costs of the organisation should that ever be necessary, and the ideal level of reserves is £5.6m required to mitigate one of the main financial risks the charity holds: cash flow challenges around local authority payment of invoices.

The free reserves held at the end of March 2022 were £4.6m. This is in line with the minimum reserve and ideal level required by the charity at this time.

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Any factors that are likely to affect the financial performance or position going forward

Cartrefi still faces a very difficult financial situation, as evidenced by the March 2022 year end position and the difficulty in committing to pay increases for employees before having income levels confirmed by local authorities. It's anticipated that the same scenario will be faced in 2022/23 as the living wage is set to increase again and Cartrefi will aspire to keep pace with the increase, to help employees facing the cost-of-living crisis. However, even after two years of earning surpluses, largely due to discretionary Covid related and recovery funding, and increasing the level of free reserves to £4.6m, the charity is still having to budget expenditure in line with in-year income. The charity does not have enough free reserves to sustainably commit to long term spending increases unless the local authority award the compensating income increases.

The charity is keen to continue to work with local authorities to make the contract funding sustainable enabling the organisation to invest in developments that will bring efficiencies and improvements for the people we support. The sector wide historical and old fashioned focus on hourly rates and hours delivered is unhelpful and strangles innovation and efficiencies and the charity has welcomed new ways of working with some local authorities that focus on outcomes rather than transactions.

In addition, the charity's long-term aspiration is to diversify income sources and in particular increase sources of independent income through fundraising and other charitable activities; this is a priority development for 2022/23.

Principal risks and uncertainties

The charity operates a risk register categorising risks and uncertainties into five main sections: governance; service delivery; workforce; digital and resources. Risks are scored based on existing controls and mitigations and planned controls and mitigations are identified and the risks are given a further score following the planned controls and mitigations. Risks are considered and the four "t"s are used to identify how the organisation should deal with risk: treat, terminate, tolerate or transfer.

The following risks have been identified in the risk register as critical risks ie having the following characteristics: a critical risk of an unwanted event happening; risk requires immediate action; production activities are heavily affected therefore financial impact or reputational loss might occur; strategies should be developed to reduce, eliminate or transfer the risk of the unwanted event(s).

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

The critical risks identified at the end of the 2021/22 financial year were:

- Workforce:
 - Several workforce related risks have been identified including:
 - Failure to recruit and retain staff including too few staff with the right skills and expertise as well as failure to recruit and retain enough staff
 - Further pandemics and dealing with Covid as a long-term issue and the impact on increased staff sickness and continued pressures on recruitment and retention Shortage of staff leading to burnout
 - Long term staff shortage leading to staff burn out, increased errors, lower quality of support
 - To mitigate the workforce related risks several mitigations have been implemented including:
 - Recruitment of central coordinators to coordinate recruitment activity; a streamlined process for recruiting, onboarding and training staff; a coordinated agency recruitment drive to assist in local recruitment; using quality checked agency staff where situation is critical and/or deploying staff from other areas
 - An impressive benefits package including pay in line with the national living wage; pay and benefits review resulting in increased rates of pay; £400 starter bonus; increased refer a friend scheme
 - A focus on employee experience including access to professional qualifications; development of internal online, on demand training; improved on the job training using process maps or guides
 - In the longer term, the following areas will be developed:
 - The appraisal system will be reviewed and developed
 - exploring apprenticeships with local colleges
 - following up with leavers to understand their experiences and identify areas for improvement
- Resources:
 - Climate change including the loss of energy supply, travel disruption, property damage and flooding particularly for the people we support and employees.
 - To mitigate the risk of climate change, the charity is implementing an environmental policy and property strategy.
 - In the longer term, a service and office level environmental impact assessment will be developed.

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Plans for future periods

The activities which we are imagining and planning for the next few years are all in alignment with our long-term goals.

- We want to be well run, delivering great outcomes for the people we support, thanks to a platform of great staff, cutting edge ICT and healthy finances.

Within this framework for planning, we have plenty of scope for trying new things and using everyone's ideas, talents and networks. This may take us into all sorts of new partnerships and initiatives. As long as the steady continuous improvement of all our core work continues, we will be wanting a host of experiments and innovations to flourish.

We have no plans to change our focus from people with learning disabilities and Wales, and there is plenty of work for us to do within these parameters. But we also have a home care service in Gwynedd, one of very few that is delivered within the third sector, and it will be important to monitor its progress and see whether it has potential for replication.

The structures and expectations for social care are continually changing, and we will want to respond wherever we think we can do the job well and add value. The seven Regional Partnership Boards for health and social care are in the process of finalising their Market Stability Reports and we will be looking to see what needs they flag up for which we may be well-placed to address. We note also that the Welsh Government is keen to see an increase in the market share of cooperatives and charities in social care, especially in relation to services where the balance of provision is too much under the dominance of the private sector. Subject to the need for adequate public funding of social care, and the stabilising of the workforce, there is no reason why Cartrefi Cymru cannot continue to prosper as an ethical support provider and, in doing, contribute to the well-being of hundreds of individuals, families and communities across Wales.

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management

Cartrefi Cymru Co-operative Ltd is a charitable company limited by guarantee. The Trustees of the charity form the Board of Management and are directors of the company.

During 2016/17, the company's Articles of Association were revised in order to incorporate a commitment to the principles of Co-operation, and to enable the charity to function as a multi-stakeholder co-operative while retaining its status as a charity and company limited by guarantee.

The Charity Commission approved all the changes, and the Finance Conduct Authority approved the use of the protected name "Co-operative". The principal objective of this change was to provide a better platform for achieving our charitable purpose by being able to offer:

- New opportunities for beneficiaries to have a strong voice and real control,
- New opportunities for beneficiaries to experience equality and inclusion through "one-member-one-vote" decision-making structures,
- New opportunities for beneficiaries and other stakeholders to form positive relationships by building stronger communities together.

Members

Cartrefi Cymru Co-operative Limited was incorporated on 7th September 1989, is limited by guarantee, and has no share capital. Following the adoption of new Memorandum and Articles of Association on 13th November 2016, the Board of Management has the power to admit individuals to membership in the following categories:

1. Individual Members
2. Community Members
3. Employee Members.

Every member is liable to contribute a sum not exceeding £1 in the event of the company being wound up. The liability continues up to one year after membership ceases.

Board of Management

A Representative Body (known as the Council of Members) is in place which reviews the composition of the Board of Management on an annual basis and may appoint, replace or re-appoint trustees ceasing to hold office. In accordance with standing orders, each year one third of the membership of the Board of Management, based on length of service, shall retire from office. A retiring member of the Board is eligible for re-election.

Open recruitment methods are utilised to reach potential trustees with desirable knowledge and skills. Trustees may only be Community Members or non-Members who have the relevant skills and experience to perform the duties required of a Trustee. Historically, recruitment of Trustees was mainly by invitation and introduction by members and senior managers due to contacts and working within the learning disability and not for profit sector.

Trustee training is delivered by both in-house staff and external trainers on an ad hoc basis following specific requests from trustees or circularisation of trustee training courses. A full induction programme is also provided.

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Board of Management meetings are held at least eight times a year. The Trustees who served during the year were:

P Higson – Chair
G Duncan
R Dineen - resigned 1st April 2021
I Derrick
H Tyrrell - resigned 4th November 2021
C Bolton - resigned 17th August 2021
R Ahmed
C Williams
I Brown - appointed 20th April 2021
W Copp - appointed 18th May 2021
S Pullen - appointed 18th May 2021

Board of Management delegates authority for the day to day running of the company to the Senior Management team. Arrangements relating to delegation are set out in the Financial Regulations and the Schedule of Delegated Authority. Both documents are reviewed regularly and amendments are submitted to the trustees for approval. All policies, budgets, purchase of office buildings, changes to staff structure and appointment of the Chief Executive are approved by the Trustees.

In accordance with the Company's commitment to co-operative principles, Trustees are required to share decision-making, as far as possible, with the Council of Members including delegating appropriate decisions. The objective is to enable the democratic decision-making amongst Members as far as possible to have ownership of the governance of the Company. Where it is not appropriate to share or delegate a decision to the Council of Members the Board must incorporate, as far as practically possible, the views of the Council of Members on the matter.

Major risks have been reviewed and systems and procedures have been established to manage those risks. With regards to the financial risks the Trustees have been monitoring major risks, and progress to mitigate these, at every Board meeting.

Employment Policies

The charity's policy is to give full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities.

Disabled employees receive appropriate training to promote their career development within the charity. Employees who become disabled are retained in their existing posts where possible or retrained for suitable alternative posts.

Regular meetings are held between senior management and employee representatives to discuss matters of concern. Employees are kept well-informed about the progress and position of the charity by means of regular departmental meetings.

Pay Policy for Senior Staff

The board of directors, who are trustees, give their time freely and did not receive remuneration in the year. The Senior Management Team comprises the key management personnel of the charity and oversees the directing, controlling and running of the charity on a day to day basis.

The pay of the Senior Management Team and other management grades was reviewed by an external consultant who carried out a salary review of management's remuneration using benchmarking within the sector and with similar providers of similar size in 2017. The results of the external consultant's report were submitted to the Board of Management and approved. At the start of the financial year 2019/20 there was a general uplift of all management positions in order to protect pay differentials in the context of annually rising wages amongst support staff, but with no uplift for senior managers.

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Reference and administrative details

Charity Name	Cartrefi Cymru Co-operative Limited
Charity Number	702290
Company Number	2420623
Registered Office	5 & 6 Coopers Yard Curran Road Cardiff CF10 5NB
Company Secretary	A Roper - resigned 30/6/22
Trustees	P Higson - Chair G Duncan - resigned 29/3/22 R Dineen - resigned 1/4/21 I Derrick - resigned 10/1/22 C Bolton - resigned 17/8/21 R Ahmed C Williams I Brown - appointed 20/4/21 W Copp- appointed 18/5/21 S Pullen - appointed 18/5/21 C Brian - appointed 28/3/22 N Grimes - appointed 26/4/22
Senior Management	A Roper (Chief Executive) - resigned July 2022 G Meredith (Chief Executive) - appointed July 2022 J Nicholson (Operational Director) S Jones (Regional Operational Director) S Coffey (Director of Finance) C Ferris (Assistant Director – People) G Jenkins (Operational Director) N Phillips (Assistant Operational Director) K Wilshaw (Assistant Operational Director)
Auditors	Azets Audit Services Ty Derw Lime Tree Court Cardiff Gate Business Park Cardiff CF23 8AB
Bankers	National Westminster Bank PLC 277 Cowbridge Road East Canton

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Cardiff
CF5 1WX

Solicitors

Antony Collins Solicitors LLP
134 Edmund Street
Birmingham
B3 2ES

Geldards LLP Solicitors
Dumfries House
Dumfries Place
Cardiff

Messrs, Passmores, Lewis & Jacobs
Solicitors
21 Tynwydd Road
Barry
CF62 8HB

Funds held as custodian trustee

The charity manages money on behalf of the people it supports. This service includes paying expenditure on the service users behalf; detailed records are kept to ensure that the charity is able to identify amounts owed to/by each individual.

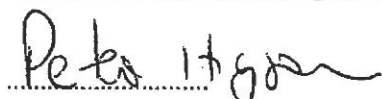
Each service user has its own bank account held with NatWest which is linked to the charity, this ensures service user accounts and balances are easily identifiable. No other assets or liabilities are held on behalf of service users.

The total value of such accounts at the year end totalled £420,679.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report, including the strategic report, was approved by the Board of Trustees.



P Higson

Trustee

Dated: 10.12.2022

CARTREFI CYMRU CO-OPERATIVE LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2022

The trustees, who are also the directors of Cartrefi Cymru Co-operative Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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

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

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

CARTREFI CYMRU CO-OPERATIVE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF CARTREFI CYMRU CO-OPERATIVE LIMITED

Opinion

We have audited the financial statements of Cartrefi Cymru Co-operative Limited (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

CARTREFI CYMRU CO-OPERATIVE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CARTREFI CYMRU CO-OPERATIVE LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' 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; 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.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

CARTREFI CYMRU CO-OPERATIVE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CARTREFI CYMRU CO-OPERATIVE LIMITED

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

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

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

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

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

Use of our report

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.



Sarah Case FCA DChA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

21-12-2022

Chartered Accountants
Statutory Auditor

Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
United Kingdom
CF23 8AB

CARTREFI CYMRU CO-OPERATIVE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Total Unrestricted funds 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:						
Donations and legacies	3	-	-	568,000	-	568,000
Charitable activities	4	33,202,470	33,202,470	29,593,109	339,267	29,932,376
Investments	5	181	181	1,153	-	1,153
Total income		33,202,651	33,202,651	30,162,262	339,267	30,501,529
Expenditure on:						
Charitable activities	6	30,714,491	30,714,491	28,127,500	339,267	28,466,767
Net income for the year/ Net movement in funds		2,488,160	2,488,160	2,034,762	-	2,034,762
Fund balances at 1 April 2021		6,520,035	6,520,035	4,485,273	-	4,485,273
Fund balances at 31 March 2022		9,008,195	9,008,195	6,520,035	-	6,520,035

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

All income and expenditure derive from continuing activities.

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

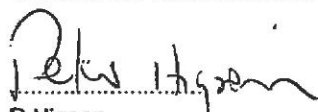
CARTREFI CYMRU CO-OPERATIVE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	10		2,226,159		2,370,743
Current assets					
Debtors	11	3,517,677		4,389,538	
Cash at bank and in hand		4,286,553		829,325	
		<u>7,804,230</u>		<u>5,218,863</u>	
Creditors: amounts falling due within one year	12	<u>(1,022,194)</u>		<u>(868,149)</u>	
Net current assets			6,782,036		4,350,714
Total assets less current liabilities			9,008,195		6,721,457
Creditors: amounts falling due after more than one year	13		-		(201,422)
Net assets			<u>9,008,195</u>		<u>6,520,035</u>
Income funds					
<u>Unrestricted funds</u>					
Designated funds	18	4,370,489		4,305,850	
General unrestricted funds		4,637,706		2,214,185	
			<u>9,008,195</u>		<u>6,520,035</u>
			<u>9,008,195</u>		<u>6,520,035</u>

The financial statements were approved by the Trustees on 10-12-2022



P Higson
Trustee

Company registration number 2420623

CARTREFI CYMRU CO-OPERATIVE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	23		3,593,701		1,194,736
Investing activities					
Investment income received		181		1,153	
Net cash generated from investing activities			181		1,153
Financing activities					
Repayment of bank loans		(88,248)		(87,261)	
Net cash used in financing activities			(88,248)		(87,261)
Net increase in cash and cash equivalents			3,505,634		1,108,628
Cash and cash equivalents at beginning of year			780,919		(327,709)
Cash and cash equivalents at end of year			4,286,553		780,919
Relating to:					
Cash at bank and in hand			4,286,553		829,325
Bank overdrafts included in creditors payable within one year			-		(48,406)

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

Cartrefi Cymru Co-operative Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Units 5 & 6 Coopers Yard, Curran Road, Cardiff, CF10 5NB, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

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

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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

1.4 Income

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

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

Income from local authority contracts and service user income is recognised in the period in which the service was provided.

Investment income when received.

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Costs are allocated between the different categories according to the nature of the cost. Where costs are shared, they are apportioned between the categories on a basis consistent with the use of the resources.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fee and costs linked to the strategic management of the charity.

1.6 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	1.5% Straight Line
Fixtures and fittings	Over 31 months
Computers	Over 31 months
Motor vehicles	20% Straight Line

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

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

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

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

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

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Basic financial assets

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

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Employee benefits

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

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

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, are charged as an expense on a straight line basis over the term of the relevant lease.

1.13 Taxation

As a registered charity, Cartrefi Cymru Co-operative Limited is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

2 Critical accounting estimates and judgements

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

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

Critical judgements

Bad debt provision

Contained in the financial statements is a bad debt provision totalling £1,267,000. The provision requires judgements to be made which include the charity's review of the debtors listing and those debts that are aged or where debtors are not timely in settling debt owed.

3 Donations and legacies

	Total	Unrestricted funds
	2022	2021
	£	£
Legacies receivable	-	568,000

4 Charitable activities

	2022	2021
	£	£
Service users charges' receivable	2,926,924	2,964,264
Local authority contracts	27,714,568	25,081,775
Other grants and allowances	2,454,929	1,831,749
Appointeeship income, consultancy and central sales	69,904	30,893
Meeting room hire	36,145	23,695
	<u>33,202,470</u>	<u>29,932,376</u>
Analysis by fund		
Unrestricted funds	33,202,470	29,593,109
Restricted funds	-	339,267

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

5 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Interest receivable	181	1,153

6 Charitable activities

	2022	2021
	£	£
Staff costs	24,096,927	22,752,240
Depreciation and impairment	144,584	144,817
Other salary costs	525,806	413,451
Accommodation costs	1,965,869	1,803,956
Other costs	375,987	255,935
Operating leases	83,117	88,150
	<u>27,192,290</u>	<u>25,458,549</u>
Share of support costs (see note 7)	3,504,801	2,992,255
Share of governance costs (see note 7)	17,400	15,963
	<u>30,714,491</u>	<u>28,466,767</u>
Analysis by fund		
Unrestricted funds	30,714,491	28,127,500
Restricted funds	-	339,267

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

7 Support costs

	Support costs £	Governance costs £	2022 Support costs £	Governance costs £	2021 £
Staff costs	2,095,385	-	2,095,385	1,978,456	1,978,456
Accommodation costs	268,073	-	268,073	245,994	245,994
Other costs	1,141,343	-	1,141,343	767,805	767,805
Audit fees	-	17,400	17,400	-	13,140
Trustees' meetings	-	-	-	-	2,823
	<u>3,504,801</u>	<u>17,400</u>	<u>3,522,201</u>	<u>2,992,255</u>	<u>3,008,218</u>
Analysed between Charitable activities	<u>3,504,801</u>	<u>17,400</u>	<u>3,522,201</u>	<u>2,992,255</u>	<u>3,008,218</u>

Governance costs includes payments to the auditors of £15,960 (2021- £11,700) for audit fees and £1,440 for accountancy services (2021: £1,440).

The charity incurred £3,178 (2021: £11,702) on interest accrued on bank loans and overdraft facilities.

8 Trustees

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

No trustees were reimbursed for expenses during the current or prior year.

9 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Supported accommodation and domiciliary care	1,103	1,106
Management and administrative staff	59	59
Total	<u>1,162</u>	<u>1,165</u>

Employment costs

	2022 £	2021 £
Wages and salaries	23,851,549	22,429,562
Social security costs	1,773,877	1,755,832
Other pension costs	566,886	545,302
	<u>26,192,312</u>	<u>24,730,696</u>

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

9 Employees

(Continued)

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2022 Number	2021 Number
£60,000 - £70,000	3	1
£70,000 - £80,000	1	1

Key management personnel

The key management personnel of the charity during the period are noted in the trustees report.

The total emoluments and benefits received by the key management personnel during the year was £581,338 (2020: £418,629).

Redundancy costs incurred during the year totalled £nil (2020: £146,879). At year end redundancy costs of £nil (2020: £116,274) were outstanding.

10 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost					
At 1 April 2021	2,473,125	35,507	508,457	13,995	3,031,084
At 31 March 2022	2,473,125	35,507	508,457	13,995	3,031,084
Depreciation and impairment					
At 1 April 2021	273,258	19,209	353,879	13,995	660,341
Depreciation charged in the year	36,898	10,294	97,392	-	144,584
At 31 March 2022	310,156	29,503	451,271	13,995	804,925
Carrying amount					
At 31 March 2022	2,162,969	6,004	57,186	-	2,226,159
At 31 March 2021	2,199,867	16,298	154,578	-	2,370,743

Freehold land and buildings with a carrying amount of £2,162,969 (2021 - £ 2,199,867) have been pledged to secure borrowings of the charity. The charity is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

11 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	3,339,430	3,983,547
Prepayments and accrued income	178,247	405,991
	<u>3,517,677</u>	<u>4,389,538</u>

12 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Bank loans and overdrafts	14	195,421	130,653
Other taxation and social security		467,615	402,928
Deferred income	15	-	42,268
Trade creditors		62,474	96,181
Other creditors		114,594	130,833
Accruals		182,090	65,286
		<u>1,022,194</u>	<u>868,149</u>

13 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Bank loans	14	-	201,422

The bank loan falling due after more than one year is the mortgage for Cardiff, Brecon, Llandrindod and Bangor offices.

14 Loans and overdrafts

	2022 £	2021 £
Bank overdrafts	-	48,406
Bank loans	195,421	283,669
	<u>195,421</u>	<u>332,075</u>
Payable within one year	195,421	130,653
Payable after one year	-	201,422

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

14 Loans and overdrafts

(Continued)

The long-term mortgage are secured by fixed charges over the charity's offices in Cardiff, Brecon, Llandrindod and Bangor.

The long term loan of £1,275,000 was agreed in March 2007 with a repayment term of 20 years. The interest rate is set at base plus 1.45%.

The long term loan was repaid in full post-year end.

15 Deferred income

	2022 £	2021 £
Other deferred income	-	42,268

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Deferred income is included within:		
Current liabilities	-	42,268
Movements in the year:		
Deferred income at 1 April 2021	42,268	-
Released from previous periods	(42,268)	-
Resources deferred in the year	-	42,268
Deferred income at 31 March 2022	-	42,268

16 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £566,886 (2021 - £545,302).

Balances outstanding at year end totalled £94,818 (2021: £88,434).

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

17 Restricted funds

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

	Movement in funds			Movement in funds	
	Incoming resources £	Resources expended £	Balance at 1 April 2021 £	Incoming resources £	Balance at 31 March 2022 £
HMRC Coronavirus Job Retention Scheme	339,267	(339,267)	-	-	-

HMRC Coronavirus Job Retention Scheme

Income received in relation to monthly submission made regarding the furlough scheme.

CARTREFI CYMRU CO-OPERATIVE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

18 Designated funds

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

	Balance at 1 April 2020	Transfers	Balance at 1 April 2021	Resources expended	Transfers	Balance at 31 March 2022
	£	£	£	£	£	£
Internal decoration	86,904	39,613	126,517	-	23,379	149,896
Furniture & equipment replacement	169,695	120,470	290,165	-	24,953	315,118
Future business development	2,043	628	2,671	-	205	2,876
Major repairs	123,246	26,279	149,525	-	30,900	180,425
Fire prevention	20,000	(20,000)	-	-	-	-
New services	50,000	(50,000)	-	-	-	-
Housing management	-	28,698	28,698	-	90,701	119,399
Laundry	-	9,531	9,531	-	39,084	48,615
Powys local authority fund	-	60,000	60,000	-	-	60,000
Roger McMahon - Pilots and new idea implementation	-	568,000	568,000	-	-	568,000
Strategy development	-	200,000	200,000	-	-	200,000
Salary increase mitigation provision	-	400,000	400,000	-	-	400,000
Pandemic preparation	-	100,000	100,000	-	-	100,000
Fixed asset fund	-	2,370,743	2,370,743	(144,583)	-	2,226,160
	451,888	3,853,962	4,305,850	(144,583)	209,222	4,370,489

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

18 Designated funds (Continued)

Internal decoration
Fund designated to cover future internal decoration costs.

Furniture & equipment replacement
Fund designated to cover furniture and equipment replacement in future periods.

Future business development
Fund designated to cover future strategy and development costs.

Major repairs
Fund designated to cover any significant repairs in future periods.

Fire prevention
Fund designated to cover costs of fire prevention in the charity's premises.

New services
Fund designated to cover start up costs of new projects.

Housing management
Funds designated to cover housing benefit related expenditure on behalf of people we support.

Laundry
Funds designated to cover washing machines on behalf of people we support.

Powys local authority fund
Funds designated for use within the Powys area.

CARTREFI CYMRU CO-OPERATIVE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

18 Designated funds (Continued)

Roger McMahon - Pilots and new idea implementation
Funds designated to support pilots and new idea implementation across the charity.

Strategy development
Funds designated to support the development of strategy, including development of strategic development such as diversification or alliances.

Salary increase mitigation provision
Funds designated to ensure the charity can respond to changes in the national minimum wage or make other choices about salary without relying on immediate funding from local authorities. In part the fund will act as working capital.

Pandemic preparation
Funds designated to funding pandemic preparation such as procurement of PPE should another pandemic occur.

Fixed asset fund
Relates to the unrestricted net book value of the charity's fixed assets.

Transfers
Transfers relate to the clearing down of old balances held within designated funds and the new designations of additional funds earmarked by the trustees.

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

19 Analysis of net assets between funds

	Unrestricted 2022 £	Designated 2022 £	Total 2022 £	Unrestricted 2021 £	Designated 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	-	2,226,159	2,226,159	-	2,370,743	2,370,743
Current assets/(liabilities)	2,411,547	4,370,489	6,782,036	2,415,607	1,935,107	4,350,714
Long term liabilities	-	-	-	(201,422)	-	(201,422)
	<u>2,411,547</u>	<u>6,596,648</u>	<u>9,008,195</u>	<u>2,214,185</u>	<u>4,305,850</u>	<u>6,520,035</u>

20 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	29,491	30,784
Between two and five years	16,235	36,478
	<u>45,726</u>	<u>67,262</u>

21 Events after the reporting date

Property sale

The charity agreed a sale price of £275,000 for its Argoed property in February 2021. At the year end the date the sale is continuing to be handled by the charity's solicitors.

22 Related party transactions

During the prior year the charity incurred charges from Antur Waunfarw regarding the collection and shredding of paper totalling £115 at the year end amounts of £nil were outstanding. The organisations are related by the way of common trustees. No transactions occurred during the current year.

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

23 Cash generated from operations	2022 £	2021 £
Surplus for the year	2,488,160	2,034,762
Adjustments for:		
Investment income recognised in statement of financial activities	(181)	(1,153)
Depreciation and impairment of tangible fixed assets	144,584	144,817
Movements in working capital:		
Decrease/(increase) in debtors	871,861	(673,843)
Increase/(decrease) in creditors	131,545	(352,115)
(Decrease)/increase in deferred income	(42,268)	42,268
Cash generated from operations	3,593,701	1,194,736

24 Analysis of changes in net funds	At 1 April 2021 £	Cash flows At 31 March 2022 £	
Cash at bank and in hand	829,325	3,457,228	4,286,553
Bank overdrafts	(48,406)	48,406	-
	<u>780,919</u>	<u>3,505,634</u>	<u>4,286,553</u>
Loans falling due within one year	(82,247)	(113,174)	(195,421)
Loans falling due after more than one year	(201,422)	201,422	-
	<u>497,250</u>	<u>3,593,882</u>	<u>4,091,132</u>

CARTREFI CYMRU CO-OPERATIVE LIMITED

England & Wales - Charity number 702290

Accounts

Charity Registration No. 702290

Company Registration No. 2420623 (England and Wales)

CARTREFI CYMRU CO-OPERATIVE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

CARTREFI CYMRU CO-OPERATIVE LIMITED

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CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

Cartrefi Cymru Cooperative Limited's (Cartrefi Cymru Co-operative) objectives as given in the Memorandum and Articles of Association are the relief of suffering by:

- providing for the care, accommodation, training, education, future living, employment, occupation and sustenance of persons normally, but not exclusively, resident in Wales with a mental or physical disability or suffering from a mental illness in order to foster and encourage a sense of independence
- the provision of a holiday home for the rest and recreation of aged, infirm or poor persons and their families who are in need of the facilities of the Company by reason of their age, infirmity or social and economic circumstances (and for the avoidance of doubt "infirm" and "infirmity" shall include suffering from a mental illness or mental or physical difficulty)

The principal activity for the period under review was the promotion of health and welfare of people with special needs by the provision of accommodation and support to enable them to live in the community. To fulfil this activity, the charity is dependent on the continuing support of the Local Authorities with whom we have contracts and partnerships. It is the Local Authorities' responsibility to provide care and support to people with disabilities within their areas. This is delegated to Cartrefi Cymru Co-operative through contracts.

Cartrefi Cymru Co-operative's vision is of a future where the people we support, and their families, are enjoying good lives as valued contributors to their communities.

Cartrefi Cymru Co-operative's mission is to focus on people with learning disabilities and their families in Wales, and to be a great support provider for:

- the individuals and families that we support
- our employees
- our partners and funders
- the communities in which we work.

As a co-operative, we also embrace the following principles as agreed by the International Co-operative Alliance:

- Voluntary and Open Membership
- Democratic Member Control
- Member Economic Participation
- Autonomy and Independence
- Education, Training and Information
- Co-operation Among Co-operatives
- Concern for the Community

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

During 2020/21 we developed a Framework for Planning and Action, the elements of which are as follows:



Our long-term goals for 2020/2025 are:

Activity Areas	Long-Term Goals
<i>Governance</i>	To become an exemplar of good governance in compliance with charity and co-operative expectations
<i>Service Delivery</i>	To become an exemplar of the co-productive achievement of well-being outcomes for the people we support
<i>Workforce</i>	To have the lowest staff turnover and absence rates in our sector
<i>Digital</i>	To become an exemplar of the good use of data, digital systems and technology in a well-being/outcomes-focused support provider
<i>Resources</i>	To build our reserves to the level desired in our Reserves Policy

Ensuring Our Work Delivers Our Aims

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits delivered from our services. The review also helps us ensure our aims, objectives and activities remained focused on our stated objectives. In determining our work for each period we have regard to the Charity Commission's general guidance on public benefit.

Public benefit statement

Our main activities and who we help are described in this report. All our charitable activities focus on providing support to people with a learning and or physical disability and are undertaken to further our charitable purposes for the public benefit.

Our aims, objective and activities are centred around us as a charity, providing benefit to the people we support and our communities. Any Board decisions are made in the interest of the people we support and the benefit we provide to them.

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit to ensure compliance with the Charities Act 2011.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

Achievements and performance

Summary

The year 2020/21 began in the most challenging of circumstances and it is pleasing to report that it ended with an enormous sense of achievement. Addressing a significant downward financial trend, identified in Quarter Two of 2019/20, had required us to set in train a range of "turnaround" activities including the introduction of a new corporate structure, a new finance software system, and a range of new digital initiatives to improve communication and more efficiently manage information. Many of these changes were scheduled to go live on 1st April 2020, and we had no alternative other than to maintain the pace of change even when Covid-19 put us all into lockdown on 16th March. There were some anxious times as we wondered whether the changes that we had made would prove successful, and whether the pandemic would result in unmanageable sickness levels or unbudgeted costs and delayed funds, or both.

Thankfully, the turnaround changes all held firm, and the fact that we had introduced Microsoft 365 as a cloud-based method of connecting and working just prior to the pandemic outbreak meant that we were fully geared up for home-working and providing virtual management support. Thankfully too, the model of Supported Living which we provide, with small numbers of people being supported in ordinary housing, meant that we were in a much better position to keep people safe than those in larger care homes and hospitals, so our sickness levels never became unmanageable. Thankfully too, after an initial few weeks of uncertainty, the Welsh Government, NHS Wales and our local authority funders all acknowledged the vital importance of the care sector, and provided the equipment, guidance and funding which we needed.

But the greatest thanks must go to our employees, who adapted quickly to so many changes and continued to work conscientiously and professionally despite all the challenges. Everyone deserves huge credit, and our support teams in particular were simply heroic. They faced the daily risk of infection, the discomfort of wearing Personal Protective Equipment for every shift, even during heatwaves, and the challenge of supporting people with learning disabilities to enjoy life through the long months of often unexplainable isolation. They deserve much greater recognition and reward than they currently receive, and we hope that UK and Welsh governments quickly fulfil their election promises and target the social care workforce for fair and decent pay in parity with the NHS.

Goal: To be an exemplar of good governance in compliance with charity and co-operative expectations

During 2020/21 we deliberately and comprehensively strengthened our governance in the following ways:

- Increased the frequency of Board meetings
- Established new sub-committees:
 - Finance
 - HR and Remuneration
- Increased the frequency of Council of Members meetings to bi-monthly.
- Adopted a new and more meaningful process for the Council of Members to recruit trustees.
- Actively recruited three new trustees via open advertisement.
- Adopted a new Framework for Planning and Action.
- Strengthened our Risk Register and reported on it to the Board quarterly.

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

- Developed a new Dashboard of high-level performance indicators covering:
 - Workforce
 - Health and Safety
 - Finances
 - Service Delivery
 - Digital
 - Participation/Membership
- Refreshed the cycle of Board reports to ensure comprehensive intelligence gathering and scrutiny.
- Made "Serious Incidents" a monthly Board item to ensure compliance with the Charity Commission's expectations.
- Established a National Planning Forum to enable leaders from all departments and areas to contribute to the development and implementation of improvement activities.

Goal: To be an exemplar of the co-productive achievement of wellbeing outcomes for the people we support

During 2020/21 we carried out a programme of activities to improve the quality of our service delivery, including:

- National roll-out of a consistent Daily Goal Planner system.
- Improvement of Quality of Service reporting forms.
- Improvement of reporting system for Medication errors.
- A clearer process for using "over the counter" medication.
- A new system for planning short stays.
- Improvement of the system for planning sessional support.
- A new consistent system for providing our 24/7 "on call" helpline.
- Roll out of a system of "Quality Checkers" involving people we support as checkers.
- Promotion of the use of "video diaries" for and by the people we support.
- Improvement of our Risk Assessment form to make it more holistic and person-centred.
- Promotion of the rights of people we support to enjoy sexual relationships and LGBTQ+ identities.
- Increased awareness and skills in relation to the risk of people choking.
- Significantly increased social opportunities for people online.

The Covid pandemic greatly restricted the ability of the people we support to engage in community-based social activities and Co-op member forums, but many benefited from increased opportunities to develop domestic skills and to participate in home-based leisure activities and online social contact with family and friends.

Goal: To have the lowest staff turnover and absence rates in our sector

Turnover and absence rates are high across the care sector and from this perspective our performance has been typical of the sector average for several years. However, from a pan-industry perspective, it is highly unsatisfactory, very costly and detrimental to the people we support. The pandemic led to a spike in absence at the start of 2020/21 but this steadily fell during the year. The impact of the pandemic on turnover was not immediate, but the additional pressures on support staff and managers contributed to the number of leavers. Perhaps more significantly, Brexit has led to a double whammy for the care sector, with the departure of EU nationals from the care sector leading to vacancies, and the departure of EU nationals from other sectors creating alternative and better rewarded employment options for care workers feeling tired and under-valued.

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

During 2020/21 we maintained and developed several work streams intended to help us recruit, retain and reward staff, including:

- Establishing a Pay and Benefits Review Group with a brief to review the following:
 - Company sickness scheme
 - Annual leave
 - One-off awards
 - Staff recognition
 - Staff welfare support
 - Pay rates
- Job role grades
 - The Group undertook staff surveys to inform proposals for change. This work rolled over into 2021/22 and is still on-going.
- Establishing an Absence Task Group to better understand the reasons for absence and to improve absence management during 2021/22.
- Initiating a review of the “staff on-boarding experience” and identifying improvement actions, from setting up new starters in Payroll or ICT to formal and informal induction.
- Developing online training options to address the constraints on face-to-face sessions during the pandemic.
- Initiating a rolling programme of process mapping, to help staff undertake key tasks as consistently and efficiently as possible.
- Establishing and leading a cross-sector campaign group called “Pay Them Fairly” to make the case for care workers to be paid fair and decent wages. We were pleased to see that the new Welsh Government include a commitment to this in its programme for government, and we will continue to argue for action until such time as the commitment is fulfilled.

Goal: To become an exemplar of the good use of data, digital systems and technology in a wellbeing/outcomes-focused support provider

During 2020/21 we committed ourselves to an on-going programme of digital transformation as follows:

- Embedding a new Finance software system.
- Expanding our use of Microsoft 365 for cloud-based filing, communication and project management:
 - The Teams online meeting function is widely used for all relevant purposes.
 - Teams and Sharepoint is now our intranet platform.
 - The Planner function is used to project manage all our Quality Improvement activities.
 - As well as enabling us to work effectively during the pandemic, this new ability to work and meet digitally is permanently reducing our travel costs and carbon footprint.
- Enabling more of the people we support to benefit from:
 - Online social activities
 - Video diaries
 - Programmes on mobile devices
 - Voice-activated virtual assistants (such as Alexa).
- Developing a detailed specification for a new HR platform and selecting the model and supplier for implementation during 2021/22.
- Developing a detailed specification for a new Customer Relations Management platform – for implementation in 2022/23 (after the HR system change is completed).
- Reviewing all our ICT related contracts (from technical support and Disaster Recovery to photocopiers and phones) and managing a programme of cost-reduction and functional investment to support frontline service activities.
- Exploring options for digital rostering and care management with a view to future investment.

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Goal: To build our reserves to the level desired in our Reserves Policy

The year-end of 2019/20 saw a significant deficit which brought down our level of reserves and created some initial cashflow challenges in 2020/21. Overall, our level of reserves remained adequate, but most of it was tied up in fixed assets and in particular, properties which we owned. It is therefore pleasing to report that, by the end of 2020/21, we had a significant surplus that more than made up for the previous year's deficit and restored our free reserves to a level which means we can manage cashflow comfortably, address identified financial risks, and explore options for investing in business improvement. We have been able to achieve this turnaround so quickly thanks to the following:

- Using the new finance software system to increase efficiency within the department.
- Increasing the range and level of skills throughout the finance team.
- Achieving the savings from the corporate restructure introduced in April 2020.
- Generating new income through the provision of an Appointeeship service.
- Successfully applying for a Covid-19 support grant for pandemic related costs.
- Prioritising and streamlining tasks with the finance department to ensure monies due were promptly collected and old debts were chased.
- Reducing operational costs through the targeted deployment of management time.
- Benefitting from a legacy of over £568k which was left to us by trustee, Roger McMahon, who sadly passed away in 2019.

During the year we also developed a Property Strategy with a view to reducing our portfolio of 14 properties. We are currently in the process of selling a house in Caernarfon to a local housing association. We are also identifying the changed requirements of our offices following the pandemic experience of a mix of home-working and office-working.

We are now confident that we have a grip on our finances that we can control and that our performance trend is now manageable for both the short and long-term, subject of course to the health of the wider economy and the care sector in particular. See Risks and Uncertainties below.

Service Delivery

During the year Cartrefi Cymru Co-operative delivered Supported Living and Residential Care services to 126 settings (119 last year), representing 335 service users (339 last year).

Cartrefi Cymru Co-operative managed 6 short stay services (6 last year) providing 19 respite and emergency bed spaces per week (19 last year) to 67 service users (162 last year). 6,489 overnight stays per year are available at these services which offer people with learning disabilities, and their carer, much needed regular breaks.

There is a demand for general sessional support and day services which offer relatively short periods of support to individuals either in their own home, or out in the community. The company delivered such services to 104 people during the year (172 last year), funded by the Independent Living Fund, personal contribution and local authority contract.

To provide these services, during the year Cartrefi Cymru Co-operative employed a total of 1,099 staff of which there were 35 posts (3.185% of posts) fulfilling central management and administration functions. The remaining 1,065 staff provides managerial and direct support on a local basis, as follows:

13 Area Managers	who provide management and budgetary support.
51 Service Managers	who manage support staff and also provide hands-on care and support
66 Assistant Managers	who assist the Service Managers
922 Support Workers	who provide direct care and support
13 Area Administrators	who provide administration services to the above Managers

In addition, Trustees are not remunerated but can be reimbursed any costs they incur in the furtherance of their duties as Trustees.

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Financial review

Due to the effective financial turnaround, the year ended in a positive financial position. As at 31 March 2021, Cartrefi had a surplus of £2m, whereas the original budget had been for a surplus of approx. £0.6m; £1.4m greater surplus than budget. Income was above budget by about £0.9m (£30.1m actual v £29.2m budget), due to the legacy gift of £0.6m left to us by trustee, Roger McMahon, who sadly passed away in 2019, as well as additional and very welcome Covid related income, including furlough and Covid grants of about £1.6m. Income from service delivery was £0.9m under budget, due to reduced discretionary delivery of support hours for domiciliary or sessional and private support hours. Housing benefit related income was approx. £0.7m greater than budget – this was netted off with greater expenditure. Expenditure was in line with the budget of £28.5m.

Legacy income:

During the year, former trustee Roger McMahon left Cartrefi a legacy of £568k in his will; £315k of the legacy was received in the bank and £253k was accrued in anticipation of its receipt in April and July 2021. The trustees are designating the legacy in a pilots and new idea implementation fund.

Financial impact of Covid:

Covid had a financial impact on Cartrefi. About £0.9m less income than budget was received throughout the year due to reduced discretionary delivery of support hours for domiciliary or sessional and private support hours. However, additional Covid related income was received including: approximately £1.2m of Covid related grants from local authorities; approximately £500k that was paid directly to support workers from Welsh Government and approximately £0.3m of furlough income that was paid directly to furloughed employees.

Financial turnaround:

The financial turnaround undertaken in 2019-2020, including reducing the office based central teams through redundancies, and the debtor and fixed asset write offs, ensuring the balance sheet was viable and realistic, had a positive impact on the financial stability and sustainability of the charity.

The balance sheet demonstrates the financial improvement; with significantly more cash at bank than at the end of 2019-2020 (£0.8m v £24k), reduced liabilities (£1.1m v £1.8m) and as a result, improved general funds and reserves. Debtor collection from local authorities continues to be a challenge for the charity although the finance team have implemented a new finance system that has enabled many processes to be streamlined and improved, including the invoicing process. In addition, the finance team have invested time and effort in developing three way relationships between the charity's operations teams and local authorities to ensure that invoices are correct first time to ensure queries and issues don't arise.

Funds

Funds grew significantly in 2020-2021 and the total funds balance at the end of the year was £6.5m, an increase on the funds held at the end of the previous financial year, £4.5m. The trustees made new designations, including:

- Roger McMahon pilots and new idea implementation fund - £568k
- Strategy development fund - £200k
- Salary increase mitigation fund - £400k
- Pandemic preparation fund - £100k

Reserves

The trustees reviewed the charity's reserves policy in February 2021 and agreed it was still appropriate. The reserve requirement, based on having financial resources available to mitigate the charity's main risks is for a minimum free reserve of £0.85m, based on the winding up costs of the organisation should that ever be necessary, and the ideal level of reserves is £2.4m required to mitigate one of the main financial risks the charity holds: cashflow challenges around local authority payment of invoices.

The free reserves held at the end of March 2021 were £2.2m. This is in line with the minimum reserve and ideal level required by the charity at this time.

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Financial forecast 2021-2022 and beyond and going concern

Forecast financial schedules have been prepared based on the current contracts in place and taking into account scenarios such as the anticipated increase in the national minimum wage that will impact on Cartrefi's wage bill significantly. Assuming any increase in the national minimum wage would be funded by local authorities, the forecast demonstrates a positive financial forecast.

Any factors that are likely to affect the financial performance or position going forward

Cartrefi welcomes the increase in the national minimum wage which would impact on support workers' pay. Cartrefi has aspirations to pay the living wage and this is something we are working towards. However, in the near term, there could be a cashflow challenge if the national minimum wage increase is implemented from April 2022 and if local authorities don't inform Cartrefi of the uplift being awarded and don't pay the award until later in the year. The short term nature of the funding mechanism is a financial challenge.

Cartrefi is continuing to make efficiencies and improve ways of working by investing in a digital transformation. Plans to roll out mobile phones to all staff will require a financial investment and will increase the ability to communicate and connect all staff. The human resources system will be upgraded which will enable paperwork and inefficient processes to be reduced. In addition, a digital care planning pilot will take place.

Principal risks and uncertainties

One of the main risks for the charity is the inability to recruit and retain staff. Several mitigations have been put in place including: focus on staff inductions, training and development and access to professional qualifications; review of appraisal system; coordinated agency recruitment drive to assist in local recruitment; and a pay and benefits review. This is a risk that is impacting the whole care and support sector and CEO Adrian Roper is engaging with Welsh Government, local authorities and other influential bodies to raise awareness, as well as influence fair pay across the sector, which is seen as one of the main drivers for recruitment and retention.

One of the near term risks is the uncertainty around the impact of an increase in the national minimum wage and if and when funding would be received from local authorities to fund the increase. This makes planning difficult as there's uncertainty as to whether funds will be required as working capital to fund the increase or whether they can be used to fund other ongoing work. Cartrefi is reaching out to local authorities to engage earlier than usual in an attempt to get clarity around if and when uplifts would be awarded.

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Plans for future periods

The Board has recently reviewed our long-term goals and expanded them as follows:

Governance

- To become an exemplar of good governance in compliance with charity and co-operative expectations.
- To achieve a high performing leadership capacity.

Workforce

- To have a stable, skilled and motivated workforce that embraces new ways of working and is appropriately rewarded:
 - Attractive and affordable pay and benefits
 - A positive employee experience from onboarding to progression and recognition.
- Good leadership skills at all levels.

Service Delivery

- To provide high quality care and support so that people achieve great wellbeing outcomes – and also experience the added benefits of our Cooperative activities.
- To maintain our position as a national provider through being successful in retaining or winning work.

Digital

- To deploy more technology for the benefit of people we support.
- To introduce and maintain effective and inclusive digital systems which connect employees and members and improve service delivery.

Resources

- To maintain activities which avoid expenditure exceeding income, including:
 - Developing independent income streams
 - Monitoring and managing expenditure
 - Monitoring and managing cashflow
- To maintain reserves in line with the reserves policy and thereby mitigate risks and be able to invest in assets and innovations
- To develop plans for achieving competitive wage levels including implementing the Real Living Wage

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management

Cartrefi Cymru Co-operative Ltd is a charitable company limited by guarantee. The Trustees of the charity form the Board of Management and are directors of the company.

During 2016/17, the company's Articles of Association were revised in order to incorporate a commitment to the principles of Co-operation, and to enable the charity to function as a multi-stakeholder co-operative while retaining its status as a charity and company limited by guarantee.

The Charity Commission approved all the changes, and the Finance Conduct Authority approved the use of the protected name "Co-operative". The principal objective of this change was to provide a better platform for achieving our charitable purpose by being able to offer:

- New opportunities for beneficiaries to have a strong voice and real control,
- New opportunities for beneficiaries to experience equality and inclusion through "one-member-one-vote" decision-making structures,
- New opportunities for beneficiaries and other stakeholders to form positive relationships by building stronger communities together.

Members

Cartrefi Cymru Co-operative Limited was incorporated on 7th September 1989, is limited by guarantee, and has no share capital. Following the adoption of new Memorandum and Articles of Association on 13th November 2016, the Board of Management has the power to admit individuals to membership in the following categories:

1. Individual Members
2. Community Members
3. Employee Members.

Every member is liable to contribute a sum not exceeding £1 in the event of the company being wound up. The liability continues up to one year after membership ceases.

Board of Management

A Representative Body (known as the Council of Members) is in place which reviews the composition of the Board of Management on an annual basis and may appoint, replace or re-appoint trustees ceasing to hold office. In accordance with standing orders, each year one third of the membership of the Board of Management, based on length of service, shall retire from office. A retiring member of the Board is eligible for re-election.

Recruitment of Trustees has been mainly by invitation and introduction by members and senior managers due to contacts and working within the learning disability and not for profit sector. Open recruitment methods are also considered in order to target potential trustees with desirable knowledge and skills. Trustees may only be Community Members or non-Members who have the relevant skills and experience to perform the duties required of a Trustee.

Trustee training is delivered by both in-house staff and external trainers on an ad hoc basis following specific requests from trustees or circularisation of trustee training courses. A full induction programme is also provided.

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Board of Management meetings are held at least eight times a year. The Trustees who served during the year were:

P Higson – Chair
G Duncan
R Dineen - resigned 1st April 2021
I Derrick
H Tyrrell - resigned 4th November 2021
C Bolton - resigned 17th August 2021
R Ahmed
C Williams
I Brown - appointed 20th April 2021
W Copp - appointed 18th May 2021
S Pullen - appointed 18th May 2021

Board of Management delegates authority for the day to day running of the company to the Senior Management team. Arrangements relating to delegation are set out in the Financial Regulations and the Schedule of Delegated Authority. Both documents are reviewed regularly and amendments are submitted to the trustees for approval. All policies, budgets, purchase of office buildings, changes to staff structure and appointment of the Chief Executive are approved by the Trustees.

In accordance with the Company's commitment to co-operative principles, Trustees are required to share decision-making, as far as possible, with the Council of Members including delegating appropriate decisions. The objective is to enable the democratic decision-making amongst Members as far as possible to have ownership of the governance of the Company. Where it is not appropriate to share or delegate a decision to the Council of Members the Board must incorporate, as far as practically possible, the views of the Council of Members on the matter.

Major risks have been reviewed and systems and procedures have been established to manage those risks. With regards to the financial risks the Trustees have been monitoring major risks, and progress to mitigate these, at every Board meeting.

Employment Policies

The charity's policy is to give full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities.

Disabled employees receive appropriate training to promote their career development within the charity. Employees who become disabled are retained in their existing posts where possible or retrained for suitable alternative posts.

Regular meetings are held between senior management and employee representatives to discuss matters of concern. Employees are kept well-informed about the progress and position of the charity by means of regular departmental meetings.

Pay Policy for Senior Staff

The board of directors, who are trustees, give their time freely and did not receive remuneration in the year. The Senior Management Team comprises the key management personnel of the charity and oversees the directing, controlling and running of the charity on a day to day basis.

The pay of the Senior Management Team and other management grades was reviewed by an external consultant who carried out a salary review of management's remuneration using benchmarking within the sector and with similar providers of similar size in 2017. The results of the external consultant's report were submitted to the Board of Management and approved. At the start of the financial year 2019/20 there was a general uplift of all management positions in order to protect pay differentials in the context of annually rising wages amongst support staff, but with no uplift for senior managers.

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Reference and administrative details

Charity Name	Cartrefi Cymru Co-operative Limited
Charity Number	702290
Company Number	2420623
Registered Office	5 & 6 Coopers Yard Curran Road Cardiff CF10 5NB
Company Secretary	A Roper
Trustees	P Higson - Chair G Duncan R Dineen - resigned 1/4/21 I Derrick H Tyrrell- resigned 4/11/21 C Bolton - resigned 17/8/21 R Ahmed C Williams I Brown - appointed 20/4/21 W Copp- appointed 18/5/21 S Pullen - appointed 18/5/21
Senior Management	A Roper (Chief Executive) J Nicholson (Operational Director) S Carey (Director – Mid and South East Wales) - left October 2020 S Jones (Regional Operational Director) S Coffey (Director of Finance) C Ferris (Assistant Director – People) K Williams (Assistant Director – Resources) - left April 2020 G Jenkins (Operational Director) N Phillips (Assistant Operational Director) K Wilshaw (Assistant Operational Director)
Auditors	Azets Audit Services Ty Derw Lime Tree Court Cardiff Gate Business Park Cardiff CF23 8AB
Bankers	National Westminster Bank PLC 277 Cowbridge Road East Canton Cardiff

CARTREFI CYMRU CO-OPERATIVE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

CF5 1WX

Solicitors

Antony Collins Solicitors LLP
134 Edmund Street
Birmingham
B3 2ES

Geldards LLP Solicitors
Dumfries House
Dumfries Place
Cardiff

Messrs, Passmore, Lewis & Jacobs
Solicitors
21 Tynnewydd Road
Barry
CF62 8HB

Funds held as custodian trustee

The charity manages money on behalf of the people it supports. This service includes paying expenditure on the service users behalf; detailed records are kept to ensure that the charity is able to identify amounts owed to/by each individual.

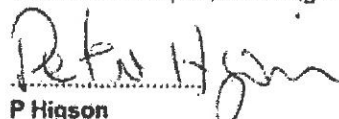
Each service user has its own bank account held with NatWest which is linked to the charity, this ensures service user accounts and balances are easily identifiable. No other assets or liabilities are held on behalf of service users.

The total value of such accounts at the year end totalled £2,071,075.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report, including the strategic report, was approved by the Board of Trustees.



P Higson

Trustee

Dated: 13.12.2021

CARTREFI CYMRU CO-OPERATIVE LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2021

The trustees, who are also the directors of Cartrefi Cymru Co-operative Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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

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

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

CARTREFI CYMRU CO-OPERATIVE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF CARTREFI CYMRU CO-OPERATIVE LIMITED

Opinion

We have audited the financial statements of Cartrefi Cymru Co-operative Limited (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

CARTREFI CYMRU CO-OPERATIVE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CARTREFI CYMRU CO-OPERATIVE LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' 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; 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.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

CARTREFI CYMRU CO-OPERATIVE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CARTREFI CYMRU CO-OPERATIVE LIMITED

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

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

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

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

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

CARTREFI CYMRU CO-OPERATIVE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CARTREFI CYMRU CO-OPERATIVE LIMITED

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.

Sarah Case

Sarah Case FCA DChA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

14-12-2021

Chartered Accountants
Statutory Auditor

Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
United Kingdom
CF23 8AB

CARTREFI CYMRU CO-OPERATIVE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Restated Unrestricted funds 2020 £
Income from:					
Donations and legacies	4	568,000	-	568,000	3,510
Charitable activities	5	29,593,109	339,267	29,932,376	25,832,650
Investments	6	1,153	-	1,153	1,579
Total income		30,162,262	339,267	30,501,529	25,837,739
Expenditure on:					
Charitable activities	7	28,127,500	339,267	28,466,767	26,948,106
Other	9	-	-	-	130,925
Total resources expended		28,127,500	339,267	28,466,767	27,079,031
Net income/(expenditure) for the year/ Net movement in funds		2,034,762	-	2,034,762	(1,241,292)
Fund balances at 1 April 2020		4,485,273	-	4,485,273	5,726,565
Fund balances at 31 March 2021		6,520,035	-	6,520,035	4,485,273

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

All income and expenditure derive from continuing activities.

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

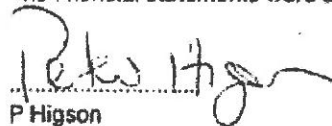
CARTREFI CYMRU CO-OPERATIVE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	12		2,370,743		2,515,560
Current assets					
Debtors	13	4,389,538		3,715,695	
Cash at bank and in hand		829,325		24,228	
			<u>5,218,863</u>		<u>3,739,923</u>
Creditors: amounts falling due within one year	15	<u>(868,149)</u>		<u>(1,481,527)</u>	
Net current assets			4,350,714		2,258,396
Total assets less current liabilities			<u>6,721,457</u>		<u>4,773,956</u>
Creditors: amounts falling due after more than one year	16		(201,422)		(288,683)
Net assets			<u><u>6,520,035</u></u>		<u><u>4,485,273</u></u>
Income funds					
<u>Unrestricted funds</u>					
Designated funds	20	4,305,850		451,888	
General unrestricted funds		2,214,185		4,033,385	
			<u>6,520,035</u>		<u>4,485,273</u>
			<u><u>6,520,035</u></u>		<u><u>4,485,273</u></u>

The financial statements were approved by the Trustees on 13-12-2021



P Higson
Trustee

Company Registration No. 2420623

CARTREFI CYMRU CO-OPERATIVE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	25		1,194,736		(1,058,653)
Investing activities					
Purchase of tangible fixed assets		-		(86,930)	
Investment income received		1,153		1,579	
Net cash generated from/(used in) investing activities					
			1,153		(85,351)
Financing activities					
Repayment of bank loans		(87,261)		(81,246)	
Net cash used in financing activities					
			(87,261)		(81,246)
Net increase/(decrease) in cash and cash equivalents					
			1,108,628		(1,225,250)
Cash and cash equivalents at beginning of year			(327,709)		897,541
Cash and cash equivalents at end of year					
			780,919		(327,709)
Relating to:					
Cash at bank and in hand			829,325		24,228
Bank overdrafts included in creditors payable within one year			(48,406)		(351,937)

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Cartrefi Cymru Co-operative Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Units 5 & 6 Coopers Yard, Curran Road, Cardiff, CF10 5NB, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

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

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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

1.4 Income

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

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

Income from local authority contracts and service user income is recognised in the period in which the service was provided.

Investment income when received.

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Costs are allocated between the different categories according to the nature of the cost. Where costs are shared, they are apportioned between the categories on a basis consistent with the use of the resources.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fee and costs linked to the strategic management of the charity.

1.6 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	1.5% Straight Line
Fixtures and fittings	Over 31 months
Computers	Over 31 months
Motor vehicles	20% Straight Line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

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

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

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

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Basic financial assets

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

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Employee benefits

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

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

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, are charged as an expense on a straight line basis over the term of the relevant lease.

1.13 Taxation

As a registered charity, Cartrefi Cymru Co-operative Limited is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

2 Change in accounting policy

During the year the charity changed the accounting policy for the recognition of depreciation. The charity changed the useful lives of furniture & fittings and computer equipment from 3 years to 31 months. The trustees of the charity believe this provides a more accurate representation of the useful lives of the tangible assets.

The change in accounting policy resulted in additional £15,883 of depreciation charged during the year.

3 Critical accounting estimates and judgements

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

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

Critical judgements

Bad debt provision

Contained in the financial statements is a bad debt provision totalling £520,000. The provision requires judgements to be made which include the charity's review of the debtors listing and those debts that are aged or where debtors are not timely in settling debt owed.

4 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	-	3,510
Legacies receivable	568,000	-
	<u>568,000</u>	<u>3,510</u>

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

5 Charitable activities

	2021 £	2020 £
Service users charges' receivable	2,964,264	4,129,718
Local authority contracts	25,081,775	20,325,841
Staff costs recharged	-	165,451
Other grants and allowances	1,831,749	1,042,634
Appointeeship income, consultancy and central sales	30,893	25,867
Meeting room hire	23,695	15,209
Other income	-	127,930
	<u>29,932,376</u>	<u>25,832,650</u>
Analysis by fund		
Unrestricted funds	29,593,109	25,832,650
Restricted funds	339,267	-
	<u>29,932,376</u>	<u>25,832,650</u>

6 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Interest receivable	<u>1,153</u>	<u>1,579</u>

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

7 Charitable activities

	2021 £	2020 £
Staff costs	22,752,240	21,220,075
Depreciation and impairment	144,817	209,791
Other salary costs	413,451	401,648
Accommodation costs	2,256,976	1,659,517
Other costs	127,236	341,290
Operating leases	88,150	105,635
	<u>25,782,870</u>	<u>23,937,956</u>
Share of support costs (see note 8)	2,667,934	2,995,398
Share of governance costs (see note 8)	15,963	14,752
	<u>28,466,767</u>	<u>26,948,106</u>
Analysis by fund		
Unrestricted funds	28,127,500	26,948,106
Restricted funds	339,267	-
	<u>28,466,767</u>	<u>26,948,106</u>

8 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Staff costs	1,978,456	-	1,978,456	1,627,264	-	1,627,264
Accommodation costs	307,769	-	307,769	198,503	-	198,503
Other costs	381,709	-	381,709	1,169,631	-	1,169,631
Accountancy fees	-	13,140	13,140	-	13,140	13,140
Trustees' meetings	-	2,823	2,823	-	1,612	1,612
	<u>2,667,934</u>	<u>15,963</u>	<u>2,683,897</u>	<u>2,995,398</u>	<u>14,752</u>	<u>3,010,150</u>
Analysed between Charitable activities	<u>2,667,934</u>	<u>15,963</u>	<u>2,683,897</u>	<u>2,995,398</u>	<u>14,752</u>	<u>3,010,150</u>

Governance costs includes payments to the auditors of £11,700 (2020- £11,700) for audit fees and £1,440 for accountancy services (2020: £1,440).

The charity incurred £11,702 (2020: £9,230) on interest accrued on bank loans and overdraft facilities.

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

9 Other

	Total	Unrestricted
	£	funds
	2021	2020
Net loss on disposal of tangible fixed assets	-	130,925
	-	130,925

There were no fixed asset disposals made during the financial year 2021.

In 2020, as part of the organisation transformation and financial recalibration, the fixed assets held by the organisation were reviewed and the fixed asset policy was updated to ensure that the economic benefits associated with the item are matched to the period of use. Two significant changes were made: the identification of the £500 lower limit; under which any items purchased would be treated as in year expenditure and two fixed asset categories (office furniture and equipment and computer equipment) were changed to be depreciated over three years. As a result, £0.13m fixed assets were written off to the income and expenditure account in November 2019.

10 Trustees

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

During the year no (2020: four) trustees were reimbursed £nil (2020: £1,612) for travel expenses.

11 Employees

The average monthly number of employees during the year was:

	2021	2020
	Number	Number
Supported accommodation and domiciliary care	1,106	1,094
Management and administrative staff	59	59
Total	1,165	1,153

Employment costs

	2021	2020
	£	£
Wages and salaries	22,429,562	20,782,203
Social security costs	1,755,832	1,539,018
Other pension costs	545,302	526,118
	24,730,696	22,847,339

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

11 Employees

(Continued)

The number of employees whose annual remuneration was £60,000 or more were:

	2021 Number	2020 Number
£60,000 - £70,000	1	1
£70,000 - £80,000	1	1

Key management personnel

The key management personnel of the charity during the period are noted in the trustees report.

The total emoluments and benefits received by the key management personnel during the year was £581,338 (2020: £418,629).

Redundancy costs incurred during the year totalled £nil (2020: £146,879). At year end redundancy costs of £nil (2020: £116,274) were outstanding.

12 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost					
At 1 April 2020	2,473,125	35,507	508,456	13,995	3,031,083
At 31 March 2021	2,473,125	35,507	508,456	13,995	3,031,083
Depreciation and impairment					
At 1 April 2020	236,360	8,915	256,486	13,762	515,523
Depreciation charged in the year	36,898	10,294	97,392	233	144,817
At 31 March 2021	273,258	19,209	353,878	13,995	660,340
Carrying amount					
At 31 March 2021	2,199,867	16,298	154,578	-	2,370,743
At 31 March 2020	2,236,765	26,592	251,970	233	2,515,560

Freehold land and buildings with a carrying amount of £2,199,867 (2020 - £ 2,236,765) have been pledged to secure borrowings of the charity. The charity is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

13 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	3,983,547	3,552,608
Prepayments and accrued income	405,991	163,087
	<u>4,389,538</u>	<u>3,715,695</u>

14 Loans and overdrafts

	2021 £	2020 £
Bank overdrafts	48,406	351,937
Bank loans	283,669	370,930
	<u>332,075</u>	<u>722,867</u>
Payable within one year	130,653	434,184
Payable after one year	201,422	288,683

The long-term mortgage are secured by fixed charges over the charity's offices in Cardiff, Brecon, Llandrindod and Bangor.

The long term loan of £1,275,000 was agreed in March 2007 with a repayment term of 20 years. The interest rate is set at base plus 1.45%.

15 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Bank loans and overdrafts	14	130,653	434,184
Other taxation and social security		402,928	409,301
Deferred income	17	42,268	-
Trade creditors		96,181	478,154
Other creditors		130,833	2,170
Accruals		65,286	157,718
		<u>868,149</u>	<u>1,481,527</u>

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

16 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loans	14	201,422	288,683

The bank loan falling due after more than one year is the mortgage for Cardiff, Brecon, Llandrindod and Bangor offices.

17 Deferred income

	2021 £	2020 £
Other deferred income	42,268	-

	2021 £	2020 £
Brought forward	-	140,586
Income received in year	42,268	-
Income released in year	-	(140,586)
Carried forward	42,268	-

18 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £545,302 (2020 - £526,118).

Balances outstanding at year end totalled £88,434 (2020: £nil).

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

19 Restricted funds

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

	Movement in funds		Movement in funds		
	Incoming resources £	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Balance at 31 March 2021 £
HMRC Coronavirus Job Retention Scheme	-	-	339,267	(339,267)	-

HMRC Coronavirus Job Retention Scheme

Income received in relation to monthly submission made regarding the furlough scheme.

CARTREFI CYMRU CO-OPERATIVE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

20 Designated funds

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

	Balance at 1 April 2019 £	Resources expended £	Transfers £	Balance at 1 April 2020 £	Transfers £	Balance at 31 March 2021 £
Internal decoration	423,359	(49,992)	(286,463)	86,904	39,613	126,517
Furniture & equipment replacement	1,040,226	(165,011)	(705,520)	169,695	120,470	290,165
Future business development	134,861	(16,186)	(116,632)	2,043	628	2,671
Major repairs	-	(51,646)	174,892	123,246	26,279	149,525
Fire prevention	-	-	20,000	20,000	(20,000)	-
New services	-	-	50,000	50,000	(50,000)	-
Housing management	-	-	-	-	28,698	28,698
Laundry	-	-	-	-	9,531	9,531
Powys local authority fund	-	-	-	-	60,000	60,000
Roger McMahon - Pilots and new idea implementation	-	-	-	-	568,000	568,000
Strategy development	-	-	-	-	200,000	200,000
Salary increase mitigation provision	-	-	-	-	400,000	400,000
Pandemic preparation	-	-	-	-	100,000	100,000
Fixed asset fund	-	-	-	-	2,370,743	2,370,743
	<u>1,598,446</u>	<u>(282,835)</u>	<u>(863,723)</u>	<u>451,888</u>	<u>3,853,962</u>	<u>4,305,850</u>

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

20 Designated funds (Continued)

Internal decoration
Fund designated to cover future internal decoration costs.

Furniture & equipment replacement
Fund designated to cover furniture and equipment replacement in future periods.

Future business development
Fund designated to cover future strategy and development costs.

Major repairs
Fund designated to cover any significant repairs in future periods.

Fire prevention
Fund designated to cover costs of fire prevention in the charity's premises.

New services
Fund designated to cover start up costs of new projects.

Housing management
Funds designated to cover housing benefit related expenditure on behalf of people we support.

Laundry
Funds designated to cover washing machines on behalf of people we support.

Powys local authority fund
Funds designated for use within the Powys area.

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

20 Designated funds (Continued)

Roger McMahon - Pilots and new idea implementation

Funds designated to support pilots and new idea implementation across the charity.

Strategy development

Funds designated to support the development of strategy, including development of strategic development such as diversification or alliances.

Salary increase mitigation provision

Funds designated to ensure the charity can respond to changes in the national minimum wage or make other choices about salary without relying on immediate funding from local authorities. In part the fund will act as working capital.

Pandemic preparation

Funds designated to funding pandemic preparation such as procurement of PPE should another pandemic occur.

Fixed asset fund

Relates to the unrestricted net book value of the charity's fixed assets.

Transfers

Transfers relate to the clearing down of old balances held within designated funds and the new designations of additional funds earmarked by the trustees.

21 Analysis of net assets between funds

	Unrestricted Designated		Restricted		Total		Unrestricted Designated		Restricted		Total	
	2021	2021	2021	2021	2021	2021	2020	2020	2020	2020	2020	2020
	£	£	£	£	£	£	£	£	£	£	£	£
Fund balances at 31 March 2021 are represented by:												
Tangible assets	-	2,370,743	-	-	2,370,743	-	-	-	-	-	2,515,560	2,515,560
Current assets/(liabilities)	2,415,607	1,935,107	-	-	4,350,714	1,806,508	451,888	451,888	-	-	2,258,396	2,258,396
Long term liabilities	(201,422)	-	-	-	(201,422)	(288,683)	-	-	-	-	(288,683)	(288,683)
	2,214,185	4,305,850	-	-	6,520,035	4,033,385	451,888	451,888	-	-	4,485,273	4,485,273

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

22 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	30,784	37,278
Between two and five years	36,478	58,013
	<u>67,262</u>	<u>95,291</u>

23 Events after the reporting date

Property sale

The charity agreed a sale price of £275,000 for its Argoed property in February 2021. At the year end the date the sale is continuing to be handled by the charity's solicitors.

24 Related party transactions

During the year the charity incurred charges from Antur Waunfarw regarding the collection and shredding of paper totalling £115 (2020: £nil) at the year end amounts of £nil (2020: £nil) were outstanding. The organisations are related by the way of common trustees.

During the prior year the charity made a grant payment to The Co-Production and Involvement Network For Wales Ltd for £2,008 of which the organisations have a common director of Dr G Duncan. At 31st March 2020 no balance was outstanding. (2020 - none).

25 Cash generated from operations

	2021 £	2020 £
Surplus/(deficit) for the year	2,034,762	(1,241,292)
Adjustments for:		
Investment income recognised in statement of financial activities	(1,153)	(1,579)
(Gain)/loss on disposal of tangible fixed assets	-	130,925
Depreciation and impairment of tangible fixed assets	144,817	209,791
Movements in working capital:		
(Increase) in debtors	(673,843)	(473,896)
(Decrease)/increase in creditors	(352,115)	457,984
Increase/(decrease) in deferred income	42,268	(140,586)
Cash generated from/(absorbed by) operations	<u>1,194,736</u>	<u>(1,058,653)</u>

CARTREFI CYMRU CO-OPERATIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

26 Analysis of changes in net funds/(debt)

	At 1 April 2020	Cash flowsAt 31 March 2021	
	£	£	£
Cash at bank and in hand	24,228	805,097	829,325
Bank overdrafts	(351,937)	303,531	(48,406)
	<u>(327,709)</u>	<u>1,108,628</u>	<u>780,919</u>
Loans falling due within one year	(82,247)	-	(82,247)
Loans falling due after more than one year	(288,683)	87,261	(201,422)
	<u>(698,639)</u>	<u>1,195,889</u>	<u>497,250</u>

