

Financial Statements

For year ended

31 March 2015



CARTREFI CYMUNEDOL GWYNEDD CYF

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

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CARTREFI CYMUNEDOL GWYNEDD CYF

BOARD MEMBERS AND PROFESSIONAL ADVISORS

BOARD MEMBERS

Claire Russell Griffiths (Chair)
Medwyn Hughes (Vice Chair) (Appointed October 2014)
Margaret Bracegirdle
John Glyn Jones (Deceased – May 2015)
Brian Jones (Resigned – August 2014)
Anne Lloyd-Jones
Sharon Warnes (Appointed June 2014, Resigned February 2015)
Michael Sol Owen
Stephen Churchman (Appointed – November 2014)
Sian Gwenllian (Appointed July 2014, Resigned September 2014)
John Wyn Williams (Appointed – February 2015)
Nerys Williams
Arwel Jones (Resigned – September 2014)
David Halsall
Anne Foote
Ioan Thomas (Appointed January 2015, Resigned January 2015)

Secretary and Registered Office

Rhys Evans
Unit 6 & 7,
Llys Castan, Parc Menai,
Bangor, Gwynedd
LL57 4FH

Executive Officers

Ffrancon Williams - Chief Executive
Mick Butler – Director of Assets and Investments (Resigned December 2014)
Paul McGrady – Director of Resources (Commenced June 2015)
Ian Atkinson – Director of Assets and Infrastructure (Commenced June 2015)

External Auditors

Beever and Struthers
St George's House,
215-219 Chester Road,
Manchester
M15 4JE

Solicitors

Trowers & Hamblins
Sceptre Court,
40 Tower Hill,
LONDON
EC3N 4DX

Bankers

Barclays Bank plc
3rd Floor,
Windsor Court,
3 Windsor Place,
Cardiff
CF10 3ZL

Funders

Barclays Bank plc
3rd Floor,
Windsor Court,
3 Windsor Place,
Cardiff
CF10 3ZL

Financial Advisors

Sector Treasury Services Ltd
The Registry,
34 Beckenham Road,
Beckenham
BR3 4TU

Cartrefi Cymunedol Gwynedd Cyfyngedig is Co-operative and Community Benefit Society registered with charitable rules, Co-operative and Community Benefit Society Number:30776R. Registered Social Landlord number L152.

CARTREFI CYMUNEDOL GWYNEDD CYF

Board Report for the Year 1 April 2014 to 31 March 2015

The Board of Cartrefi Cymunedol Gwynedd Cyf presents this report and the audited financial statements for the year 1 April 2014 to 31 March 2015.

Throughout the report and Financial Statements 'CCG' or 'Association' has been used to refer to Cartrefi Cymunedol Gwynedd Cyf.

Principal Activities

CCG is a Large Scale Voluntary Transfer Housing Association formed in April 2010 following the transfer of some 6,300 homes from Gwynedd Council. CCG is an Co-operative and Community Benefit Society registered with charitable rules. As a Registered Social Landlord, CCG is regulated by the Welsh Government.

CCG's primary purpose is to provide affordable rented homes within the County of Gwynedd to those in housing need.

On the 31 March 2015 CCG had a total of 6,265 properties throughout the Gwynedd area, with the vast majority of these located in the Arfon area.

CCG's stock is mainly concentrated in the city of Bangor and the largest settlement towns of Caernarfon, Pwllheli, Blaenau Ffestiniog, Dolgellau, Bala and Tywyn many properties are also spread across a wide area of the County in villages and isolated rural locations.

Within the current stock there are around 400 homes designated as Sheltered Housing for older tenants, for tenants living in such properties, wardens are employed to help ensure that tenants can enjoy as much independence as possible.

During the first five years of operation, CCG prioritised the delivery of the Offer Document promises made to tenants on transfer, and with the fifth anniversary of the transfer on the horizon, the 2014/15 financial year saw the final push to ensure the successful completion of the promises. The vast majority were completed at the end of March. The main, core promise of bringing our homes to the Welsh Housing Quality Standard (WHQS) by 2015 was well on track to be completed, with the final phase of the programme aiming to be completed by September 2015.

Objectives and strategies

During the financial year, the Board turned their attention to the next five years, and the next phase in CCG's development. The plan, finally agreed in February 2015, provided the Board opportunity to reflect and look forward to the future, and in doing so the organisation's Vision and Values were reviewed.

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The new, revised Vision is;

To be a leading provider of quality housing – meeting the needs of customers, valuing communities

This new vision is supported up by a number of new core values;

- **Fair** – Make consistent and objective decisions which promote equality and respect diversity
- **Accountable** – Be effective and take responsibility for the decisions we make and the things we do
- **Open** – Be honest and transparent in everything we do
- **Innovative** – Be ambitious and open to new ideas and new ways of working
- **Approachable** – Be accessible and easy to work with at all times

The 2015/20 Corporate Plan sets out the strategy for CCG for the next 5 years, and as such will determine;

- the priorities for the Board and staff to deliver,
- what we invest our time and resources in delivering, and
- the framework governing our decisions and monitoring our progress.

The Plan includes a set of four key themes and four goals;

- **Customers** – We will aim to meet the needs of our customers and encourage their involvement in shaping how services are designed and delivered
- **Development and Growth** – Grow as a business to ensure our long term viability
- **Assets** – Manage our assets to sustain their value and maximise income and to ensure they meet our customers' needs
- **Sustainable Communities** – Promoting sustainable communities by working in partnership to deliver effective services

These themes and goals are supported by 14 detailed objectives, with the plan as a whole underpinned by 6 principles designed to help guide its delivery;

- **Finance and Governance**
- **People and Technology**
- **Communication**
- **Partnership**
- **Value for Money**
- **Health, Safety, Quality and Environment (HSQE)**

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Progress against the delivery of the plan is to be monitored through a reviewed Performance Management Framework.

Financial Review

Financial Viability Assessment

The Welsh Ministers have powers under section 33A of the Housing Act 1996 to regulate RSLs in Wales in relation to the provision of housing and matters relating to governance and financial management. Regulatory assessments undertaken follow a risk based approach which seeks to make a judgement relating to the financial viability of the Association.

Following the Welsh Ministers review they concluded that CCG's Financial Viability Judgement as at 27 February 2015 was 'Pass with closer regulatory monitoring'. This is defined as that;

“the Association has adequate resources to meet its current and forecasted future business and financial commitments, but there are one or more areas which warrant closer regulatory monitoring to ensure its financial viability remains sound.”

The Regulator's judgement was mainly explained as;

- *CCG has prepared the 30 year financial forecasts using a reasonable set of assumptions, however, the regulation team was concerned as the Association has reduced capacity at executive level.*

**By the end of the financial year two new Directors had been appointed (Director of Resources and Director of Assets and Infrastructure), with both due to take up their roles early in the 2015/16 financial year.*

- *CCG has adequate secured loan facilities in place in order to fund its forecasted spending on property maintenance and improvements, and it has sufficient income generating ability to service and repay such borrowings.*
- *CCG's 30 year forecast shows the Association operating close to its covenants in the short to medium term.*
- *CCG has adequate private financing in place to fund its forecasted spending on property maintenance and improvements, and it has sufficient income generating ability to service such borrowings.*

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Financial Performance

The financial results for the fifth year of operation compare well to our fifth year business plan, with a surplus on ordinary activities for the year of £5.3m. This surplus is after receipt of dowry for the year from WG of £4.1m.

CCG had net tangible fixed assets of £101.5m at the year end, being the cumulative cost of improvement works carried out since transfer, net of capital grants received. There were net current liabilities £11.24 at the year end, mainly due to accrued expenditure, £13.0m of bank loans which are repayable during 2015/16 and a liability on the local government pension scheme fund of £2.8m. Revenue reserves at the year end amounted to £35.3m, which will be retained within CCG to fund future improvement works.

The balance of loans outstanding stood at £68.0m at the year end, made up of seven fixed rate loans, totalling £55.0m which are repayable in October 2018 (£6m), October 2021 (£5m), October 2022 (£4m), April 2031 (£5m), April 2032 (£8m), April 2033 (£12m) and April 2034 (£15m) and £13.0m in variable rate loans which are repayable during 2015/16. The loans were drawn down under an £82.0m facility arrangement with Barclays Bank.

Assets

There was significant investment in improvement works in the year, with expenditure of £29.6m. Together with the £89.0m spent in the previous four years, this expenditure represents around 97% of the planned investment in the first five years of operation required to deliver CCG's substantial WHQS improvement programme. The remaining £3.6m of expenditure required to complete the WHQS programme will be incurred during the first six months of 2015/16.

Rents

CCG implemented the Welsh Government's policy on Social Housing Rents in 2014/15. This replaced the previous rent setting policy which operated since the transfer of the housing stock from the Council in 2010. The new policy determines an average rent band for the Association into which the average actual rent charged must fall. Inflationary increases are based on the Consumer Prices Index plus 1.5% but the Association can increase the rents by a further £2 per week for all or part of the stock if it is deemed necessary in order to fund business plan commitments. In 2014/15 the average actual rent rose by 5.36%. The total rent charged in the year totalled £25.26m.

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Right to Buy/Acquire

The Offer Document noted that tenants who transferred to CCG from Gwynedd Council would have a 'preserved right to buy' rights. During the year a total of 8 right to buy sales were completed, the proceeds of which have been incorporated into the 2014/15 revenue accounts.

New tenants since transfer do not have the same right to buy rights as transferred tenants, however, under certain criteria they may be able to purchase their homes through the 'right to acquire' process, which is based on a grant rather than a discount. To date CCG has not sold any properties under the right to acquire.

Operational Review

With the fifth anniversary of CCG coming soon after the end of the 2014/15 Financial Year and the development of the new Corporate Plan, the Board has had opportunity to reflect and take stock on achievements since transfer.

Strategically, 2014/15 was a key milestone, CCG has significantly rooted and developed and is now strongly placed to move forwards into the next phase of evolution.

Key achievements and operational priorities 2014/15

Operational priorities and key achievements within the year included;

- Supporting sustainable tenancies focusing on ensuring that both CCG as an organisation and our tenants were well placed to face the challenges in sustaining rental income due to the Welfare Reform changes. These changes are a major challenge for both our tenants and for CCG as a business, however, a proactive approach has enabled the impact to be managed and rental income performance indicators remain healthy.
- Achieving OHSAS 18001 accreditation for Health and Safety, and ISO 9001 and 14001 accreditation for Quality Systems Environment respectively in respect of the integrated Health, Safety, Quality and Environment (HSQE) system designed to enable the association to better manage health, safety and environmental issues.
- The continued successful mobilisation and partnership working with CCG's delivery partners ensured that progress on achieving WHQS remained on course for completion in September 2015, at 31 March 2015 the number of elemental completions since transfer were as follows;

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Element	Total	Pass	%Pass	To complete
Bathroom	6253	5989	95.78%	264
Doors	6262	6057	96.73%	205
Electrics	6253	5912	94.55%	341
External Elements	5164	4063	78.68%	1101
Heating	6253	5987	95.75%	266
Kitchen	6253	5979	95.62%	274
Roof	5138	4583	89.20%	555
Windows	5160	5157	99.94%	3

- The WHQS improvement programme continued to provide local economic benefits, at the end of March 2015, a total of 257 staff were employed on the WHQS improvement programme, with 248 (96%) from the North Wales area, including 169 (66%) from Gwynedd. The Targeted Recruitment & Training Unit continued to work with the contractors to ensure that 24 trainees were engaged on the programme at the end of March 2015
- CCG's first Development Strategy was produced; the strategy outlines the approach to embarking on a programme of carefully managed growth, with the aim of developing 225 new homes by 2020 to widen the choice available to meet community needs. The Strategy is supported by a clear framework for risk management and a robust process for business planning and financial capacity. will see 225 includes supported by:
- Having agreed the Development Strategy, swift steps were taken to move to the implementation stage. Planning permission was secured for 18 new homes across three sites, two in the Maesgeirchen area of Bangor and one in Pwyllheli. Having secured Social Housing Grants through Gwynedd Council, work on the properties was due to commence early in the new financial year. The new homes will be efficient to level three of the Code for Sustainable Homes, as well as meeting the standards for Secure by Design.
- The fourth Tenant Satisfaction Survey was undertaken, the results showed continued improvement in some key areas, whilst also focusing on areas for improvement. Again, the results formed a key part of the evidence used by Board for the annual Self Assessment exercise shared with the Regulator.

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- CCG once again received national recognition for the unique procurement model developed as a part of the WHQS investment programme in the Welsh National Procurement Awards. Organised as the pinnacle to Bangor University's Institute for Competition and Procurement Studies' annual Welsh Procurement Week and supported by the Welsh Government, the awards recognise and reward excellence in public procurement. Having won the Outstanding Contribution Award last year, CCG this year scooped the Community Benefit award for our work in ensuring communities across Gwynedd benefits from work carried out under the WHQS investment programme.
- The CCG Community Investment Fund supported a total of 29 community based organisations to develop a range of projects across the Gwynedd area – the total grant awarded was £212,875, this helped the organisations secure a further investment of over £2.6million in the community projects through 'match funding'.
- CCG has continued to build upon the suite of strategic and operational policies and procedures. Key strategies developed or reviewed during the year included the Communication, Procurement, Value for Money and Land Management Strategies.

These key achievements are consistent with the Future Developments identified within the 2014/15 Board Report

During the forthcoming year, CCG will strive to continue building on the achievements since transfer and strengthen as an organisation further. Particular focus will be on the commencement of the implementation of the organisation's five year corporate plan through a process of change and programme management.

Governance and Regulatory Overview

Housing Association Regulatory Assessment

Part 2 of the Housing (Wales) Measure 2011 (the Measure), which amends Part 1 of the Housing Act 1996 gives powers to the Welsh Ministers to regulate RSL's in Wales. The measure provides the Welsh Ministers with enhanced regulatory and intervention powers.

During the final stages of the financial year, the Welsh Government Housing Regulation Team undertook Regulatory Assessment (RA) on behalf of the Welsh Ministers. The Regulatory Assessment is designed to provide CCG, tenants, service users and other stakeholders with an understanding of how well we are performing, at a specific moment in time, against the delivery outcomes relating to:

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- Landlord services
- Governance
- Financial management

The RA was undertaken in accordance with the risk-based approach to regulation set out in 'The Regulatory Framework' and associated guidance '*Improving the implementation of the Regulatory Framework: a risk based approach to regulation*' and '*Sector risks facing housing associations in Wales*'.

The Regulator utilises information and knowledge gained through ongoing regulatory engagement with CCG, together with information provided to inform regulatory opinion.

The final report is anticipated early in the new financial year.

Charter for Good Governance and the Code of Governance

The Board continued to follow the Community Housing Cymru's (CHC's) Charter for Good Governance which has been developed to demonstrate a visible commitment to good governance.

In February 2015, CHC, in partnership with the Welsh Government launched the sector Code of Governance. Although the Code draws heavily upon the CHC Charter for Good Governance, it includes a set of explicit overriding principles with detailed provisions sitting underneath; the aim of the Code is to encourage all Associations to strive for the highest standards of Governance.

The Board will, over the coming financial year, aim to demonstrate compliance with the Code by delivering the Governance action plan which will further assist in ensuring robust Governance structures.

Board and Committee structure

CCG's Rules dictate that the Board is to be made up of twelve members, comprising four tenants, four Local Authority nominees, and four independents; all are Non-Executive Directors of CCG. Members are from a wide background, bringing a range of professional, commercial and local experiences to CCG. The members of the Board of Management and the Executive Management Team who served during the year are set out on page 1.

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In order to enable the Board to maintain a focus on the policy framework and the overall strategic direction of CCG, four committees with delegated powers have been established to enable effective scrutiny of more operational issues, the current committee structure comprises of :

- Audit Committee
- Finance Committee
- Operations Committee
- Human Resources & Remuneration Committee

The roles and powers of the committees are defined within the Standing Orders.

It is anticipated that over the next financial year, the structure will be reviewed to ensure that it is supportive of CCG's future requirements and shows alignment with the expectations outlined in the Code of Governance.

Statement of Board responsibilities

The Co-operative and Community Benefit Societies Act requires the Board to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Association and of the surplus of the Association for that period. In preparing these accounts the Board are required to:-

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed;
- Prepare the accounts on the going concern basis unless it is inappropriate.

The Board are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Association and to enable them to ensure that the accounts comply with the Co-operative and Community Benefit Societies Act and Housing Acts. In determining how amounts are presented within items in the income and expenditure account and balance sheet, the Board has had regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles or practice. They are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities, by establishing and maintaining a satisfactory system of control over the Association's accounting records, cash holdings and all its receipts and remittances.

The Board is responsible for the Association's strategy and policy framework, but delegates the day to day management and implementation to the Chief Executive and the Executive Management team.

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Board Development Framework

The Board Development Framework, adopted in May 2013, is seen as a key component in enabling the Board to continue to provide the necessary strategic leadership for the organisation. The Framework will ensure that CCG respond to increasing expectations placed upon members in the future, through focussing on matters relating to Board recruitment, evaluation, training and succession planning.

Shareholder membership

At the end of the year, CCG had a total of 48 shareholders, each member having a £1 share in CCG. Shareholders are able to influence decision making within the Association through their right to vote at the Annual General meeting, all tenants have the right to apply to become shareholders.

The Local Authority hold one share capital on behalf of the Local Authority nominees on the Board, and the remaining Board members are all shareholders. None of the senior officers hold any interest in the share capital of the Association.

Internal Control

The Board has overall responsibility for establishing and maintaining the overall system of internal control and reviewing its effectiveness.

The Board recognises that no system of internal control can provide absolute assurance against material misstatement or loss or eliminate all risk of failure to achieve business objectives. The system of internal control is designed to manage key risks and to provide reasonable assurance that planned business objectives and outcomes are achieved. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of the Association's assets and interests.

In meeting its responsibilities, the Board has adopted a risk-based approach to internal controls which are embedded within general management and governance processes. This approach includes the regular evaluation of the nature and extent of risks to which the Association is exposed and is consistent with WG's RSL02/10 housing circular: 'Internal controls and reporting'.

The process adopted by the Board in reviewing the effectiveness of the system of internal control, together with some of the key elements of the control framework includes:

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Identification and evaluation of key risks:

CCG's Risk Management Framework, agreed by the Board during the financial year outlines the processes involved in Risk Management, outlining the identification, analysis and scoring steps as well as how risks are monitored within the organisation. The framework refers to three levels of risk, being strategic, corporate and service based risks.

In order to ensure a consistent approach to scoring, a scoring matrix was also developed as part of the framework which provides a comprehensive tool for assessing the probability of a risk occurring as well as the impact of such a risk. The impact scoring matrix is split into three areas to ensure clarity, these being cost, time and quality impacts.

The Strategy provides for the regular reporting of risk to the Audit Committee.

The internal audit function, which is provided by an independent firm of accountants, follows a risk-based audit programme, and reports directly to the Audit Committee.

Overall control procedures:

The Board retains responsibility for a defined range of issues covering strategic, operational, and financial and compliance issues. Policies and procedures cover issues such as delegated authority, segregation of duties, accounting, treasury management, health and safety, data and asset protection and fraud prevention and detection.

Information and financial reporting systems:

Financial reporting procedures include detailed budgets for the year ahead, detailed management accounts produced monthly and forecasts for the remainder of the financial year and for subsequent years. These are reviewed in detail by the executive directors and are considered and approved by the Finance Committee quarterly (and are forwarded to our Funders as part of the loan facility agreement). The Operations Committee also regularly reviews key performance indicators to assess progress towards the achievement of key business objectives, targets and outcomes.

Monitoring and corrective action:

A process of regular management reporting on control issues provides assurance to senior management and Audit Committee. This includes a rigorous procedure for ensuring that corrective action is taken in relation to any significant control issues, particularly those that may have a material impact on the financial statements and delivery of our services.

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The internal control framework and the risk management process are subject to regular review by Internal Audit who report to the Audit Committee. The Audit Committee considers internal control and risk at each of its meetings during the year, and will routinely review a number of operational risk maps.

The Audit Committee conducts an annual review of the effectiveness of the system of internal control and has taken account of any changes needed to maintain the effectiveness of risk management and control process.

The Board confirms that there is an on-going process for identifying, and managing significant risks faced by the Association. This process has been in place throughout the year under review, up to the date of the annual report and accounts, and is regularly reviewed by the Board.

Statement of compliance

This Operating and Financial Review has been prepared in accordance with the principles set out in Para 33 and 34 of the 2010 SORP Update for registered providers.

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Report to Members of

Cartrefi Cymunedol Gwynedd Cyf.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CARTREFI CYMUNEDOL GWYNEDD CYF

We have audited the financial statements which comprise the income and expenditure account, the statement of total recognised surpluses and deficits, the balance sheet, the cash flow statement and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Association's members, as a body, in accordance with Section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Association'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 Association and the Association's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of the Board and the Auditor

As explained more fully in the Statement of Board's Responsibilities set out on page 10, the Board is responsible for the preparation of the financial statements which give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Association's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Board; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Board Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 March 2015 and of its income and expenditure for the period then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Policy
- have been properly prepared in accordance with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Requirements for Registered Social Landlords General Determination (Wales) 2009.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 require us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- the association has not kept proper accounting records; or
- the financial statements are not in agreement with the books of account; or
- we have not received all the information and explanations we need for our audit.

Beever and Struthers

Chartered Accountants and Statutory Auditors

St George's House

215 – 219 Chester Road

Manchester

M15 4JE

Date 16 September 2015

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

Income and Expenditure Account

For the Year 1 April 2014 to 31 March 2015

	Notes	2015 £'000	2014 £'000
Turnover	2	29,721	27,999
Operating Costs	2	(22,114)	(20,520)
Operating Surplus		7,607	7,479
Surplus on Sale of Fixed Assets		1,015	495
Interest Receivable and Similar Income	4	128	21
Interest Payable and Similar Charges	4	(3,413)	(2,231)
Surplus on Ordinary Activities for the Year	5	5,337	5,764

All amounts relate to continuing activities.

The above surpluses are the historical cost surpluses.

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

Statement of Total Recognised Surpluses and Deficits

For the Year 1 April 2014 to 31 March 2015

	Notes	2015 £'000	2014 £'000
Surplus for the Year		5,337	5,764
Actuarial Gain (Loss)	18	(1,729)	154
Total Recognised Surplus for the Year		3,608	5,918

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Balance Sheet As at 31 March 2015

	Notes	2015 £'000	2015 £'000	2014 £'000	2014 £'000
Tangible Fixed Assets					
Housing Properties at Cost less Depreciation	6	100,903		79,985	
Other Grants	6	<u>(815)</u>		<u>(815)</u>	
			100,088		79,170
Other Tangible Fixed Assets	7		<u>1,397</u>		<u>1,566</u>
			101,485		80,736
Current Assets					
Debtors (including prepayments)	8	3,197		2,651	
Properties Held for Sale		25		-	
Stock	9	41		26	
Work in Progress	10	7,726		3,608	
Cash at Bank and in Hand	11	<u>2,680</u>		<u>977</u>	
			13,669		7,262
Current Liabilities					
Creditors : Amounts Falling Due Within One Year	12		(21,724)		(20,470)
Provisions	13		<u>(328)</u>		<u>-</u>
Net Current Liabilities excluding Pension (Liability)			(8,383)		(13,208)
Pension (Liability)	18		(2,836)		(870)
Net Current Liabilities Including Pension (Liability)			(11,219)		(14,078)
Creditors : Amounts Falling Due after more than 1 Year	14		(55,000)		(35,000)
NET ASSETS			<u>35,266</u>		<u>31,658</u>
Represented By :					
Non Equity Share Capital	15		-		-
Pension Reserve	18		(2,836)		(870)
Designated Reserves	16		146		726
Revenue Reserves	16		<u>37,956</u>		<u>31,802</u>
			<u>35,266</u>		<u>31,658</u>

The financial statements on pages 16 to 36 were approved and authorised for issue by the Board on 16 September 2015 and were signed on its behalf by:

 Claire Russell Griffiths – Chair

 Medwyn Hughes – Vice Chair

 Rhys Evans – Secretary

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

Cash Flow Statement
For the Year Ended 31 March 2015

	Notes	2015 £'000	2015 £'000	2014 £'000	2014 £'000
Net Cash Inflow from Operating Activities			8,849		13,928
Returns on Investments and Servicing Finance					
Interest Received		12		14	
Interest Paid on Loans		(3,413)	(3,401)	(2,231)	(2,217)
Net Cash Flow from Returns on Investments and Servicing of Finance			5,448		11,711
Capital Expenditure					
Purchase and Construction of Housing Properties		(25,982)		(34,077)	
Purchase of Other Fixed Assets		(216)		(246)	
Capital Grants Received		1,245		120	
Sales of Properties		1,208		517	
Sales of Other Fixed Assets		-	(23,745)	-	(33,686)
Net Cash (Outflow) before Use of Liquid Resources and Financing	21		(18,297)		(21,975)
Management of Liquid Resources					
(Increase) / Decrease in Short Term Deposits			-		1,903
Financing					
Loan Advances Received		37,000		19,000	
Loan Principal Repayments		(17,000)		-	
Net Cash Inflow from Financing			20,000		19,000
Increase / (Decrease) in Cash			1,703		(1,072)

CARTREFI CYMUNEDOL GWYNEDD CYF
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

Reconciliation of Operating Surpluses to Net Cash Inflow from Operating Activities

	2015	2014
	£'000	£'000
Operating Surplus	7,607	7,479
Depreciation of Tangible Fixed Assets	5,232	4,143
Government Grants Utilised in the Year	(37)	-
Difference Between Pension Charge and Cash Contributions	353	267
Working Capital Movements:		
Decrease in Stock	(15)	7
(Increase) in Debtors	(546)	(391)
(Increase) in Work in Progress	(4,118)	958
Increase / (Decrease) in Creditors	45	1,465
Increase / (Decrease) in Provisions	328	-
Net Cash Inflow from Operating Activities	8,849	13,928

Reconciliation of Net Cash Flow to Movement in Net Debt

	2015	2014
	£'000	£'000
Increase in cash in the year	1,703	(1,072)
Cash flow from Changes in Debt	(20,000)	(19,000)
Cash flow from Management of Liquid Resources	-	(1,903)
Movement in Net Debt in Year	(18,297)	(21,975)
Net Debt at Commencement of Year	(47,023)	(25,048)
Net Debt at End of Year	(65,320)	(47,023)

CARTREFI CYMUNEDOL GWYNEDD CYF
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

Notes to the Financial Statements

1. PRINCIPAL ACCOUNTING POLICIES

Cartrefi Cymunedol Gwynedd is incorporated under the Co-operative and Community Benefit Societies Act 2014 and is registered with the Welsh Government as a Registered Provider of social housing.

Basis of accounting

The financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards and the Statement of Recommended Practice: Accounting by Registered Social Landlords (updated in 2010) of the United Kingdom. The accounts comply with the Accounting Requirements for Registered Social Landlords General Determination (Wales) 2009. The accounts are prepared on the historical cost basis of accounting as modified by the revaluation of investments.

Turnover

Turnover comprises:

- Rent and service charges receivable net of empty property voids;
- Grants from the Welsh Government;
- Fees and
- Revenue grants.

Fixed Assets and depreciation

The Association depreciates its housing properties in accordance with the Statement of Recommended Practice (SORP) "Accounting by Registered Social Landlords".

Housing properties under construction are stated at cost and are not depreciated. These are reclassified as housing properties on practical completion of construction.

Freehold land is not depreciated.

Freehold housing properties are depreciated by component on a straight-line basis over the estimated useful economic lives of the component categories.

Useful economic lives for identified components are as follows:

Component	Years
Building Structures	80 years
Roofing	60 years
Windows and Doors	30 years
Central Heating	20 years
Kitchens	15 years
Bathroom	25 years
Electrical Wiring	30 years
Walls and Other External Works	50 years
Disabled Adaptations	10 years

CARTREFI CYMUNEDOL GWYNEDD CYF
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

Depreciation is charged over the expected useful life of assets related to estates and other land as follows:

Asset	Years
Fencing	40 years
Paths	30 years
Drainage	30 years
Parking Areas	30 years
Street Lighting	20 years

Depreciation is charged over the expected useful economic life of other fixed assets as follows:

Asset	Years
Offices	15 to 80 years
Garages	30 to 60 years
Shops	15 to 80 years
Vehicles and Plant	3 years
IT Equipment	5 to 10 years

Impairment

Reviews for impairment of housing properties are carried out on an annual basis and any impairment in an income generating unit is recognised by a charge to the income and expenditure account. Impairment is recognised where the carrying value of an income generating unit exceeds the higher of its net realisable value or its value in use. An income generating unit could be a single property, but it is normally a group of properties whose income and expenditure can be separately identified. Impairment reviews are carried out on assets whose useful economic lives are expected to exceed 50 years in accordance with Financial Reporting Standard 11.

Government Grants

Government grants received to assist in the development or investment in housing properties are treated as follows:-

Grants received prior to 1 April 2014 are netted off the cost of the asset shown on the balance sheet and depreciation is calculated using the net value of the addition.

CARTREFI CYMUNEDOL GWYNEDD CYF
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

Grants received after the 1 April 2014 are treated in accordance with the Statement of Recommended Practice for Registered Social Housing Providers 2014. The asset is shown on the balance sheet at its gross cost with the annual depreciation charge based on the gross cost. The grant received is shown on the balance sheet as deferred income and credited as income to the Income & Expenditure account over a period of time, the allocation of the grant being based on the useful economic life of the property or the component of the property to which the grant relates.

Repairs and maintenance

The costs of repairs and maintenance are expensed as incurred on the basis of work done at the balance sheet date.

Operating leases

Costs in respect of operating leases are charged to the income and expenditure account as they are incurred.

Value Added Tax

The Association is registered for VAT. A large portion of its income including rental receipts is exempt for VAT purposes. Where VAT is not recoverable the expenditure for these activities is shown in the accounts inclusive of VAT, with the exception of all major repairs expenditure which is shown exclusive of VAT. The Association has been able to take advantage of the VAT Shelter relief that is available to it.

Provisions

Provisions are recognised where uncertainty exists regarding the timing or amount that may be required to settle potential liabilities. Any amounts provided are charged to the income and expenditure account and credited to the balance sheet based upon the Associations best estimate of potential liabilities.

Pensions

The Association participates in two pension schemes :-

The Local Government Pension Scheme (LGPS), a defined benefits scheme managed by Gwynedd Council. Contributions are assessed in accordance with the advice of an independent qualified actuary. Certain information concerning the assets, liabilities, income and expenditure relating to the LGPS Scheme are disclosed in accordance with Financial Reporting Standard No.17 – Retirement Benefits.

CARTREFI CYMUNEDOL GWYNEDD CYF

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

The Social Housing Pension Scheme (SHPS) is a defined contribution scheme managed by the Pensions Trust. Contributions are charged to the Income and Expenditure account based on the actual payments made to the scheme in the form of employer contributions.

Designated reserves

Cartrefi Cymunedol Gwynedd designates those reserves which have been set aside for uses which prevent them, in the judgement of the Board, from being regarded as part of the free reserves of the Association.

Service charges

Cartrefi Cymunedol Gwynedd operates both fixed and variable service charges on a scheme by scheme basis in full consultation with residents. Where variable service charges are used the charges will include an allowance for the surplus or deficit from prior years, with the surplus being returned to residents by a reduced charge and a deficit being recovered by a higher charge. Until these are returned or recovered they are held as creditors or debtors in the balance sheet.

Where periodic expenditure is required a provision may be built up over the years, in consultation with the residents. Until these costs are incurred this liability is held in the balance sheet within long term creditors.

Support income and costs including Supporting People income and costs

Supporting People (SP) contract income received from Administering Authorities is accounted for as SP income in the turnover note 2. The related support costs are matched against this income in the same note.

Support charges included in the rent are included in the income and expenditure from social housing lettings note 3 and matched against the relevant costs.

Loan finance issue costs

These are written off evenly over the life of the related loan. Loans are stated in the Balance Sheet at the amount of the net proceeds after issue, plus increases to account for any subsequent amounts written off. Where loans are redeemed during the year, any redemption penalty and any connected loan finance issue costs, are recognised in the income and expenditure account in the year in which the redemption took place.

Taxation

The Association has charitable status and is therefore not liable for Corporation Tax on its charitable activities.



CARTREFI CYMUNEDOL GWYNEDD CYF
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

2. TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

	2015 Turnover £'000	2015 Operating Costs £'000	2015 Operating Surplus £'000	2014 Turnover £'000	2014 Operating Costs £'000	2014 Operating Surplus £'000
SOCIAL HOUSING LETTINGS	29,371	(21,967)	7,404	27,618	(20,394)	7,224
OTHER SOCIAL HOUSING ACTIVITIES						
Supporting People contract income	120	(75)	45	127	(66)	61
NON-SOCIAL HOUSING ACTIVITIES						
Lettings of Shops and Other Land	108	(32)	76	101	(27)	74
Letting of Garages to Non Tenants	122	(40)	82	153	(33)	120
TOTAL	29,721	(22,114)	7,607	27,999	(20,520)	7,479



CARTREFI CYMUNEDOL GWYNEDD CYF
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

3. INCOME AND EXPENDITURE FROM SOCIAL HOUSING LETTINGS

	2015			2014		
	General Housing £'000	Supported Housing £'000	Total £'000	General Housing £'000	Supported Housing £'000	Total £'000
INCOME						
Rents	(23,296)	(1,293)	(24,589)	(21,635)	(1,193)	(22,828)
Service charges	(78)	(313)	(391)	(45)	(408)	(453)
Rents receivable	(23,374)	(1,606)	(24,980)	(21,680)	(1,601)	(23,281)
Service Level Agreement Income	(61)	(4)	(65)	(61)	(4)	(65)
Revenue Grants Received	(3,845)	(255)	(4,100)	(3,846)	(254)	(4,100)
Capital Grants Applied	(30)	(7)	(37)	-	-	-
Miscellaneous Income	(177)	(12)	(189)	(161)	(11)	(172)
TOTAL INCOME	(27,487)	(1,884)	(29,371)	(25,748)	(1,870)	(27,618)
EXPENDITURE						
Services	1,815	492	2,307	1,701	498	2,199
Management	7,087	707	7,794	7,321	491	7,812
Routine maintenance	4,185	188	4,373	4,537	202	4,739
Planned maintenance	2,467	1	2,468	1,726	13	1,739
Rent losses from bad debts	167	11	178	107	7	114
Depreciation of Housing Properties	4,611	236	4,847	3,705	86	3,791
TOTAL EXPENDITURE	20,332	1,635	21,967	19,097	1,297	20,394
OPERATING SURPLUS ON LETTINGS ACTIVITIES	(7,155)	(249)	(7,404)	(6,651)	(573)	(7,224)
Void Losses	940	41	981	956	143	1,099

CARTREFI CYMUNEDOL GWYNEDD CYF
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

4. INTEREST PAYABLE AND INTEREST RECEIVABLE

a. Interest Payable and Similar Charges		2015	2014
		£'000	£'000
On Loans		3,314	2,054
Non Utilisation Fees		99	177
TOTAL		3,413	2,231
b. Interest Receivable and Similar Income		2015	2014
		£'000	£'000
On Investments		12	14
Net Return on Pension Fund Investments		116	7
TOTAL		128	21

5. SURPLUS FOR THE YEAR

		2015	2014
		£'000	£'000
The operating surplus for the year is stated after charging:			
Auditor's Remuneration – In their capacity as auditors		16	17
Operating Lease Payments		341	263
Depreciation of Housing Properties		4,847	3,791
Depreciation of Other Assets		385	328

6. TANGIBLE FIXED ASSETS (HOUSING)

	Housing Properties Held for Letting	Assets Under Construction	Total
	2015	2015	2015
	£'000	£'000	£'000
Cost			
At Beginning of Year	85,897	-	85,897
Disposals	(201)	-	(201)
Additions	25,667	315	25,982
Transfer to Current Assets	(27)	-	(27)
Cost at End of Year	111,336	315	111,651
Grant			
At Beginning of Year	815	-	815
Grant Received	-	-	-
Grant at End of Year	815	-	815
Depreciation and Impairment			
At Beginning of Year	5,912	-	5,912
Disposals	(9)	-	(9)
Transfer to Current Assets	(2)	-	(2)
Charge for the Year	4,847	-	4,847
At End of Year	10,748	-	10,748
Net Book Value			
At End of Year	99,773	315	100,088
At Beginning of Year	79,170	-	79,170



CARTREFI CYMUNEDOL GWYNEDD CYF
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

7. OTHER TANGIBLE FIXED ASSETS

	Offices	Vehicles	Computers, Furniture and Office Equipment	2015 Total	Offices	Vehicles	Computers, Furniture and Office Equipment	2014 Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost								
At Beginning of Year	992	159	1,711	2,862	876	174	1,581	2,631
Additions	33	-	183	216	116	-	130	246
Disposals	-	-	-	-	-	(15)	-	(15)
Cost at End of Year	1,025	159	1,894	3,078	992	159	1,711	2,862
Depreciation								
At Beginning of Year	111	159	1,026	1,296	69	173	717	959
Charge for the Year	44	-	341	385	42	1	309	352
Disposals	-	-	-	-	-	(15)	-	(15)
At End of Year	155	159	1,367	1,681	111	159	1,026	1,296
Net Book Value								
At End of Year	870	-	527	1,397	881	-	685	1,566
At Beginning of Year	881	-	685	1,566	807	1	864	1,672

CARTREFI CYMUNEDOL GWYNEDD CYF
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

8. DEBTORS

	2015	2014
	£'000	£'000
Debtors Due Within One Year:		
Arrears of Rent and Service Charges	1,405	1,136
Less : Provision for Bad and Doubtful Debts	(685)	(628)
	720	508
Loans to Staff	1	3
Other Debtors and Prepayments	2,476	2,140
TOTAL	3,197	2,651

9. STOCK

	2015	2014
	£'000	£'000
Building Maintenance Unit Materials	40	25
Staff Benefit Vouchers	1	1
	41	26

10. WORK IN PROGRESS

	2015	2014
	£'000	£'000
WHQS Main Contractor	7,726	3,608
	7,726	3,608

11. CASH AND BANK DEPOSITS

	2015	2014
	£'000	£'000
Bank Deposits		
Instant Access Deposit Accounts	2,599	942
Current Bank Account and Cash in Hand	80	35
TOTAL	2,679	977

CARTREFI CYMUNEDOL GWYNEDD CYF
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

12. CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £'000	2014 £'000
Amounts falling due within one year:		
Trade creditors	4,170	4,391
Accruals and deferred income	2,819	2,400
Rent and Service Income Received in Advance	330	495
Grants Received but not Applied	1,349	184
Money Held on Behalf of Tenants	35	-
Miscellaneous	21	-
Loan repayments in one year or less	13,000	13,000
TOTAL	21,724	20,470

13. PROVISIONS

	Capital Contracts £'000	Employee Redundancy £'000	Total £'000
As at 1 April 2014	-	-	-
Provisions Made in Year	300	28	328
Provisions Released in the Year	-	-	-
As at 31 March 2015	300	28	328

14. CREDITORS : AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2015 £'000	2014 £'000
Loans not Repayable by Instalments		
Between 1 and 2 Years	-	-
Between 2 and 5 Years	6,000	6,000
Over 5 Years	49,000	29,000
TOTAL	55,000	35,000

Cartrefi Cymunedol Gwynedd has an agreed loan facility with its funders of up to £82m.

CARTREFI CYMUNEDOL GWYNEDD CYF
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

15. NON EQUITY SHARE CAPITAL

	2015
	£
Shares of £1 each, fully paid and issued at par	
At 1 April 2014	49
Shares Issued During the Year	4
Resignations During the Year	(5)
	48
At 31 March 2015	48

16. RESERVES

	Pension Reserve	Designated Reserves	Revenue Reserves	Total
	£'000	£'000	£'000	£'000
Balance at 1 April 2014	(870)	726	31,802	31,658
Transfer for the Year	(237)	(580)	817	-
Actuarial Gain for the Year	(1,729)	-	-	(1,729)
Surplus for the Year	-	-	5,337	5,337
	(2,836)	146	37,956	35,266
Balance at 31 March 2015	(2,836)	146	37,956	35,266

17. CAPITAL COMMITMENTS

	2015	2014
	£'000	£'000
Capital expenditure that has been contracted for but has not been provided for in the financial statements	5,561	13,465
Capital expenditure that has been authorised by the committee of management but has not yet been contracted for	0	1,515
TOTAL	5,561	14,980
	2015	2014
	£'000	£'000
Cartrefi Cymunedol Gwynedd expects these commitments to be financed with:		
Committed loan facilities	5,561	14,980
TOTAL	5,561	14,980

CARTREFI CYMUNEDOL GWYNEDD CYF
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

18. PENSION

The Association participates in two pension schemes:

Local Government Pension Scheme (LGPS)

Gwynedd Council pension scheme which is a defined benefit scheme based on final pensionable salary. Certain employees of the Association participated in the scheme prior to the stock transfer taking place and, as such, assets or liabilities attributable to these individuals were identified at the transfer date i.e. 12 April 2010. As part of the transfer agreement, liability for the proportion of the debt attributable to these employees that relates to the pre-transfer period rests with Gwynedd Council.

The gains and losses recognised by the Association therefore relate solely to the transfer period.

The most recent valuation was carried out at the 31st March 2013 and has been updated by independent actuaries to the scheme to take into account the requirements of FRS17 in order to assess the liabilities of the fund at 31st March 2014. Liabilities are valued on an actuarial basis using the projected unit method, which assesses the future liabilities discounted to their present value. The Association's contribution rate from 1st April 2014 to 31st March 2015 was 16.4% (18.5% in 2013/14) of the members pensionable pay.

The principal assumptions used by the independent qualified actuaries in updating the latest valuations of the fund for FRS17 purposes were:

Average Future Life Expectancy at Age 65	Males	Females
Current Pensioners	22.0 years	24.0 years
Future Pensioners	24.4 years	26.6 years
	% per annum	% per annum
	2015	2014
Pension Increase Rate	2.5%	2.9%
Salary Increase Rate	4.4%	4.7%
Expected Return on Assets	3.3%	5.9%
Discount Rate	3.3%	4.3%

CARTREFI CYMUNEDOL GWYNEDD CYF
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

	% per annum	Market Value	% per annum	Market Value
	2015	2015	2014	2014
		£'000		£'000
Expected Return on Assets				
Equities	3.3	8,862	6.6	6,904
Bonds	3.3	1,677	3.9	1,419
Property	3.3	1,198	4.8	946
Cash	3.3	240	3.7	189
		11,977		9,458

The following amounts were measured in accordance with the requirements of FRS17:

	2015	2014
	£'000	£'000
Fair Value of Employer Assets	11,977	9,458
Present Value of Defined Benefit Obligation	(14,813)	(10,328)
Total Scheme (Liability) / Asset	(2,836)	(870)

The movement in the net surplus is as follows:

	2015	2014
	£'000	£'000
Contributions Paid	1,009	1,222
Current Service Costs	(1,347)	(1,320)
Past Service Costs	(15)	(124)
Curtailments	-	(45)
Interest Cost	(479)	(400)
Expected Return on Employer Assets	595	407
Actuarial Gain / (Loss)	(1,729)	154
Net Movement in Year	(1,966)	(106)

	2015	2014
	£'000	£'000
Net Asset (Liability) at Commencement of Year	(870)	(764)
Net Movement in Year	(1,966)	(106)
Net Asset / (Liability) at Year End	(2,836)	(870)

CARTREFI CYMUNEDOL GWYNEDD CYF
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015
Social Housing Pension Scheme (SHPS)

The Association opened a Defined Contribution Scheme in May 2014. As at 31 March 2015, the Association had 8 active members contributing to the scheme. A further 5 members joined the scheme initially but opted out at a later date.

Total employer contributions in the year totalled £6,415

As the Association only operates a defined contribution scheme, its liability is limited to the value of the contributions made.

19. DIRECTORS EMOLUMENTS

	2015	2014
	£	£
The aggregate emoluments paid to or receivable by non executive Directors and former Directors.		-
The aggregate emoluments paid to or receivable by executive Directors and former Directors	181,301	327,831
The emoluments paid to the highest paid Director excluding pension contributions:	112,200	110,000
The aggregate amount of any compensation paid to Directors or former Directors during the year of account.	-	39,625
The aggregate amount of Directors or past Directors' pensions, excluding amounts payable under a properly funded pension scheme.	-	-
The aggregate amount of any consideration payable to or receivable by third parties for making available the services of a Director.	91,041	38,070

The Chief Executive is an ordinary member of the pension scheme. The Chief Executive's pension is a defined benefit scheme funded by annual contributions by the employer and employee. No enhanced or special terms apply. There are no additional pension arrangements.

Directors are defined as the members of the Board, the Chief Executive and any other person who is a member of the Executive Management Team or its equivalent.

20. EMPLOYEE INFORMATION

	2015	2014
	Number	Number
The average number of persons employed during the year expressed in full time equivalents (37 hours per week) is:		
Office staff	192	187
Manual Staff	58	66
Wardens, caretakers and cleaners	8	11
TOTAL	258	264

CARTREFI CYMUNEDOL GWYNEDD CYF
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

	2015	2014
	£'000	£'000
Wages and Salaries	7,075	7,509
Social Security Costs	502	513
Pension Costs	997	1,203
TOTAL	8,574	9,225

21. CASH FLOW STATEMENT NOTES

Analysis of Changes in Net Debt

	At 1 April 2014 £'000	Cash Flows £'000	At 31 March 2015 £'000
Cash at Bank and in Hand	<u>977</u>	<u>1,703</u>	<u>2,680</u>
Debt due in less than 1 year	(13,000)	0	(13,000)
Debt Due in more than 1 year	(35,000)	(20,000)	(55,000)
Bank Deposits	0	0	0
TOTAL	<u>(47,023)</u>	<u>(18,297)</u>	<u>(65,320)</u>

22. LEASES

As at the 31 March 2015 the Association had annual commitments under operating leases as follows:

	2015	2014
	£'000	£'000
Land and buildings which expire:-		
Leases expiring within the next year	5	5
Leases expiring in the second to fifth year	133	128
Leases expiring in more than five years	<u>-</u>	<u>-</u>
	138	133
Others, which expire: -		
Expiring within the next year	44	86
Expiring in the second to fifth year	220	24
Expiring in more than five years	<u>-</u>	<u>-</u>
	<u>264</u>	<u>110</u>
	<u>402</u>	<u>243</u>

CARTREFI CYMUNEDOL GWYNEDD CYF
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

23. TAXATION STATUS

The Association has charitable status.

24. UNITS

	31 March 2015	31 March 2014
Under management at end of year		
Housing accommodation	5,876	5,896
Supported housing	389	389
	6,265	6,285
	6,265	6,285

25. RELATED PARTY TRANSACTIONS

The Board comprises of 4 Councillors, 4 Tenants and 4 Independent members

Each tenant member has a normal protected assured tenancy agreement and they were not able to use their position to obtain any advantage.

All the transactions with Gwynedd Council are made at arms length in normal commercial terms and they cannot use their position to their advantage.