

Company registration number: 1296339

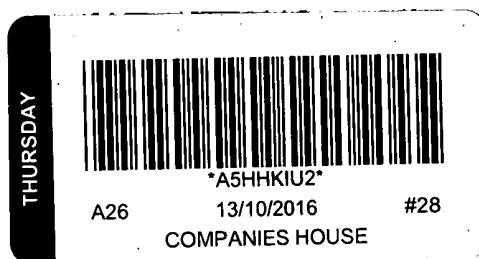
Charity registration number: 506076

ESGYN

**(A company limited by guarantee
and not having a share capital)**

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

Broomfield & Alexander Limited
Chartered Accountants & Statutory Auditors
Waters Lane Chambers
1-3 Waters Lane
Newport
NP20 1LA



ESGYN

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**ESGYN
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2016**

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2016 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 2015).

OBJECTIVES AND ACTIVITIES

Mission Statement:

Esgyn's agreed mission statement is:

"Helping people to become all that they want to be, and more."

Core values:

Respect	We work with equity and dignity, in a non-judgemental manner to empower individuals to reach their potential
Integrity	We are ethical, professional, committed and consistent; embracing and encouraging diversity
Flexibility	We are adaptable, enthusiastic, inspiring and innovative in the way we work

The main objectives and activities for the year continued to focus on the provision of quality support and housing services for people with mental health problems, or who required other forms of care and support to enable people to remain in their own homes.

Significant activities:

Public benefit - Ensuring our work delivers our objectives

We review our objectives and activities each year. This review looks at what we achieved and the outcome of our work in the previous 12 months. The review also helps us to ensure that we remain focused on our vision and mission and remain true to our aspirations. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

Summary of Esgyn's Statement of Purpose

Esgyn helps people to get on with life by providing a range of support and accommodation services to promote independent living. These include:

- Supported furnished accommodation
- Floating support services
- 24/7 supported housing services
- Shared supported accommodation for older people
- Intensive support for people leaving low security facilities
- Respite care
- Respite sitting services
- Bespoke care and support packages

**ESGYN
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2016**

The organisation provides support at home for people who have:

- Mental health issues
- Substance misuse issues
- Dementia and other degenerative conditions
- Complex needs
- Acquired brain injury

We also provide a full domiciliary care service.

In addition to Welsh Government funded Supporting People contracts, the organisation provides services which are commissioned and funded directly by local authorities and individually commissioned services via direct payments and private contracts.

ACHIEVEMENTS AND PERFORMANCE

On 12 September 2014, after several years of potential merger discussions, Esgyn merged into Gofal, a Welsh mental health and wellbeing charity providing services of a similar nature to Esgyn, as a fully owned subsidiary. As a result there have been significant changes to the governance and management of Esgyn. This is the most significant change in the organisation's history and the decision to merge was prompted by the financial position of the organisation following a third year of substantial deficit. On 31st March 2016 the charity was formally acquired by Gofal. All assets and liabilities and all staff and activity have been transferred to Gofal from this date. The intention of the Trustees is to formally wind the company down during the next financial year.

FINANCIAL REVIEW

The Statement of Financial Activities (SOFA) set out on page 9, shows the financial results for Esgyn.

Income

Overall income has decreased from £2.3m in 2014/15, to £2.1m in 2015/16, a decrease of 11%. Income from local authorities remains the greatest source of income for Esgyn. Notes 2 through to 6 of the notes the accounts provide more information on the different sources of income for the charity.

Expenditure

Resources expended have decreased from £2.5m in 2014/15 to £2.3m in 2015/16. There were a number of extraordinary items of expenditure in the prior year accounts and a recovery plan was implemented to reduce the level of expenditure from the date of merger. Note 7 to the accounts illustrates a matrix of the main areas of expenditure for each of Esgyn's service groups.

Net movement in funds

The net movement in total funds has resulted in a deficit of £238k for the year. The total funds balance as at the 31 March 2016 was nil as all assets and liabilities were transferred to Gofal at 31st March 2016.

Reserves policy

There was a reserves policy in place during the financial year. However, the decision was made during the financial year to transfer all the assets and liabilities of Esgyn to the parent company, Gofal. The Gofal reserve policy now incorporates the reserve policy provision for Esgyn. At the year end all the remaining reserves were transferred to Gofal. Note 17 illustrates the movements in reserves during the year.

**ESGYN
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2016**

General funds

At the end of the financial year, the general fund totalled nil due to all the assets and liabilities being transferred to Gofal.

Designated funds

At the end of the financial year, both of the designated funds in respect of capital fund and merger fund were transferred to Gofal totalling £201,641.

Restricted funds

There were no restricted funds during the year or at the end of the financial year.

Investment performance review

Investments brought forward at the beginning of the year of £3k were all disinvested during the financial year.

Investment income and bank interest totalled £104 for the year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Esgyn is a charitable company limited by guarantee and governed by its memorandum and articles of association (last amended 28th January 2015). Members of the Board of Trustees are also directors of the charity for the purposes of company law. The trustees who served during the year under review are listed on page 4.

Organisational structure

On 31st March 2016 Esgyn transferred all of its assets and liabilities to Gofal. Gofal is also a registered charity, number 1000889 and a company limited by guarantee, number 02546880. The Board of Esgyn reports to the Board of Gofal.

The Board of Trustees has overall responsibility for the strategic leadership, governance and appropriate management control of Esgyn. The board meets a minimum of four times a year.

Day to day leadership and management of Esgyn is delegated by the board to the Executive Director and senior leadership team.

With the notable exception of trustees, the charity does not significantly rely on the services of unpaid volunteers or donations from the general public.

Senior Leadership Team – Key Management Personnel

The senior leadership team is responsible for the day to day running of Gofal under authority delegated to it by the Board of Trustees. The senior leadership team participates at Board discussions about strategic direction supported by financial forecasts. It proposes the annual operating budget to the Board of Trustees for approval and monitors financial performance accordingly. The members of the senior leadership team are listed on page 5. The Board is responsible for the setting, review and monitoring of the senior leadership team. The Board ensures that salaries reflect the knowledge, skills and behaviours required for performance of the individuals in post. Salaries are benchmarked against the voluntary sector and local job markets.

**ESGYN
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2016**

Recruitment, induction and training of Trustees

New trustees join at the invitation of the board and are chosen with a view to ensuring that the Board contains an appropriate balance of skill, knowledge and experience relevant to the governance requirements of the organisation. Trustee vacancies are advertised as necessary. A sub-group of the Board of Trustees meet annually to review the composition of the Board and to act on any up-coming vacancies. New Trustee members are invited to spend time with members of the Senior Leadership team and to visit services in different areas to learn more about Esgyn. Additional training and updates are offered on a regular basis and presentations about services are a standard feature on the Board agenda.

Risk management

Esgyn has a risk management register which is monitored by the senior leadership team and reported annually to the board. Risk areas considered include:

- Governance and management
- Operational risks
- Financial risks
- Environmental and external factors
- Compliance risks
- Disaster recovery

Related parties

See note 20 and 21 of the financial statements for details of related party transactions. Trustees are required to complete a Conflict of Interest/Related Parties Disclosure form on an annual basis.

PLANS FOR FUTURE PERIODS

On 31st March 2016 the charity was acquired by Gofal and formally merged. All assets and liabilities and all staff and activity has been formally transferred to Gofal from this date. The intention of the Trustees is to formally wind the company down during the next financial year.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered company number

1296339

Registered charity number

506076

Board of Trustees

Stewart Greenwell	- Chair
Cynthia Alleyne	
Patrick McLoughlin	- Resigned 13/10/15
Helen Saxton	- Resigned 2/9/15
Samantha Morgan	

Company Secretary

Ewan Hilton

**ESGYN
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2016**

Key Management Personnel

Ewan Hilton – Chief Executive Officer
Greg Thomas- Director of Services (2014/15)
Janet Lane – Director of Finance
Yasmin Mottahedin – Director of OD and HR
Louise Evans – Director of Services
Matthew Cole – Director of Business Development

Principal and Registered Office

Beaufort House, Beaufort Road, Swansea, SA6 8JG

Auditors

Broomfield & Alexander Limited, Chartered Accountants & Statutory Auditors, Waters Lane Chambers, 1-3 Waters Lane, Newport, NP20 1LA

Bankers

Lloyds Bank plc, 18 Wyndham Street, Bridgend, CF31 1EQ

Solicitors

Morgan Cole, Llys Tawe, Kings Road, SA1 Swansea Waterfront, Swansea, SA1 8QY
Geldards LLP, Dumfries House, Dumfries Place, Cardiff CF10 3ZF

Esgyn is registered with the Care and Social Services Inspectorate for Wales as a Domicillary Care Agency and with the National Assembly for Wales as an Approved Support Provider.

**ESGYN
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2016**

Statement of Trustees' Responsibilities

The trustees (who are also directors of Esgyn for the purposes 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

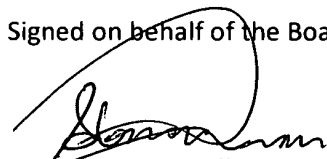
The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

In so far as the trustees are aware:

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

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

Signed on behalf of the Board of Trustees



Stewart Greenwell
Chair

Date 24.9.16

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF ESGYN

We have audited the financial statements of Esgyn for the year ended 31 March 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charitable company's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**REPORT OF THE INDEPENDENT AUDITORS
TO THE TRUSTEES OF ESGYN**

Opinion on financial statements

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 2016, 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 (applicable to smaller entities); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



Broomfield & Alexander Limited

Chartered Accountants and Statutory Auditors
Waters Lane Chambers
1 – 3 Waters Lane
Newport
NP20 1LA

Date 7/9/16

Broomfield & Alexander Ltd is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

ESGYN
STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating the income and expenditure account)
FOR THE YEAR ENDED 31 MARCH 2016

	Note	Unrestricted funds £	Restricted funds £	Total funds 2016 £	Total funds 2015 £
Income and endowments from:					
Donations and legacies	2	120	-	120	28
Charitable activities	3	2,056,396	-	2,056,396	2,282,924
Other trading activities	4	30	-	30	(590)
Investments	5	104	-	104	54
Other income	6	-	-	-	50
Total income and endowments		2,056,650	-	2,056,650	2,282,466
Expenditure on:					
Charitable activities	7	2,173,676	-	2,173,676	2,466,432
Transfer to Gofal Cymru T/A Gofal	20	121,137	-	121,137	-
Total expenditure		2,294,813	-	2,294,813	2,466,432
<i>Net gains on investments</i>	12	-	-	-	178
Net expenditure		(238,163)	-	(238,163)	(183,788)
Reconciliation of Funds					
Total funds brought forward	17	238,163	-	238,163	421,951
Total funds carried forward	17	-	-	-	238,163

The Statement of Financial Activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing operations.

The notes on pages 12 - 24 form part of the financial statements

**ESGYN
BALANCE SHEET
AS AT 31 MARCH 2016**

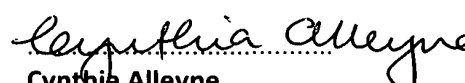
		2016	2015
	Note	£	£
Fixed assets:			
Tangible assets	11	-	518,680
Investments	12	-	3,110
		-	521,790
Current assets:			
Debtors	13	-	158,042
Cash at bank and in hand		-	230,110
		-	388,152
Liabilities:			
Creditors: Amounts falling due within one year	14	-	(358,995)
Net current assets		-	29,157
Total assets less current liabilities		-	550,947
Creditors: Amounts falling due after more than one year	15	-	(312,784)
Net assets		-	238,163
The funds of the charity:			
Unrestricted income funds			
Designated funds	17	-	201,641
General funds	17	-	36,522
Total charity funds		-	238,163

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

For the financial year ended 31 March 2016, the company was entitled to exemption from audit under the Companies Act 2006, s. 477 relating to small companies and the members have not required the company to obtain an audit of its accounts for the year in question in accordance with s. 476. The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The financial statements were approved by the board of directors on 07/09/16 and signed on its behalf


Stewart Greenwell
Chair


Cynthia Alleyne
Trustee

The notes on pages 12 - 24 form part of the financial statements

ESGYN
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2016

	Note	2016 £	2015 £
Net cash used in operating activities	22	<u>(395,180)</u>	<u>(31,347)</u>
<i>Cash flows from investing activities:</i>			
Dividends, interest and rents from investments		104	54
Property, plant and equipment transferred		501,500	-
Purchase of property plant and equipment		(8,231)	(23,604)
Proceeds from sale of investments		3,110	-
Net cash provided by (used in) investing activities		<u>496,483</u>	<u>(23,550)</u>
<i>Cash flows from financing activities:</i>			
Loan transferred /Repayments of borrowing		<u>(331,413)</u>	<u>(17,969)</u>
Net cash used in financing activities		<u>(331,413)</u>	<u>(17,969)</u>
 Change in cash and cash equivalents in the reporting period		 (230,110)	 (72,866)
 Cash and cash equivalents at the beginning of the reporting period		 230,110	 302,976
 Cash and cash equivalents at the end of the reporting period	 22	 <u><u>-</u></u>	 <u><u>230,110</u></u>

The notes on pages 12 - 24 form part of the financial statements

ESGYN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the charity's financial statements.

Basis of Preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

Rounding

Figures contained in the financial statements have been rounded to the nearest pound.

Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required.

Transition to FRS 102

The opening fund balances at the date of transition were not required to be restated in making the transition to FRS 102. The transition date was 1 April 2014.

Presentation of the accounts on a going concern basis

The charity reported a net outflow of £238,163 for the year, of which £121,137 relates to the net assets and liabilities of the charity which was transferred to Gofal Cymru T/A Gofal on 31st March 2016.

Income

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

Donations are included in full in the Statement of Financial Activities when received.

Grants for immediate expenditure are accounted for when they become receivable. Grants received for specific purposes are treated as restricted funds. Grants restricted to future periods are deferred and recognised in these periods.

Rental income is credited to the Statement of Financial Activities in the year in which the service is provided.

ESGYN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES (continued)

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. Expenditure includes VAT which cannot be recovered.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration on each activity, comprising the salary and overhead costs of the central function is based on staff time attributable to each activity.

Governance costs include items such as external audit and legal costs relating to the governance of the group, as well as costs associated with the group's strategic management.

Operating leases

The charity classifies the lease of a photocopier and property as operating leases. Rental charges are charged on a straight line basis over the term of the lease.

Tangible assets and depreciation

Tangible assets that are subject to grant aid are valued at cost less accumulated depreciation. Both capital costs and, where applicable, appropriate capital grants, are written off in the year in which the expenditure is incurred and the matching grant received.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Land & Buildings	- 2% straight line
Scheme Furniture & Fittings	- 33.3% straight line
Furniture & Fittings	- 25% straight line
Computer Equipment	- 25% straight line

Assets of the charity with a value less than £100 will be capitalised and depreciated in full in the year of acquisition.

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

ESGYN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES (continued)

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 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.

Basic financial assets

Basic financial assets, which include trade and other receivables 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.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans that are classified as debt, 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 receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

ESGYN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES (continued)

Liabilities policy

Liabilities are recognised in the Statement of Financial Activities as they become payable.

Pensions

The charity operates a defined contribution scheme for the benefit of its employees. The assets of the scheme are held separately from those of the charity. Contributions payable are charged to the profit and loss account in the year they are payable and are charged against unrestricted funds

Investments

Investments are stated at fair value at the balance sheet date. The Statement of Financial Activities includes net gains and losses arising on revaluation and disposals throughout the period. Income from investments is recognised on a receivable basis.

Fund accounting

General funds are unrestricted funds available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for another purpose. The funds financing the activities of the organisation are deemed to be general funds.

Designated funds comprise unrestricted funds that have been allocated for specific purposes by the trustees.

The funds held in each of these three categories are disclosed in note 17 to the accounts.

ESGYN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

2. INCOME FROM DONATIONS

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Donations	120	-	120	28
	<u>120</u>	<u>-</u>	<u>120</u>	<u>28</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
SSPD Central	-	-	-	13,333
Local authorities	1,343,898	-	1,343,898	1,492,867
Health board contracts	5,083	-	5,083	2,472
Individual Personal Contracts (IPC)	11,133	-	11,133	15,228
Rental income	696,282	-	696,282	759,024
	<u>2,056,396</u>	<u>-</u>	<u>2,056,396</u>	<u>2,282,924</u>

4. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Room hire	-	-	-	(512)
Training courses	-	-	-	(78)
Marketing sales	30	-	30	-
	<u>30</u>	<u>-</u>	<u>30</u>	<u>(590)</u>

5. INCOME FROM INVESTMENTS

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Bank interest	104	-	104	54
	<u>104</u>	<u>-</u>	<u>104</u>	<u>54</u>

ESGYN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

6. INCOME FROM OTHER SOURCES

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Sundry income	-	-	-	50
	-	-	-	50

ESGYN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

7. EXPENDITURE ON CHARITABLE ACTIVITIES

	Basis of allocation	Support costs £	Supported people services £	Social services contracts £	Other* £	Governance £	Total 2016 £	Total 2015 £
Salaries	Direct	185,636	609,067	635,637	2,685	-	1,433,025	1,615,794
Travel	Direct	3,627	25,166	16,939	419	-	46,151	50,395
Housing management costs	Direct	-	447,342	5,810	-	-	453,152	481,303
Rent and utility costs	Direct	1,156	39,087	9,645	108	-	49,996	61,362
Telecommunications and IT costs	Direct	2,447	19,189	19,908	213	-	41,757	43,180
Planned maintenance and repairs	Direct	639	1,919	452	3	-	3,013	3,089
Advertising, training and recruitment	Direct	1,964	3,381	3,769	43	-	9,157	18,898
Audit and accountancy	Direct	-	-	-	-	10,254	10,254	6,000
Legal and consultancy costs	Direct	114	1,366	1,948	22	-	3,450	11,598
Insurance	Direct	6,955	7,271	9,442	107	-	23,775	32,221
Other costs	Direct	57,181	26,540	16,057	168	-	99,946	142,592
		<u>259,719</u>	<u>1,180,328</u>	<u>719,607</u>	<u>3,768</u>	<u>10,254</u>	<u>2,173,676</u>	<u>2,466,432</u>

*Other projects include Health Boards and IPC's.

By fund type	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Charitable activities	<u>2,173,676</u>	-	<u>2,173,676</u>	<u>2,466,432</u>
	<u>2,173,676</u>	-	<u>2,173,676</u>	<u>2,466,432</u>

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8. NET OUTGOING RESOURCES FOR THE YEAR

Net outgoing resources are stated after charging:

	2016	2015
	£	£
Depreciation – owned assets	25,411	30,117
<i>Operating leases:</i>		
Equipment	4,966	4,966
Property	4,500	4,500
<i>Auditors remuneration:</i>		
Audit fees	5,000	5,000
Accountancy services	1,000	1,000

9. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

	2016	2015
	£	£
Wages and salaries	1,041,505	1,356,363
Agency costs	112,863	79,771
Social security costs	69,357	101,547
Pension costs	57,114	72,616
	1,280,839	1,610,297

As Esgyn take on new contracts agency staff are employed until new employees are hired.

There were no employees who received employee benefits of more than £60,000 during the current or prior year.

Trustee's remuneration and expenses

The trustees neither received nor waived any emoluments during the current or prior year.

During the year 1 trustee (2015: 4) received reimbursement of travelling expenses of £101 (2015: £983).

Key Management Personnel

The total amount of employee benefits received by the key management personnel during the year was £116,266 (2015: £105,100).

10. STAFF NUMBERS

The average monthly number of persons employed by the company:

	2016	2015
	No	No
Corporate services	5	5
Housing and support	60	74
	65	79

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11. TANGIBLE FIXED ASSETS

	Property leasehold £	Furniture & fittings £	Computer equipment £	Total £
Cost				
At 1 April 2015	556,171	173,026	149,903	879,100
Additions	-	4,165	4,066	8,231
Disposals	-	(2,049)	-	(2,049)
Transferred to Gofal Cymru T/A Gofal	(556,171)	(175,142)	(153,969)	(885,282)
At 31 March 2016	-	-	-	-
Depreciation				
At 1 April 2015	66,171	157,532	136,717	360,420
Charge for the year	10,000	9,353	6,058	25,411
Disposals	-	(1,354)	-	(1,354)
Transferred to Gofal Cymru T/A Gofal	(76,171)	(165,531)	(142,775)	(384,477)
At 31 March 2016	-	-	-	-
Net Book Value				
At 31 March 2016	-	-	-	-
At 31 March 2015	490,000	15,494	13,186	518,680

12. INVESTMENTS

	2016 £	2015 £
Listed investments:		
Carrying value (market value) at beginning of the year	3,110	2,932
Less disposals at carrying value	(3,110)	-
Net gain on revaluation	-	178
Carrying value (market value) at year end	-	3,110

13. DEBTORS

	Total 2016 £	Total 2015 £
Trade debtors	-	131,251
Prepayments and accrued income	-	14,705
Other debtors	-	12,086
	-	158,042

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14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Total 2016 £	Total 2015 £
Bank loans and overdrafts	-	18,629
Trade creditors	-	162,670
Amounts owed to group undertakings	-	56,507
Accruals and deferred income	-	45,528
Taxation and social security	-	20,165
Other creditors	-	55,496
	<u>-</u>	<u>358,995</u>

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

	Total 2016 £	Total 2015 £
Bank loans – 1-2 years	-	19,415
Bank loans – 2-5 years	-	41,210
Bank loans – >5 years	-	252,159
	<u>-</u>	<u>312,784</u>

The charity's bank, Lloyds Bank, has a first legal charge over the leasehold property Beaufort House, Beaufort Road, dated 4 October 2013.

16. TAXATION

As a registered charity, Esgyn 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.

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NOTES TO THE FINANCIAL STATEMENTS
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17. ANALYSIS OF FUNDS

	Balance at 1 April 2015 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2016 £
<i>Unrestricted funds</i>					
Unrestricted	36,522	2,056,650	(2,294,813)	201,641	-
Total unrestricted funds	<u>36,522</u>	<u>2,056,650</u>	<u>(2,294,813)</u>	<u>201,641</u>	<u>-</u>
<i>Designated funds</i>					
Merger fund	25,829	-	-	(25,829)	-
Capital spend	175,812	-	-	(175,812)	-
Total designated funds	<u>201,641</u>	<u>-</u>	<u>-</u>	<u>(201,641)</u>	<u>-</u>
Total unrestricted & designated funds	<u>238,163</u>	<u>2,056,650</u>	<u>(2,294,813)</u>	<u>-</u>	<u>-</u>

Unrestricted funds

Unrestricted general funds are to be spent on the charitable objects as the trustees see fit.

Designated general funds

The merger fund has been designated to cover any costs associated with the merger that occurred during the year. These were transferred on 31st March 2016 due to all of the charity's assets and liabilities being transferred to Gofal T/A Gofal Cymru on this date. See note 20.

The capital spend represents the level of spend to be made out of the charity's own reserves in respect of tangible fixed assets. These were transferred on 31st March 2016 due to all of the charity's assets and liabilities being transferred to Gofal T/A Gofal Cymru on this date. See note 20.

18. OPERATING LEASES

The following operating lease payments are committed to be paid within one year:

	Land & buildings		Other	
	2016	2015	2016	2015
Due in one year	-	4,500	-	5,390
Due in two to five years	-	18,000	-	10,821
Due in more than five years	-	225,000	-	-
	<u>-</u>	<u>247,500</u>	<u>-</u>	<u>16,211</u>

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NOTES TO THE FINANCIAL STATEMENTS
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19. PENSIONS

The company operates a defined contribution 'stakeholder' pension scheme. The pension cost charge represents contributions payable by the company to other funds chosen by employees and amounted to £57,114 (2015: £72,616). The amount outstanding at the year end was £nil (2015: 6,966).

20. TRANSFER AND CONTROL

From 12 September 2014 the charity became a subsidiary of Gofal Cymru T/A Gofal, a company incorporated in England and Wales, company number 02546880, charity number 1000889. Gofal T/A Gofal Cymru are a Welsh mental health and well being charity. A copy of their accounts can be found by visiting Companies House website. On 31 March 2016 Esgyn transferred all of its assets and liabilities to Gofal Cymru T/A Gofal a charity with similar objectives as Esgyn. The transfer has been treated as an acquisition in Gofal Cymru T/A Gofal financial statements and follows the accounting treatment prescribed under FRS 102 section 19.

21. RELATED PARTY TRANSACTIONS

Esgyn is subsidiary of Gofal Cymru T/A Gofal. Amounts totalling £192,828 (2015: £52,656) were recharged from Gofal Cymru T/A Gofal during the year relating to wages and other services provided. There were no amounts owing to Gofal Cymru T/A Gofal at the year end (2015: £56,507).

22. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £	2015 £
Net expenditure for the reporting period	(238,163)	(183,788)
<i>Adjustments for:</i>		
Depreciation charges	25,411	30,117
Gains on investments	-	(178)
Dividends, interest and rents from investments	(104)	(54)
(Increase)/decrease in debtors	158,042	(25,564)
Increase/(decrease) in creditors	(340,366)	148,120
Net cash used in operating activities	<u>(395,180)</u>	<u>(31,347)</u>
<u>Analysis of Cash and Cash Equivalents</u>		
Cash in hand	-	230,110
Total Cash and Cash Equivalents	<u>-</u>	<u>230,110</u>

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NOTES TO THE FINANCIAL STATEMENTS
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23. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds 2015 £
Income and endowments from:			
Donations and legacies	28	-	28
Charitable activities	2,269,591	13,333	2,282,924
Other trading activities	(590)	-	(590)
Investments	54	-	54
Other income	50	-	50
Total income and endowments	2,269,133	13,333	2,282,466
Expenditure on:			
Charitable activities	2,453,099	13,333	2,466,432
Total expenditure	2,453,099	13,333	2,466,432
<i>Net gains on investments</i>	178	-	178
Net income	183,788	-	183,788
Reconciliation of Funds			
Total funds brought forward	421,951	-	421,951
Total funds carried forward	238,163	-	238,163