

Company No 1296339
Registered Charity No 506076

ESGYN
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

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Bevan & Buckland
Chartered Accountants
and Statutory Auditors
SWANSEA

WEDNESDAY



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COMPANIES HOUSE

**ESGYN
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014**

1 REFERENCE & ADMINISTRATIVE INFORMATION

Charity Name	Esgyn
Company Registration Number	1296339
Charity Registration Number	506076

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

Registered Office & Operational Address	Beaufort House Beaufort Road Swansea SA6 8JG
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Esgyn became a subsidiary of Gofal on 12th September 2014 which is outside of the financial year relating to these financial statements. However, changes in governance as a result are reflected below

Board of Trustees

Gwyn Thomas	(Chair-resigned September 2014)
Sandra Thomas	(Treasurer -appointed July 2013 and resigned September 2014)
Amanda Moss	(Vice-chair-resigned November 2014)
James Sheridan	(resigned November 2014)
Rachel Adams	(resigned December 2014)
Jeanette Hill	(terminated December 2014)
Andrea Lewis	(appointed July 2013 and resigned February 2014)
Stewart Greenwell	(appointed 12 th September 2014, appointed as Chair 3 rd December 2014 and also a Gofal trustee)
Cynthia Alleyne	(appointed September 2014, also a Gofal Trustee)
Helen Saxton	(appointed September 2014)
Patnck McLoughlin	(appointed September 2014, also a Gofal Trustee)
Samantha Morgan	(appointed December 2014)

Company Secretary

Simon Blackburn	(to October 2014)
Ewan Hilton	(from October 2014)

Executive Director

Simon Blackburn	(to October 2014)
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Auditors

Bevan & Buckland Chartered Accountants, Langdon House, Langdon Road, SA1 Swansea Waterfront, Swansea, SA1 8QY

Bankers

Lloyds TSB Plc, 31 Gower Road, Sketty, Swansea SA2 9BU

Solicitors

Morgan Cole, Llys Tawe, Kings Road, SA1 Swansea Waterfront, Swansea, SA1 8PG

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014**

2 STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Esgyn was registered as a charity in 1977 as Cefn Coed Community Project Limited to provide accommodation and support to people with mental health issues. The Charity became Tai Esgyn Housing in 1999 and changed its name to Esgyn in March 2012.

Esgyn is a charitable company limited by guarantee, incorporated on 31 January 1977 and registered as a Charity on 21 February 1977. The Company was established under a Memorandum and Articles of Association which established the objects and powers and governance (last amended September 2014).

Esgyn became a subsidiary company of Gofal as of 12th September 2014. Gofal is also a mental health charity (number 1000889) and limited company by guarantee (number 02546880). Gofal is the sole member of Esgyn and all appointments of Trustees are made by the sole member. The Board is currently made up of three Gofal Trustees (conflicted) and two un-conflicted Trustees in order that business relating to the merger with Gofal can be dealt with appropriately.

Members of the Board of Trustees are also directors of the Charity for the purpose of company law. The Trustees who served during the year under review and to December 2014 are listed on page 1.

Organisational Structure

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.

From September 2014, new Trustees join at the invitation of the sole member 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. A structure of appropriate sub-committees is currently being implemented in line with the parent company structures. The Governance and Development Committee will be responsible for trustee recruitment and renewal, induction and training.

For the period of these financial statements day to day leadership and management of Esgyn was delegated by the Board to Esgyn's Executive Director and Senior Leadership Team.

ESGYN REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2014

Risk Management

Esgyn has a Risk Management Register which is monitored through the Resource and Investment Group and is reported annually to Board. Risk areas considered include

- Governance and Management
- Operational Risks
- Financial Risks
- Environmental and External Factors
- Compliance Risks
- Disaster Recovery

The key risk identified to Esgyn was that of financial sustainability due to this being the third year of substantial deficit. In response to this, and for other reasons, an in principle decision was made in February 2014 to merge with Gofal.

Related Parties

There are no related party transactions during the year of review. Trustees are required to complete a Conflict of Interest/Related Parties Disclosure form on an annual basis.

3 OBJECTIVES AND ACTIVITIES

Summary of Esgyn's Statement of Purpose:

Esgyn works with 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
- Shared supported accommodation for older people
- Intensive support for people leaving low security facilities
- Respite care
- Respite sitting services
- Bespoke care and support packages

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

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014**

Esgyn's Domiciliary Care Services include

- Intimate personal care
- Toileting
- Getting in and out of bed
- Shaving
- Personal hygiene
- Food preparation
- Washing and bathing

In addition to WG funded Supporting People contracts, the organisation provides services which are commissioned and funded directly by Local Authorities, Community Care funding, Health Boards as Continuing Health Care funding and individually-commissioned services via Direct Payments and Private Contracts

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:	That we are ethical, professional, committed and consistent, embracing and encouraging diversity
Flexibility:	We are adaptable, enthusiastic, inspiring and innovative in the way we work

Core Expectations

Respect:	We recognise and value everyone's work, dedication, commitment, needs and aspirations
Clarity:	We listen, reflect and communicate openly and effectively with each other
Support:	We will encourage and motivate colleagues to achieve excellence and have a flexible, professional, co-operative approach to working life

Significant Activities

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 issues, other support requirements and complex needs in accordance with local strategic plans, to enable people to remain in their own homes

ESGYN REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2014

Housing with Support

This consists of a portfolio of properties in Swansea, Neath Port Talbot and Blaenau Gwent, mainly one bedroom flats and studio apartments, which are managed through partnerships with local authorities, registered social landlords and private sector landlords. These schemes provide furnished accommodation and support that adapts to individual needs.

Floating Support

Support is provided to people with a range of complex mental and physical health issues. On average, support is given for a period of up to two years, depending on individual needs.

Social Care

Care is provided to a range of people with complex needs across Swansea, Blaenau Gwent and Pembrokeshire.

4 ACHIEVEMENTS AND PERFORMANCE

During the year from April 2013 to March 2014 Esgyn

- Esgyn worked with circa 150 people during the year maintaining all supporting people contracts and growing the social care business
- Esgyn worked with a consultant to implement a Personalisation agenda through the Person Centred Thinking Tools learning programme
- Esgyn embarked on detailed merger discussions with Gofal, establishing a joint merger steering group and agreeing the following merger success measures which will be used to guide all merger discussions going forward
 - **People using our services will feel the benefit** – by consolidating over fifty years of shared experience we will develop, enhance and improve our models of practice
 - **Staff will feel the benefit** – a strong focus on learning, training, and personal development, enhanced staff health and wellbeing initiatives and increased opportunities for progression and development
 - **We will provide more services to more people** – increased business development capacity facilitating the development of a wider range of specialised services
 - **Our influence will increase** – influencing health, social care and other relevant national policy, strategy and legislation, improving public attitudes and behaviour
 - **We will grow in financial strength** – increasing financial strength and the ability to invest in the future

**ESGYN
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014**

- **We will have a strong nationally recognised and respected brand** – our combined history, skill, expertise and portfolio of services ensures we are seen as a lead expert in the field
- **Our leadership and governance skill, capacity and expertise will be enhanced** – ensuring governance and leadership teams are able to steer the new merged organisation towards a successful future

In addition to the core activities described above, Esgyn operated the additional services

Small Grants

Esgyn currently offers a limited number of small grants of up to £250 to people with mental health issues for a variety of welfare purposes to promote independent living

Grants can be used for a wide range of needs including setting up a new home, improving or replacing household items, fittings and fixtures, to pursue a hobby or learning opportunity, short breaks and for general welfare purposes, depending on need and circumstances

5. FINANCIAL REVIEW

The Statement of Financial Activities set out on page 12, shows the financial results for Esgyn

Income

Overall income has increased from £2 37m in 2012/13, to £2 39m in 2013/14, an increase of 1 03%. The majority of income is sourced from grants receivable and rental income as shown in note 3 to the accounts

Expenditure

Resources expended have increased from £2 58m in 2012/13, to £2 62m in 2013/14. This is mainly due to increased running costs rather than any significant one-off items of expenditure. During 2012/13 Esgyn revised its staffing and internal management structure to support the growth of the organisation, creating a number of new management posts. The growth required to support the new infrastructure was not achieved and therefore this has impacted on the operating results for the year and has partly driven the in principle decision to merge.

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014**

Net Movement in Funds

The net movement in funds has resulted in a deficit of £334k for the year £231k of which is an operating deficit and £102.5k is an impairment loss due to the revaluation of the owned office building, Beaufort House. This was mainly due to the necessity to replace the roof of the property.

The total funds balance as at 31st March 2014 was £422k (March 2013 - £755k). Total designated funds were £366k (March 2013 - £659k), the revaluation fund was a nil balance (March 2013 - £10,700) and general funds total £56k (March 2013 - £86k). There are no funds in deficit during or at the year end.

Investment Policy

During the year the Board reviewed its investment policy and continued to benefit from the advice of its specialist Investment Manager to maximise the return from reserves.

Investments were placed in

- High interest bank business deposit accounts
- Short term money market deposits
- A portfolio of stocks, shares, gilt and low risk, easy access treasury bonds
- Charitable common investment funds

The investment portfolio of £332k as at March 2013 was sold during the year and only a small holding was held at the year end of £2.9k.

Reserves Policy

Previously Esgyn has set aside a prudent amount in designated capital each year, planning for several years for the following

- Strategic intent to acquire property and become a landlord
- To continue to run a service for up to three months should all funding streams cease
- To meet legal obligations to staff

Currently, total reserves are significantly behind planned levels and priority will be given by Trustees to recover reserves to a more sustainable financial position in the future.

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014**

6 PLANS FOR THE FUTURE

- To take urgent recovery action to address the financial risks identified
- Following the in principle decision, the plan for the future is to complete the merger process during the 2014/15 financial year (completed September 2014)
- On completion of the merger, to work with Gofal and Gofal Enterprises Limited in our new subsidiary arrangement to develop an ambitious group strategy for the future delivering on the merger success measures mentioned in the achievements and performance section above

7 STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Esgyn for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

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

- Select suitable accounting policies and then apply them consistently,
- Make judgement and estimate that are reasonable prudent,
- Observe the methods and principles in the Charity SORP,
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business,

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

In so far as the trustees are aware

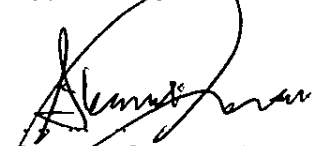
- There is no relevant audit information of which the charitable company's auditors are unaware, and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

**ESGYN
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014**

AUDITORS

Bevan & Buckland will resign as auditor after the financial statements for March 2014 have been accepted and Broomfield & Alexander, who are responsible for the parent company financial statements, will be appointed as the Company's auditors for the next accounting year

Approved by the Board on 18-12-14- and signed on its behalf by


Stewart Greenwell
Trustee

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ESGYN
(A COMPANY LIMITED BY GUARANTEE)**

We have audited the financial statements of Esgyn for the year ended 31 March 2014 on pages twelve to twenty two. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standards for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

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 Auditing Practices Board'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 Report of the Trustees 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.

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 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ESGYN
(A COMPANY LIMITED BY GUARANTEE)**

Opinion on other matter prescribed by the Companies Act 2006

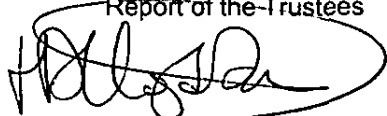
In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

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

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

Report of the Trustees



HENRY LLOYD-DAVIES (SENIOR STATUTORY AUDITOR)
FOR AND ON BEHALF OF
BEVAN & BUCKLAND
CHARTERED ACCOUNTANTS
AND STATUTORY AUDITORS

LANGDON HOUSE
LANGDON ROAD
SA1 SWANSEA WATERFRONT
SWANSEA
SA1 8QY

DATE 23-12-14

ESGYN
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2014
(Incorporating the Income and Expenditure Account)

	Revaluation Funds	Unrestricted Designated Funds	General Funds	Restricted Funds	Total Funds 2014	Total Funds 2013
Note	£	£	£	£	£	£
Incoming Resources						
Incoming Resources from Generated Funds						
Investment Income	2	-	-	24	24	236
Other Income		-	-	3,383	3,383	5,252
 Incoming Resources from Charitable Activities						
Grants Receivable	3	-	-	888,590	784,118	1,645,367
Rental Income		-	-	719,676	719,676	720,466
Total Incoming Resources		-	-	1,611,673	784,118	2,395,791
Resources Expended	7					
Cost of Generating Funds		-	-	21,946	21,946	25,676
Cost of Generating Grant Income		-	-	1,795,996	784,118	2,534,278
Charitable Activities		-	-	24,905	24,905	21,805
Governance Costs		-	-			
Total Resources Expended		-	-	1,842,847	784,118	2,626,965
Net (Outgoing)/Incoming Resources before other recognised gains		-	-	(231,174)	(231,174)	(210,438)
Other recognised gains						
(Loss)/Gain on revaluation of investment		-	-	-	-	13,475
Impairment losses				(102,504)	(102,504)	
Transfer between funds		(10,700)	(292,742)	303,442	-	-
Net movement in Funds		(10,700)	(292,742)	(30,236)	(333,678)	(196,963)
Reconciliation of Funds						
Total funds brought forward		10,700	658,554	86,375	755,629	952,592
Total Funds carried forward	16	-	365,812	56,139	421,951	755,629

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

**ESGYN
BALANCE SHEET
AS AT 31 MARCH 2014**

	Note	2014		2013	
		£	£	£	£
Fixed Assets					
Tangible Assets	11		525,193		432,655
Investments	12		<u>2,932</u>		<u>332,733</u>
			528,125		765,388
Current Assets					
Debtors	13	132,478		109,691	
Cash at Bank		<u>302,976</u>		<u>210,032</u>	
		435,454		319,723	
Current Liabilities					
Creditors due within one year	14	<u>(210,485)</u>		<u>(209,265)</u>	
Net Current Assets			<u>224,969</u>		<u>110,458</u>
Total Assets less Current Liabilities			753,094		875,846
Creditors due after more than one year	15		(331,143)		(120,217)
Net Assets			<u><u>421,951</u></u>		<u><u>755,629</u></u>
Capital Funds					
General Fund	16	56,139		86,375	
Designated Fund	16	365,812		658,554	
Revaluation Fund	16	<u>-</u>		<u>10,700</u>	
			<u><u>421,951</u></u>		<u><u>755,629</u></u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Approved by the Board on

18-12-14

and signed on their behalf by


Stewart Greenwell
Trustee

**ESGYN
ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 MARCH 2014**

1 ACCOUNTING POLICIES

a) Basis of Preparation

The financial statements have been prepared under the historical cost convention as modified by revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005

The Company is a registered charity, limited by guarantee and not having a share capital

b) Fund Accounting

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

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes falling in future time periods. Designated funds in place as at 31 March 2014 are to cover future project expenditure not yet incurred as explained further at Note 16

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

c) Incoming Resources

Incoming resources are included in the Statement of Financial Activities when the Charity is entitled to the income and the income can be quantified with reasonable accuracy

Grant income is accounted for on an accruals basis, and shown in the financial statements when the Charity earns the unconditional right to funds

d) Resources Expended

Resources expended are included in the Statement of Financial Activities on an accrual basis as a liability is incurred, including irrecoverable VAT

**ESGYN
ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 MARCH 2014**

1 ACCOUNTING POLICIES (Cont'd)

Cost of generating funds comprises direct costs associated with attracting grant income, being the proportion of time spent for direct headcount costs. Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities, both costs directly attributable and indirect support costs. Governance costs include those costs associated with meeting constitutional and statutory requirements, principally accounting/audit and AGM expenses.

All costs allocated between expenditure categories are on a basis designed to reflect their resource usage. For some costs this means direct allocation to activities, other costs are apportioned, e.g. by staff time spent on an activity, or another equitable usage measure.

Repairs and renewals to rental properties are written off in the period they are incurred.

e) Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land & Buildings	2% on cost straight line
Scheme Furniture & Fittings	33 33% on cost straight line.
Furniture & Fittings	25% on cost straight line.
Computer Equipment	25% on cost straight line

Assets below £500 are not capitalised, but included within expenses.

f) Pensions

The pension costs charged in the accounts represent the contributions payable by the Charity during the year in accordance with FRS17, for a defined contribution scheme.

g) Investments

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

h) Operating Leases

Operating lease rentals are charged on a straight-line basis over the term of the lease.

ESGYN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

2 INVESTMENT INCOME	2014	2013
	£	£
Investment Income received on unrestricted funds	<u>24</u>	<u>236</u>
3 GRANTS RECEIVED	2014	2013
	£	£
Welsh Government Scheme funding		
SSPD Central	13,333	13,333
SPG Swansea Dispersed	445,113	422,666
SPRG Neath Port Talbot	86,034	86,547
SPG Blaenau Gwent	77,149	76,429
BGCBC	162,489	168,711
Health Board Contracts	789,741	874,801
IPC	98,849	2,880
	<u>1,672,708</u>	<u>1,645,367</u>
4 NET OUTGOING RESOURCES FOR THE YEAR	2014	2013
	£	£
This is stated after charging		
Depreciation	41,523	64,041
Auditors' Remuneration - Audit	5,000	5,000
- Non Audit	<u>21,692</u>	<u>24,737</u>

5 TAXATION

The charity is exempt from corporation tax on its charitable activities

6 TRUSTEES EXPENSES & RELATED PARTY TRANSACTIONS

There were no trustees' remuneration or other benefits for the year ended 31 March 2014 nor for the year ended 31 March 2013. 4 Trustees (2013 – 3) were reimbursed £721 in travel expenses for the year (2013 £868). In addition, £5,292 (2013 £5,000) in training, food etc was spent in connection with trustees and their meetings.

No Trustee has a personal interest in the company or in any of its transactions (2013 nil)

ESGYN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

7 ANALYSIS OF TOTAL RESOURCES EXPENDED

Costs Directly allocated to activities	Basis of allocation	Swansea	NPT	Blaenau Gwent	Local Health Board	Central Administration	Cost of Generating Funds	Governance	2014 Total	2013 Total
Staff costs	Direct	378,824	71,443	230,889	875,065	123,240	21,946	-	1,701,407	1,601,037
Training	Direct	6,988	1,530	706	633	16,255	-	-	26,112	30,207
Recruitment expenses	Direct	-	-	-	1,878	-	-	-	1,878	29,935
Travel	Direct	10,644	3,401	5,328	29,587	19,082	-	-	68,042	63,683
Housing Management Costs	Direct	333,128	91,047	7,182	38,747	-	-	-	470,104	450,006
Scheme expenses	Direct	26,693	5,342	5,986	7,741	-	-	-	45,762	46,490
Other refunds	Direct	-	-	-	-	-	-	-	-	3,434
Welfare spend	Direct	1,627	512	-	-	11,489	-	-	13,628	14,254
Office expenses	Direct	5,903	2,968	4,435	-	843	-	-	14,149	19,868
Room hire & Conferences	Direct	5,581	1,053	3,402	12,893	2,139	-	-	25,068	1,773
Other admin expenses	Direct	15,973	2,962	14,484	54,892	18,418	-	-	106,729	107,330
General Maintenance	Direct	7,466	1,408	4,550	17,247	2,861	-	-	33,532	58,619
Depreciation	Direct	9,245	1,744	5,635	21,356	3,543	-	-	41,523	64,041
Audit & Accountancy	Direct	3,800	1,500	2,500	6,000	-	-	18,892	32,692	29,737
AGM Expenses	Direct	-	-	-	-	-	-	6,013	6,013	5,868
Legal & Professional Services	Direct	1,480	1,331	-	-	9,710	-	-	12,521	48,791
Loan & Bank Interest	Direct	-	-	-	-	23,414	-	-	23,414	6,686
Deficit on sale of Investment	Direct	-	-	-	-	4,391	-	-	4,391	-
Total Expenses		807,352	186,241	285,097	1,066,039	235,385	21,946	24,905	2,626,965	2,581,759

ESGYN
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

8 SUPPORT COSTS

Support costs allocated to charitable activities are as followed

	2014	2013
	£	£
Wages	16,166	15,401
Website design	-	9,600
Legal & Professional Services	9,351	3,173
	<u>25,517</u>	<u>28,174</u>

9 EMPLOYEES

	2014	2013
	£	£
Employments Costs		
Wages and Salaries	1,467,794	1,212,360
Agency costs	68,224	243,670
Social Security Costs	119,814	104,829
Pension Costs	45,575	40,178
	<u>1,701,407</u>	<u>1,601,037</u>

There were no salaries paid to senior executives over £60,000 in 2014 or 2013

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

Number of Employees

The average monthly number of persons employed by the Company:

	2014	2013
Corporate Services	5	5
Housing & Support	72	51
	<u>77</u>	<u>56</u>

10 PENSION COSTS

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 £45,575 (2013 £40,178)

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11 TANGIBLE FIXED ASSETS	Property Leasehold	Furniture & Fittings	Computer Equipment	Total
COST	£	£	£	£
At 1 April 2013	434,311	220,728	133,968	789,007
Additions	224,364	8,069	4,948	237,381
Impairment	(102,504)	(67,998)	-	(170,502)
At 31 March 2014	<u>556,171</u>	<u>160,799</u>	<u>138,916</u>	<u>855,886</u>
DEPRECIATION				
At 1 April 2013	42,997	197,715	115,640	356,352
Charge for year	13,174	18,159	10,190	41,523
Eliminated	-	(67,182)	-	(67,182)
Impairment	-	-	-	-
At 31 March 2014	<u>56,171</u>	<u>148,692</u>	<u>125,830</u>	<u>330,693</u>
NET BOOK VALUE				
At 31 March 2014	<u>500,000</u>	<u>12,107</u>	<u>13,086</u>	<u>525,193</u>
At 31 March 2013	<u>391,314</u>	<u>23,013</u>	<u>18,328</u>	<u>432,655</u>

12 INVESTMENTS	2014 £	2013 £
Opening balance	332,733	183,994
Additions	-	263,329
Disposals	(325,410)	(129,329)
Unrealised gain/(loss) on investments for year	(4,391)	14,739
Closing balance	<u>2,932</u>	<u>332,733</u>

13 DEBTORS	2014 £	2013 £
Due within one year		
Trade debtors - rent due	101,698	47,151
Prepayments	13,061	16,025
Other debtors	17,719	46,515
	<u>132,478</u>	<u>109,691</u>

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14 CREDITORS: Amounts falling due within one year

	2014 £	2013 £
Amounts due within one year		
Bank loans	18,239	18,884
Trade creditors	61,817	92,310
Accrued expenses	75,216	72,355
Taxation and social security	30,056	-
Other creditors	25,157	25,716
	<u>210,485</u>	<u>209,265</u>

15 CREDITORS: Amounts falling due after more than one year

	2014 £	2013 £
Amounts due after more than one year		
Bank loans - 1 - 2 years	18,982	19,483
Bank loans - 2 - 5 years	61,386	56,295
Bank loans - > 5 years	250,775	44,439
	<u>331,143</u>	<u>120,217</u>

The company's banker Lloyds has a first legal charge over the leasehold property Beaufort House, Beaufort Road dated 4/10/2013

16 MOVEMENT IN FUNDS

	At 1 April 2013 £	Income £	Expenditure £	Transfer £	Revalua- tions £	At 31 March 2014 £
<u>Unrestricted Reserves</u>	<u>86,375</u>	<u>1,611,673</u>	<u>1,945,351</u>	<u>303,442</u>	<u>-</u>	<u>56,139</u>
<u>Designated Funds</u>						
Contingency Fund	250,000	-	-	(100,000)	-	150,000
Roof repairs	75,000	-	-	(75,000)	-	-
Merger fund	40,000	-	-	-	-	40,000
Designated Capital Spend	293,554	-	-	(117,742)	-	175,812
Total Designated Funds	<u>658,554</u>	<u>-</u>	<u>-</u>	<u>(292,742)</u>	<u>-</u>	<u>365,812</u>
<u>Revaluation Funds</u>						
Revaluation on investment	<u>10,700</u>	<u>-</u>	<u>-</u>	<u>(10,700)</u>	<u>-</u>	<u>-</u>
<u>Restricted Funds</u>						
NPT Scheme	-	86,034	86,034	-	-	-
Swansea Scheme	-	445,113	445,113	-	-	-
Blaenau Gwent	-	239,638	239,638	-	-	-
SSPD	-	13,333	13,333	-	-	-
Total Restricted Funds	<u>-</u>	<u>784,118</u>	<u>784,118</u>	<u>-</u>	<u>-</u>	<u>-</u>

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Unrestricted funds

Unrestricted general reserves exist to be spent on the charitable objects

Designated General funds

The contingency fund has been set up for one months operating costs, and exists to cover any future shortfall or gaps in funding. The trustees therefore consider that the ideal reserves as at 31st March 2014 would be three months running costs

The designated capital spend represents the level of spend made out of the charity's own reserves in respect of tangible fixed assets

The merger fund has been designated to cover any costs associated with the merger that occurred after the year end

Restricted funds

This relates to restricted funds for distinct housing projects

17 RECONCILIATION OF MOVEMENTS IN FUNDS

	£
Net outgoing resources for year	(231,174)
Impairment losses	(102,504)
Opening funds	<u>755,629</u>
Closing funds	<u><u>421,951</u></u>

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18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Designated Funds £	Restricted Funds £	Unrestricted Funds £	Total Funds £
Fund Balances at 31 March 2014 are represented by				
Tangible Fixed Assets	175,812	-	349,381	525,193
Investments	-	-	2,932	2,932
Current Assets	190,000	-	245,454	435,454
Current Liabilities	-	-	(210,485)	(210,485)
Non-Current Liabilities	-	-	(331,143)	(331,143)
	<u>365,812</u>	<u>-</u>	<u>56,139</u>	<u>421,951</u>

19 OPERATING LEASE COMMITMENTS

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

	Land & Buildings 2014 £	2013 £
More than five years	<u>4,500</u>	<u>4,500</u>