



Company Number: 1966665
Registered Charity Number: 517149

Mirus-Wales

A Company Limited by Guarantee
Financial Statements
For the Year Ended 31 March 2015



Mirus-Wales
Contents
YEAR ENDED 31 March 2015

	PAGE
Trustees' Report including the Strategic Report	4
Report of the independent auditors	9
Statement of financial activities	10
Balance Sheet	11
Cash flow statement	12
Notes to the financial statements	14

Mirus-Wales
LEGAL AND ADMINISTRATIVE INFORMATION
YEAR ENDED 31 March 2015

Charity Registration Number: 517149

Company Registration Number: 1966665

Trustees:

Mr. Arthur Exton - Chair

Mr. Alan Davis - Treasurer

Mrs. Pam Bannister

Mr. Mike Donovan

Mr. David Callow

Mrs Deborah Bainbridge - Appointed 17th September 2014

Mr Geraint James - Appointed 17th September 2014

Mrs. Anne Dunne

Mr. Matthew Exton

Mr. James Crowe - Resigned 20th August 2014

Mr. Michael Jorgensen

Ms. Pauline Young

Mrs Claire Birt - Appointed 20th August 2014

The Trustees are appointed by the members at the Annual General Meeting.

Company Secretary:

Alison Corten, Finance, IT & Admin Director

Senior Management Team:

Mandy Evans - Chief Executive

Andrew Belcher – Director of Disability Services

Alison Corten - Finance, IT & Admin Director

Kay Williams - HR Director

Zena Winstone - Regional Manager

Julie Baker – Regional Manager

Liz Hill – Regional Manager

Neil Yates – Business Development Manager

Margaret Falcon- Learning & Development Manager

Jamie Miles – HR Manager

Karen Rowley Jones - Health & Safety Manager (resigned 31st May 2015)

Kat Angell – Finance Manager

Registered and principal Office:

Unit 5 Cleeve House, Lambourne Crescent, Llanishen, Cardiff CF14 5GP

Auditors:

Haines Watts Wales LLP, 7, Neptune Court, Vanguard Way, Cardiff CF24 5PJ

Solicitors:

Passmores, 21 Ty Newydd Road, Barry, Vale of Glamorgan

Geldards, Dumfries House, Dumfries Place, Cardiff CF10 3ZF

JCP Solicitors, Venture Court, Waterside Business Park, Valley Way, Enterprise Park, Swansea. SA6 8QP

Bankers:

National Westminster Bank PLC, 50 Station Road, Llanishen, Cardiff

Mirus-Wales

REPORT OF THE TRUSTEES INCLUDING THE STRATEGIC REPORT YEAR ENDED 31 March 2015

The Trustees who are also the Directors for the purpose of company and charity law are pleased to present their report and audited financial statements for the year ended 31 March 2015.

Reference and Administrative Details of the Charity, its Trustees and Advisors

These details can be found on Page 3 of these financial statements

Structure, Governance and Management

Legal Status

Mirus-Wales is a Company Limited by Guarantee and not having a Share Capital, registration number 1966665 and is governed under its Articles of Association. Mirus-Wales is also registered with the Charity Commission, registration number 519149. The Trustees are also the Directors of the charitable company.

Organisation

Mirus-Wales known as **mirus** has a Board of Trustees of 12 members who meet at least 4 times a year. The Trustees come from a variety of professional backgrounds relevant to the work of the charity.

The Trustees are ultimately responsible for directing the affairs of a charity, and ensuring that it is solvent, well-run, and delivering the charitable outcomes for the benefit of the public for which it has been set up. The Trustees must ensure compliance and they have both a duty of prudence and care.

A committee structure has been set up which includes Finance and Governance.

A scheme of delegation is in place and day to day responsibility for the provision of services rest with the Chief Executive (Mrs. Mandy Evans) along with the Senior Management Team. The Chief Executive is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met.

Financial controls

Controls over the charity's affairs are effective by an interim and full year inspection by the external auditors. The Trustees undertake an annual review of the effectiveness of the internal financial controls. The Finance Team have in place an internal audit program on the finances of some of the people we support and the finances of the houses in which they live. The audit results are reviewed by the Finance Committee.

Trustee Recruitment and Training

Trustees receive a comprehensive induction that includes all the key governance documents, strategic plans the work of the current Board of Trustees and engagement visits to visit the people we support and their staff teams.

A formal process of application and interview selection by Trustees and the people we support is the first stage and successful candidates are encouraged to attend a Board Meeting as an observer prior to being co-opted as a Trustee. Additional training is offered from time to time, which contributes to the effectiveness and skills of our Trustees and is driven by the regular skills review that is undertaken.

Trustees also receive support, advice and training from the Director Management Team.

Risk Management

A Risk Register is at the heart of the risk management processes of **mirus**. The Risk Register is reviewed in significant detail by the Governance Committee and appropriate mitigation and action plans developed. The major risks are report through to the full board alongside details of the actions completed or being undertaken to mitigate the risk.

mirus has in place:

- Suitable levels of supervision, training and procedures to ensure the standard of care is of the highest level.
- Robust internal controls and internal audit procedures to safeguard the monies of those we support
- Appropriate levels of insurance to cover public liability, employer liability and other areas relevant in its operations.

The Board of Trustees are satisfied that these risks are rigorously controlled and monitored through internal and external sources and that risks are properly managed.

Equality and Diversity

mirus is committed to building a workforce which is valued and whose diversity reflects the communities in which it operates. **mirus** is committed to and strives to ensure that every individual who works for us, or who applies to work (providing they have a legal right to work in the UK) will be treated fairly and equally valued regardless of their protected characteristics or other circumstances, including disability.

Mirus-Wales

REPORT OF THE TRUSTEES INCLUDING THE STRATEGIC REPORT YEAR ENDED 31 March 2015

Objectives and Activities

Our Vision and Purpose

Our Vision is to be at the forefront of individualised, quality, affordable services and our purpose is to enable people to live fulfilled, valued lives.

We will achieve our vision by:

1. Empowering people to live with self-belief and confidence.
2. Enabling people to make choices and achieve their goals.
3. Retaining our reputation as experts in the field.
4. Sharing best practice but striving to be better.
5. Recognising and valuing the talent of our staff.
6. Being seen and heard like never before.
7. Developing new ideas to enrich people's lives.
8. Being the provider of choice.

We deliver this by:

- Putting the person at the centre of everything that we do.
- Actively listening and embracing individuality.
- Including others that are most important to the people we support.
- Enabling people to take control.
- Embracing challenges and going the extra mile.
- Finding solutions and turning possibilities into realities

Our values and guiding beliefs are:

People-centred - We believe the people we support should be:

- In control and determine their lives
- Recognised for their ability and positive contributions
- Celebrated for their achievements
- Supported to exceed their goals.
- We believe our staff:
- Come with passion, energy and a great pride in their work
- Have the positive attitude and skills required to deliver an outstanding service
- Create a sense of self-belief and confidence which is vital for personal growth.

Responsible:

- We believe in being non-profit making
- We believe in adding social and environmental value
- We believe in connecting with communities
- We believe in developing sustainable support models.

Innovative:

- We believe in pushing boundaries and championing creative solutions
- We believe in looking forward, searching for the best and having the courage of our convictions.

Diverse:

- We believe there is strength in our diversity, in the services we offer, the people we support and the staff we employ.

Engaging:

- We believe we are individually strong but even stronger in partnership.

Ensuring our Work Delivers our Aims

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

Strategic Report

Achievements and Performance

Against a continuing backdrop of a challenging economic environment our trustees, management team and staff have ensured that we have delivered what we set out to achieve in 2014-15. Against each of our strategic aims below are some of the key achievements made this year.

Strategic Aim 1 - People we support are living fulfilled lives, where they have the greatest possible control to direct their own lives.

- A Community of Practice Group was developed for Person Centred Planning involving staff from across all regions and service types.
- We engaged with the foundation for people with learning disabilities to review and recommend improvements to our person centred planning approaches.
- We further developed our practice approach in our complex behaviour and autism services including maintaining our NAS accreditation,; new 'Practice Leader' role and our Community of Practice for complex services to develop and share good practice.
- We placed an emphasis on alternative support models, such as building people's natural networks, assistive technology and volunteer befriending.
- We held an Assistive Technology Conference to showcase the range of technology that we use as an organisation and also invited other organisations to share their work.
- We won a Cymorth Cymru Promoting Independence Award for our innovative use of technology.
- We ran a workshop at the Learning Disability Wales Annual Conference – four people we support got involved to show how they had been empowered and what this meant to them.
- We benchmarked ourselves against the 'Progress for Providers' tool to assess how person centred we are as an organisation and at service level.
- We supported the families/ carers of 65 people to have a good break through our Respite service.
- We piloted Quality Checkers initiative, training people we support to assess our services against Reach Standards

Strategic Aim 2: Staff and Volunteers feel valued and recognised for their work and supported and guided in their roles

- We continued to further develop our volunteer befriending project and we agreed with Ategi and Cardiff Council that we would take on the management of the Social Activities Scheme. This is a service that helps groups of friends to access the things they want to do in their community with volunteer support.
- We progressed with our work in developing our Reward and Recognition Strategy
- We supported staff teams within our complex services to complete BTEC Positive Behaviour Support qualifications

Strategic Aim 3: Resources and partnerships - getting the best from resources and developing strong partnerships

- We won new services in Powys – in Ystradgynlais, Llandrindod Wells and Llanidloes, supporting 33 people through 17 supported living houses. This was part of a planned approach to build our provision around existing services in the Mid and West Wales area.
- We started our "Closer to Home" service in Bridgend, commissioned jointly by Health and Social Services to deliver specialist supported living for three people
- We retained two of our three existing contracts in Cardiff. We were pleased to retain two contracts – this was the maximum number any one provider could win through the process – but sad to be losing valued staff and people we have supported for a number of years
- We secured inclusion on the new Cardiff Home Support framework contract to further develop our home and community based services in Cardiff
- We have reinforced existing partnerships, extended others and developed new partnerships that will allow us to provide the people we support with pathways to better lives
- We undertook a full review of our office accommodation to ensure what we have is fit for the future.

Strategic Aim 4: Systems and processes are fit for purpose

- We reviewed our H&S Policy and practices
- We designed and launched our own bespoke service information management system "SLS".
- We improved security across our IT systems, including mobile devices
- We installed new servers to increase reliability and performance
- IT Surgeries were implemented across all regional areas.
- IpadS were made available across all regions for the people we support.
- We produced three company newsletters distributed to all people we support, families and external commissioners and partners
- Spot and reactive audits were carried out at services throughout the year (Finance, H&S)

Mirus-Wales

REPORT OF THE TRUSTEES INCLUDING THE STRATEGIC REPORT YEAR ENDED 31 March 2015

Financial Review

The overall surplus for the year ended 31 March 2015 amounted to £770,410 (2014: £1,434,407). The overall level of funds carried forward into 2015-16 amounted to £4,050,304 compared to £3,279,894 at 1 April 2014.

Principal Funding Sources

We are currently funded by local authorities, health bodies and other organisations who commission our services through a competitive procurement process.

The current financial climate has produced significant financial challenges with pressures on funding from all sources, despite this, mirus has been able to maintain its overall income and achieve its budget targets. The following financial aims underpin the key principles of our Strategic Plan:

1. To achieve long term financial sustainability by diversifying our income
2. To develop sustainable service models through identifying innovative ways of working
3. To continuously look for future investment for innovative and new projects.

We continue to work in partnership to achieve value for money, sustainable support models and to deliver individualised, quality and affordable services.

Whilst our current income streams contribute to our day to day running costs, funds for providing transport and any value add activities will need to come from other sources such as fundraising / charitable grants.

Reserves Policy

The Charity recognises the need to hold reserves for the following reasons:

1. To ensure that if funding levels fall the level of care provided to service users remains at a constant level;
2. To enable the Charity to implement an exit strategy to ensure the appropriate level of care continues to be provided to all the people we support;
3. To meet any statutory or contractual commitments which may arise as a result of a loss of funding.

The trustees have formulated the reserves policy accordingly.

Plans for Future Periods

People we support are living fulfilled lives, where they have the greatest possible control to direct their own lives

1. Ensuring consistency of practice in Person Centred Planning and enabling people to take control – building on the work in 2014/15 with Foundation for People with Learning Disabilities.
2. Further developing our approach to Autism and Positive Behaviour Support
3. Reviewing and developing our 'Community Connections' model and services
4. Developing flexible, innovative models of respite to meet carer need and expectations

Staff and Volunteers feel valued and recognised for their work and supported and guided in their roles

1. Further develop and implement Reward and Recognition Strategy including launch of Engagement Gateway (staff rewards system)
2. Develop Health and Wellbeing Strategy for launch in 2016/17
3. Review appraisal process and Key Performance Indicators
4. Clear pathways in place for all levels of support services staff
5. Undertake interim review for Investors in People accreditation

Resources and partnerships getting the best from resources and developing strong partnerships

1. Deliver on our plans for office moves in the year including closure of our Fair Oak Road office
2. Develop strategic partnerships with other learning disability/ supported living organisations
3. Develop strategic relationships with housing associations to support business development opportunities
4. Grow business in target service areas; increasing our home and community support services and services for people with complex support needs
5. Actively involving and including people we support in organisational development

Systems and processes are fit for purpose

1. Review business contingency options for all systems
2. Develop plan for development of priority systems such as Outcomes monitoring, Serious Incident Reporting and HR self service system
3. Further develop our Quality systems including 'Quality Checkers' initiative
4. Launch new Intranet system 'the wall' to enhance internal communications
5. Develop external communications plan to promote and raise the profile of our work

Mirus-Wales

REPORT OF THE TRUSTEES INCLUDING THE STRATEGIC REPORT YEAR ENDED 31 March 2015

Principal Risks and Uncertainties

mirus routinely manages and reviews its Risk Register. For 2016-17 the principal risks are:

- The introduction by the government of the National Living Wage from 1st April 2016 could have a significant impact on the sustainability of the organisation.
- The outcome of pending employment case law.
- The Charity is vulnerable to periodic contract retendering in all areas, which could result in the loss of a contract.
- The Charity works within the Health and Social Care Sector which is increasingly impacted by market forces, which could lead to the loss of key staff.

Our strategic aims for the next three years will aim to work with our commissioners mitigate against these risks for the beneficiaries and the organisation.

Related Parties

No transactions with related parties were undertaken as are required to be disclosed under FRS8.

Public Benefit Statement

Within the objects, **mirus** public benefit aim is to relieve people in Wales who are in need due to a learning Disability, a mental or physical illness in order to enable them to live fulfilled, valued lives by:

- providing care, support, education, accommodation and practical advice;
- supporting carers who are helping such persons within and outside the home

mirus accomplished this by having supported 271 persons (2014 = 206 persons) in a Supported Living Setting. In addition to this, **mirus** also enabled 90 carers to have respite (2014 = 90 Carers). **mirus** supported a further 73 persons (2013 = 79 persons) through floating support and community based projects across Wales.

No Trustees receive any benefit from the services that we operate.

In the furtherance of these aims, the Trustees of **mirus** have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published general and sub-sector guidance concerning the operation of the Public Benefit requirement under the Act.

Statement of Trustees Responsibilities

The Trustees are responsible for their Annual Report and for the preparing of the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. They are also responsible for ensuring they give a true and fair view of the incoming resources and the application of resources of the Charity during the year, and of the state of affairs as at the end of the financial period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates which are reasonable and prudent;
- state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statement;
- prepare the financial statements on an on-going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity, and enable them to ensure that the financial statements comply with applicable laws and regulations. They are also responsible for safeguarding the assets of the Charity and for their proper application as required by charity law, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to Disclosure of Information to Auditors

With regard to the preparation of this Annual Report and Accounts:

- As far as each Trustee is aware, there is no relevant audit information of which the Charity's auditors are unaware;
- Each Trustee has taken all of the steps that a Trustee might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Charity's auditors are aware of that information.

Auditors

A resolution to reappoint Haines Watts LLP as auditor for the ensuing year will be proposed at the Annual General Meeting.

Approved by the Board of Trustees on 2nd September 2015 and signed on its behalf by:

Mr Arthur Epton
Chairperson

Mirus-Wales
INDEPENDENT AUDITORS REPORT
YEAR ENDED 31 March 2015

Independent Auditor's Report to the members of Mirus-Wales

We have audited the financial statements of Mirus-Wales for the year ended 31st March 2015 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).

This report is made solely to the charitable company's members, in accordance with Chapter 3 or Part 16 of the Companies Act 2006. Our 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 its members 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 as set out on page 6, 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 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 (APB'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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the 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.

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 2015 and of its incoming resources and application of resources, including the 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Trustees' Report 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.



Andrew Hill

Senior Statutory Auditor

For and on behalf of Haines Watts Wales LLP,

Statutory Auditor,

Haines Watts Wales LLP, 7, Neptune Court, Vanguard Way, Cardiff CF24 5PJ

8 September 2015

Date

Mirus-Wales
STATEMENT OF FINANCIAL ACTIVITIES INCLUDING THE INCOME AND EXPENDITURE ACCOUNT

Year ended 31 March 2015

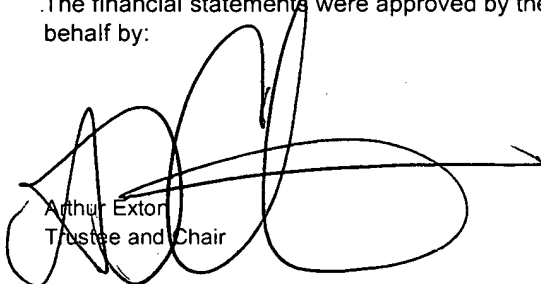
	Note	Unrestricted Fund £	Restricted Funds £	2015 Total Funds £	2014 Total Funds £
Incoming resources:					
Incoming resources from generating funds					
Investment Income	20	19,679		19,679	17,357
Incoming resources from charitable activities					
Received from service users	21	1,784,152	-	1,784,152	1,632,695
Local government grants	21	-	13,445,458	13,445,458	12,578,217
SPG and other allowances	21	-	810,082	810,082	918,652
Training and other Income	21	13,217	-	13,217	3,785
Prior Year Adjustment					
Total incoming resources as restated		1,817,048	14,255,540	16,072,588	15,150,706
Resources expended					
Charitable activities:					
Direct charitable expenditure	2	1,570,216	13,323,254	14,893,470	13,911,388
Governance costs	3	68,708	-	68,708	44,961
Total resources expended		1,638,924	13,323,254	14,962,178	13,956,349
Net incoming/(outgoing) resources as restated before Transfers:					
		178,124	932,286	1,110,410	1,194,357
Transfer between funds	9	400,447	(400,447)	-	-
Net Income for the year before other recognised gains and losses as restated					
		578,571	531,839	1,110,410	1,194,407
Actuarial gains/(losses) on defined benefit pension schemes					
	16		(340,000)	(340,000)	240,000
Net Movement in funds as restated		578,571	191,839	770,410	1,434,407
Reconciliation of funds:					
Total Funds brought forward		721,311	2,558,583	3,279,894	1,845,487
Total Funds carried forward		1,299,882	2,750,422	4,050,304	3,279,894

All of the above amounts related to continued activities.

Mirus-Wales
BALANCE SHEET
Year ended 31 March 2015

	Note	2015	2014
		£	£
Tangible fixed assets	11	800,337	805,197
Current assets			
Debtors	12	1,413,818	821,349
Cash at bank and in hand		5,393,362	4,700,652
		<u>6,807,180</u>	<u>5,522,001</u>
Current liabilities			
Creditors: amounts falling due within one year	13	(2,120,847)	(1,950,119)
Net current assets / liabilities		<u>4,686,333</u>	<u>3,571,882</u>
Total assets less current liabilities		5,486,670	4,377,079
Creditors: amounts falling due after one year			
Long Term Loan	13	(156,366)	(187,185)
Pension Provision	16	(1,280,000)	(910,000)
Total Net Assets		<u>4,050,304</u>	<u>3,279,894</u>
Represented by:			
Restricted funds	15	2,750,422	2,558,583
Unrestricted funds			
Designated funds	14	603,319	471,495
General funds	17	<u>696,563</u>	<u>249,816</u>
		<u>1,299,882</u>	<u>721,311</u>
		<u>4,050,304</u>	<u>3,279,894</u>

The financial statements were approved by the Board of Trustees on 2nd September 2015 and signed on their behalf by:


Arthur Exton
Trustee and Chair


Alan Davis
Trustee and Treasurer

Mirus-Wales**CASHFLOW STATEMENT**

Year ended 31 March 2015

	2015 £	2014 £
Net cash inflow from operating activities	733,974	2,242,384
Returns on investments and servicing of finance		
Interest received	19,679	17,357
Interest paid	<u>(15,290)</u>	<u>(15,883)</u>
	4,389	1,474
Capital expenditure		
Payments to acquire tangible fixed assets	(26,955)	(31,667)
Receipts from disposal of tangible fixed assets	<u>12,120</u>	<u>1,150</u>
	(14,835)	(30,517)
Net cash outflow before financing	<u>723,528</u>	<u>2,213,341</u>
Financing		
Loan repayments	(30,818)	(30,818)
Increase/(decrease) in cash	<u><u>692,710</u></u>	<u><u>2,182,523</u></u>

Mirus-Wales**NOTES TO THE CASHFLOW STATEMENT**

Year ended 31 March 2015

Reconciliation of operating surplus to operating cashflow

	2015	2014
Operating surplus	1,110,410	1,194,407
Depreciation charges	31,494	31,932
(Increase)/Decrease in operating debtors	(592,469)	309,291
(Increase)/Decrease in operating creditors	170,728	849,374
(Increase)/Decrease in provisions	30,320	(139,996)
(Surplus)/Deficit on sale of fixed assets	(12,120)	(1,150)
Interest receivable	(19,679)	(17,357)
Interest payable (Note 7)	15,290	15,883
Net cash inflow/(outflow) from operating activities	<u>733,974</u>	<u>2,242,384</u>

Analysis of changes in net debt

	At 01 April 2014	Cash Flows	At 31 March 2015
Cash at bank and in hand	4,700,652	692,710	5,393,362
Bank loan	(218,002)	30,818	(187,184)
	<u>4,482,650</u>	<u>723,528</u>	<u>5,206,178</u>

Reconciliation of net cash flow to movement in net debt

	2015	2014
Increase/(Decrease) in cash at bank and in hand	692,710	2,182,523
Cash flow from changes in debt	30,818	30,818
Movement in net debt	<u>723,528</u>	<u>2,213,341</u>
Net debt at 01 April 2014	4,482,650	2,269,309
Net debt at 31 March 2015	<u>5,206,178</u>	<u>4,482,650</u>

1. ACCOUNTING POLICIES

Accounting basis

The financial statements have been prepared under the historical cost convention, and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 2006.

Depreciation

Depreciation is provided on all tangible fixed assets and is calculated to write off the cost of assets over their expected lives at the following annual rates:

Freehold properties:	
Cost of freehold	2% of cost
Cost of adaptations	4% of cost
Leasehold properties	Over the term of the lease
Project furniture	33% of cost
Office furniture & equipment	10% of WDV
Computer equipment	33% of cost
Computer software	Written off in year of purchase
Site office refurbishment costs	Over the term of the lease
Motor vehicles	Cost less anticipated residual value (written off over 3 or 5 years)

Grants

Capital Grants

Capital grants, received to fund the purchase of fixed assets are brought into restricted funds via the Statement of Financial Activities and reduced annually by the charge for depreciation.

Revenue grants

Grant contribution is accounted for in the accounting period to which it relates. Clawback of local authority grant is accounted for in the year in which it is known. Notification of such costs is not received until after the statutory accounts have been finalised and submitted.

Designated Funds

Housing Benefit Reserve

This represents unspent Housing Benefit monies carried forward for the benefit of the service users.

Pensions

The Company operates a defined contribution pension scheme, the cost of which is written off to the income and expenditure account on an accruals basis. The assets of the scheme are held separately from those of the company in an independently administered fund.

The company also operated a defined benefit scheme which is separately recognized on the balance sheet in accordance with FRS17.

Management charges

Management charges are made to each individual project within the organisation for administrative services, centrally organised training, insurance and recruitment costs.

Liabilities

The financial statements are prepared on the accruals basis thus recognising all liabilities when the Charity has committed itself to an expense or contractual obligation as described in FRS 5 and 12.

Apportionment of Costs

Direct costs are allocated to the individual projects on an actual basis with central costs being apportioned on the basis of individual bed spaces and/or specific agreements with funders. As the Charity is not registered for VAT all input VAT is irrecoverable and is included with the related costs.

Mirus-Wales
NOTES TO THE FINANCIAL
Year ended 31 March 2015

Operating leases

The costs incurred under operating leases are written off against incoming resources during the accounting period in which they are incurred.

Fund Structure

The Charity's funds are split between Restricted and Unrestricted. The Restricted funds are analysed in note 15.

Deferred income

Where it is clear that the income is to be used over a fixed period of time on a specific project and as a result the Trustees have no discretion as to when the funds will be expended, these funds will be treated as deferred income and released to the Statement of Financial Activities to match the expenditure.

2. DIRECT CHARITABLE EXPENDITURE	Unrestricted Funds	Restricted Funds	2015 Total	2014 Total
Project costs				
Staff costs		10,827,329	10,827,329	10,624,213
Accommodation costs	1,321,696		1,321,696	1,330,979
Travel and car expenses		113,916	113,916	93,957
Depreciation and asset adjustment	1,160		1,160	(87)
Bad Debt, other provisions	377		377	16,689
	<u>1,323,233</u>	<u>10,941,245</u>	<u>12,264,478</u>	<u>12,065,751</u>
Support costs				
Staff costs	1,682,241		1,682,241	1,111,553
Administrative expenses	560,623		560,623	324,443
Establishment costs	345,097		345,097	380,263
Depreciation and asset write off	41,031		41,031	29,378
Apportionment of costs	(2,382,009)	2,382,009	-	-
	<u>246,983</u>	<u>-</u>	<u>2,628,992</u>	<u>1,845,637</u>
Total Expenditure	<u>1,570,216</u>	<u>13,323,254</u>	<u>14,893,470</u>	<u>13,911,388</u>
3. GOVERNANCE COSTS			2015	2014
Committee expenses			202	50
Audit fee - external audit			14,074	12,376
Annual Report costs			0	2,585
Administration			5,398	0
Staff costs			49,034	29,950
All met out of unrestricted funds			<u>68,708</u>	<u>44,961</u>

4. OPERATING INCOME

Operating income represents amounts receivable from residents, net of voids together with grants and allowances, other rentals and donation:

5. OPERATING SURPLUS

The operating surplus for the year is stated after charging:

	2015	2014
Depreciation	31,494	31,932
Auditor fee	14,074	12,376
Operating leases	49,368	38,739

Mirus-Wales
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2015

6. INFORMATION REGARDING EMPLOYEES

	2015	2014
Employee costs during the year:		
Wages and salaries	11,377,636	10,660,168
Social Security costs	769,364	772,425
Pension costs	445,873	231,988
Provision for redundancy costs	-	-
	<u>12,592,873</u>	<u>11,664,580</u>

Average Number of Persons Employed during the year (per payroll)	1,188	1,180
Persons Employed at End of Year (Permanent and Casual)	702	719

The number of employees whose emoluments amounted to over £60,000 in the year were as follows:

	2015	2014
£70,001 to £80,000	1	0
£60,001 to £70,000	3	3

Employer pension contributions for these employees towards a defined benefit (local authority) scheme amounted to £45,861.60 during the year (2014: £49,951.20).

No Trustees received any remuneration in 2015 or 2014.

	2015	2014
Trustee expenses paid during the year:		
Taxi Fares	202	50
	<u>202</u>	<u>50</u>

7. INTEREST PAYABLE

	2015	2014
Loan Interest Payable	<u>15,290</u>	<u>15,883</u>

The loan at Note 13 is subject to interest payable at 1½% above the LIBOR rate.

8. TAXATION

The company is a registered charity and has been granted exemption from paying corporation tax on primary purpose activities.

9. TRANSFER OF RESTRICTED FUNDS

	2015	2014
Transfer to unrestricted funds	<u>400,447</u>	<u>6,465</u>

The balance of restricted funds for the year end (Note 15) has been used to fund the purchase of fixed assets and will be reduced annually by the charge to depreciation.

10. COMMITMENTS UNDER OPERATING LEASES

	2015	2014
As at the 31st March 2015, the Charity had annual commitments under non cancellable operating leases as set out below:	£	£
Office Equipment:		
Operating leases which expire within 2-5 years	39,698	39,697
Motor Vehicles:		
Operating leases which expire within 1 year	0	3,286
	<u>39,698</u>	<u>42,983</u>

Mirus-Wales
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2015

11. FIXED ASSETS

	Freehold Property	Long Leasehold Property	Office Refurb	Project Furniture	Motor Vehicles	Office Furniture & Equipment	Total
COST							
At 01 April 2014	435,691	553,510	49,812	186,745	67,090	147,751	1,440,599
Additions	-	-	-	-	-	26,955	26,955
Disposals	-	-	-	(2,033)	-	(10,087)	(12,120)
At 31 March 2015	435,691	553,510	49,812	184,712	67,090	164,619	1,455,434
DEPRECIATION							
At 01 April 2014	86,614	172,936	13,591	184,188	67,090	110,982	635,401
Charge for the year	8,716	8,307	-	1,812	-	12,659	31,494
Eliminated	-	-	-	(1,711)	-	(10,087)	(11,798)
At 31 March 2015	95,330	181,243	13,591	184,289	67,090	113,554	655,097
NET BOOK VALUE							
At 31 March 2015	340,361	372,267	36,221	423	-	51,065	800,337
At 31 March 2014	349,077	380,574	36,221	2,557	-	36,769	805,197

12. DEBTORS

	2015	2014
Debtors ledger	1,354,155	754,074
Prepayments and other debtors	59,663	67,275
	<u>1,413,818</u>	<u>821,349</u>

13. CREDITORS - Amounts falling due within 1 year

	2015	2014
Grant received in advance	1,342,965	1,050,588
Audit fee accrual	11,000	11,000
Other creditors and provisions	533,945	671,077
Tax and National Insurance	202,119	186,636
Bank Loan (secured)	30,818	30,818
	<u>2,120,847</u>	<u>1,950,119</u>

DEFERRED INCOME

	2015	2014
Deferred income brought forward 01 April 2014	1,050,588	237,853
Received in the year	14,255,540	14,309,605
Released in the year	(13,963,163)	(13,496,870)
Deferred income carried forward	<u>1,342,965</u>	<u>1,050,588</u>

This represents the grant fund received in advance from local authorities.

CREDITORS - Amounts falling due after 1 year

Bank Loan (secured) **	<u>156,366</u>	<u>187,185</u>
------------------------	----------------	----------------

** £69,313.22 of the Bank Loan is repayable after 5 years with the total loan being repaid by 30th June 2021. This loan is secured on the assets of the charity with interest charged at 1½ % over the LIBOR rate.

Mirus-Wales
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2015

14. DESIGNATED FUNDS

	Brought forward	Transfer to unrestricted funds	Carried Forward
Housing Benefit Reserve	471,495	131,824	603,319
	<u>471,495</u>	<u>131,824</u>	<u>603,319</u>

15. RESTRICTED FUNDS

	B/Fwd	Incoming resource	Outgoing resource	Actuarial Losses	Transfers	Transfer to unrestricted funds	Carried forward
Leasehold property	199,018	-	-	-	-	6,465	192,553
Grant and SPG	3,269,565	14,255,540	- 13,323,254	-	30,000	393,982	3,837,869
Income /Allowances	-	-	-	-	-	-	-
Pension reserve	- 910,000	-	-	340,000	30,000	-	- 1,280,000
	<u>2,558,583</u>	<u>14,255,540</u>	<u>- 13,323,254</u>	<u>340,000</u>	<u>-</u>	<u>400,447</u>	<u>2,750,422</u>

Part of the restricted funds represents grants of contributions for the purchase of tangible fixed assets in the furtherance of the objects of the charity. The balance of the fund relating to Grant and SPG income is used to fund the cost of care and will be carried forward to fund expenditure in 2015/16.

16. PENSIONS

The company operates a personal pension scheme. The Aviva personal Pension Scheme is constituted under a trust, the rules of the scheme are held subject to that trust. The rules and trust may be changed if required or agreed by the appropriate government authority. The pension cost charge paid to the fund amounted to £524,240.19 (2014: £405,302.16). There was £44,016.40 outstanding as at the balance sheet date.

In February 2013, following the award of a contract in Powys where TUPE applied, the company entered into a closed admission agreement for those staff transferring who were already in the Powys Local Government Pension Scheme.

The company also operates a pension within the Cardiff and Vale Local Government Pension Scheme.

DISCLOSURE UNDER FRS 17 (LGPS FUNDED BENEFITS)

INTRODUCTION

The disclosures below relate to the funded liabilities within the Cardiff and Vale of Glamorgan Pension Fund (the "Fund") which is part of the Local Government Pension Scheme (the "LGPS"). The funded nature of the LGPS requires Mirus-Wales and its employees to pay contributions into the Fund, calculated at a level intended to balance the pensions liabilities with investment assets.

In accordance with Financial Reporting Standards, disclosure of certain information concerning assets, liabilities, income and expenditure relating to pension schemes is required.

CONTRIBUTIONS FOR THE ACCOUNTING PERIOD ENDING 31 MARCH 2016

Mirus-Wales regular contributions to the Fund for the accounting period 31st March 2016 is estimated to be £50k.

Additional contributions may also become due in respect of any employer discretions to enhance members' benefits in the Fund over the next accounting period.

ASSUMPTIONS

The latest actuarial valuation of Mirus-Wales's liabilities took place as at 31 March 2013. Liabilities have been estimated by the independent qualified actuary on an actuarial basis using the projected unit credit method. The principal assumptions used by the actuary in updating the latest valuation of the Fund for FRS 17 purposes were:

PRINCIPAL FINANCIAL ASSUMPTIONS (% PER ANNUM)	31st March 2014	31st March 2015
Discount rate	3.2%	4.4%
RPI Inflation	2.9%	3.4%
CPI Inflation	1.8%	2.4%
Rate of increase to pensions in payment	1.8%	2.4%
Rate of increase to deferred pensions	1.8%	2.4%
Rate of general increase in salaries	2.8%	4.4%

MORTALITY ASSUMPTIONS

The mortality assumptions are based on the recent actual mortality experience of members within the Fund and allow for expected future mortality improvements.

Mirus-Wales
NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2015

POST RETIREMENT MORTALITY (RETIREMENT IN NORMAL HEALTH)

Males	31st March 2015	31st March 2014
Year of Birth base table	Standard SAPS Normal Health Light Amounts	Standard SAPS Normal Health Light Amounts
Rating to above base table (years)	0	0
Scaling to above base table rates	110%	110%
	CMI_2012 with a long term rate of	CMI_2009 with a long term rate of
Improvements to base table rates	improvement of 1.5% p.a	improvement of 1.5% p.a
Future lifetime from age 65 (aged 65 at accounting date)	23.8	23.7
Future lifetime from age 65 (aged 45 at accounting date)	25.8	25.7
Females		
Year of Birth base table	Standard SAPS Normal Health Light Amounts	Standard SAPS Normal Health Light Amounts
Rating to above base table (years)	0	0
Scaling to above base table rates	90%	90%
	CMI_2012 with a long term rate of	CMI_2009 with a long term rate of
Improvements to base table rates	improvement of 1.5% p.a	improvement of 1.5% p.a
Future lifetime from age 65 (aged 65 at accounting date)	26.7	26.6
Future lifetime from age 65 (aged 45 at accounting date)	29.0	28.9

COMMUTATION

Each member was assumed to surrender pension on retirement, such that the total cash received (including any accrued lump sum from pre 2008 service) is 75% of the permitted maximum.

EXPECTED RETURN ON ASSETS

The approximate split of assets for the Fund as a whole (based on date supplied by the Fund Administering Authority) is shown in the table below. Also shown are the assumed rates of return adopted by the Employer for the purposes of FRS 17.

	Estimated asset split at 31 March 2015 (%)	Long-term expected rate of return at 31 March 2014 (% pa)	Estimated asset split at 31 March 2014 (%)
Equities	77.4%	7.60	78.4%
Property	5.9%	6.90	5.4%
Government Bonds	6.8%	3.40	7.0%
Corporate Bonds	7.9%	4.00	8.1%
Cash	1.7%	0.90	1.1%
Other	0.3%	7.60	0.0%
Total	100.0%	6.90	100.0%

Mirus-Wales
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2015

RECONCILIATION OF FUNDED STATUS TO BALANCE SHEET

	Value at 31 March 2015	Value at 31 March 2014
	£M's	£M's
Fair value of assets	2.92	2.55
Present value of funded liabilities	4.20	3.46
Pension asset / (liability) before consideration of paragraph 41	(1.28)	(0.91)
Unrecognised asset due to limit in paragraph 41	0.00	0.00
Pension asset / (liability) recognised on the Balance Sheet	(1.28)	(0.91)

ANALYSIS OF THE PROFIT AND LOSS CHARGE

	Period ending 31 March 2015	Period ending 31 March 2014
	£M's	£M's
Current service cost	0.05	0.06
Past service cost	0.00	0.00
Interest cost	0.15	0.15
Expected return on assets	(0.18)	(0.12)
Curtailment cost	0.00	0.00
Settlement cost	0.00	0.00
Expense recognised	0.02	0.09

CHANGES TO THE PRESENT VALUE OF LIABILITIES DURING THE ACCOUNTING PERIOD

	Period ending 31 March 2015	Period ending 31 March 2014
	£M's	£M's
Opening present value of liabilities	3.46	3.06
Current service cost	0.05	0.06
Interest cost	0.15	0.15
Contributions to participants	0.02	0.02
Actuarial (gains) / losses on liabilities	0.54	0.21
Net benefits paid out	(0.02)	(0.04)
Past service cost	0.00	0.00
Net increase in liabilities from disposals and acquisitions	0.00	0.00
Curtailments	0.00	0.00
Settlements	0.00	0.00
Closing present value of liabilities	4.20	3.46

CHANGES TO THE FAIR VALUE OF ASSETS DURING THE ACCOUNTING PERIOD

	Period ending 31 March 2015	Period ending 31 March 2014
	£M's	£M's
Opening fair value of assets	2.55	1.77
Expected return on assets	0.18	0.12
Actuarial gains/ (losses) on assets	0.13	0.45
Contributions by the employer	0.06	0.23
Contributions by participants	0.02	0.02
Net benefits paid out	(0.02)	(0.04)
Net increase in assets from disposals and acquisitions	0.00	0.00
Settlements	0.00	0.00
Closing fair value of assets	2.92	2.55

Mirus-Wales
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2015

ACTUAL RETURN ON ASSETS

	Period ending 31 March 2015	Period ending 31 March 2014
	£M's	£M's
Expected return on assets	0.18	0.12
Actuarial gains/ (losses) on assets	0.13	0.45
Actual return on assets	0.31	0.57

ANALYSIS OF AMOUNTS RECOGNISED IN STRGL

	Period ending 31 March 2015	Period ending 31 March 2014
	£M's	£M's
Total actuarial gains/ (losses)	(0.41)	0.24
Change in irrecoverable surplus, effect of limit in paragraph 41	0.00	0.00
Total gains/ (losses) in STRGL	(0.41)	0.24

HISTORY OF ASSET VALUES, PRESENT VALUE OF LIABILITIES AND SURPLUS/DEFICIT

	Period ending 31 March 2015	Period ending 31 March 2014
	£M's	£M's
Fair value of assets	2.92	2.55
Present value of liabilities	4.20	3.46
Surplus/ (deficit)	(1.28)	(0.91)

HISTORY OF EXPERIENCE GAINS AND LOSSES

	Period ending 31 March 2015	Period ending 31 March 2014
	£M's	£M's
Experience gains / (losses) on assets		
Amount (£M's)	0.13	0.45
Percentage of assets	4.5%	17.6%
Experience gains / (losses) on liabilities		
Amount (£M's)	0.02	(0.69)
Percentage of the present value of the liabilities	0.5%	(19.9%)

Mirus-Wales
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2015

17. GENERAL FUNDS

	2015	2014
Balance at 01 April 2014	249,816	197,604
Surplus/(Deficit) for the year	178,124	197,953
Transfers from restricted funds	400,447	6,465
Transfers from designated funds	(131,824)	(152,206)
Balance at 31 March 2015	<u>696,563</u>	<u>249,816</u>

18. RELATED PARTY TRANSACTIONS

No transactions with related parties were undertaken as are required to be disclosed under FRS8.

19. NET ASSETS

	Fixed Assets	Other Assets	Total
<u>Restricted Funds</u>			
Leasehold Properties	192,553	-	192,553
Grant and SPG Income	-	3,837,869	3,837,869
Pension Reserve		(1,280,000)	(1,280,000)
	<u>192,553</u>	<u>2,557,869</u>	<u>2,750,422</u>
<u>Unrestricted Funds</u>	<u>607,784</u>	<u>692,098</u>	<u>1,299,882</u>
	<u>800,337</u>	<u>3,249,967</u>	<u>4,050,304</u>

20. INVESTMENT INCOME

	2015	2014
Interest on bank deposits	(19,679)	(17,357)
Balance at 31 March 2015	<u>(19,679)</u>	<u>(17,357)</u>

21. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	2015 Total	Restated 2014 Total
<u>Income</u>				
Resident charges receivable				
Rents - HB	(1,731,130)		(1,731,130)	(1,605,822)
Car running contributions	(53,022)		(53,022)	(26,873)
	<u>(1,784,152)</u>	<u>-</u>	<u>(1,784,152)</u>	<u>(1,632,695)</u>
<u>Other Income</u>				
Fairer charging		(85,378)	(85,378)	(77,005)
Local Authority Care Fund as restated		(13,071,278)	(13,071,278)	(12,237,121)
Independent Living Fund		(288,802)	(288,802)	(264,091)
Supporting People Grant		(810,082)	(810,082)	(918,652)
Donations	(1,606)		(1,606)	(302)
Training Income	(11,611)		(11,611)	(3,483)
	<u>(13,217)</u>	<u>(14,255,540)</u>	<u>(14,268,757)</u>	<u>(13,500,654)</u>
Total Income from Charitable Activities	<u>(1,797,369)</u>	<u>(14,255,540)</u>	<u>(16,052,909)</u>	<u>(15,133,349)</u>

22. COMPANY LIMITED BY GUARANTEE

The Charity is a company limited by guarantee, and as such has no share capital.