

REGISTERED COMPANY NUMBER: 4504443 (England and Wales)
REGISTERED CHARITY NUMBER: 1093747

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
FOR
HAFAL**

Williams Denton Cyf
Chartered Certified Accountants
Statutory Auditors
13 Trinity Square
Llandudno
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HAFAL

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FOR THE YEAR ENDED 31 MARCH 2021**

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Charity's objectives ("the objects") as stated in the Articles of Association are to act as a non-sectarian- political charitable organisation based in Wales for the relief and support of people with serious mental illness, illness or disability of any age, and their families, relatives and carers; to relieve the stresses experienced by carers and beneficiaries; for research and education as to the causes, consequences and management of such illness or disability which might impact directly or incidentally; and for advice and assistance in the field of mental health, disability and welfare.

To further its objects, the Charity will:

- Provide information, advice, support and services of the highest standard to those experiencing serious mental illness, illness or disability, their families and carers.
- Challenge discrimination through education and training.
- Campaign nationally and locally for high quality care, including both acute and long-stay services.

The Charity provides a wide range of services through a number of local projects and groups, supported by members and volunteers together with staff employed in operational and functional departments at local and national level. Hafal's charitable activities are all undertaken to further its charitable purposes for the public benefit. The guidance contained in the Charity Commission's general guidance on public benefit has been referred to when reviewing Hafal's aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

HAFAL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRATEGIC REPORT

Achievement and performance

Charitable activities

Hafal has spent its first 18 years of operation consolidating its independent position and managing a wide range of developments in services, policy and campaigns.

Hafal measures the success of its activities through contract monitoring and management arrangements to ensure achievement and compliance which includes service feedback from service users and carers receiving Hafal services. Hafal's internal Quality Standards audits are applied to all Hafal services and external validation provided through achievement of ISO 9001:2015 accreditation, Investors in People (IIP) Silver accreditation and Agored Cymru Centre recognition. In November 2019 Hafal won an IIP Employer of the Year Award in the Silver (over 250 employees) category. Hafal is also subject to inspection by the Care Inspectorate for Wales for registered services and inspection reports are available on their website. As part of the development of Gellinudd Recovery Centre, Hafal is registered as an independent hospital provider under Healthcare Inspectorate Wales which routinely audits and inspects the service in Pontardawe.

Hafal's Volunteer Policy ensures support and high standards for volunteers. The majority of the individuals accessing Hafal services daily provide informal voluntary support to the organisation and over 60 are registered formally as volunteers.

Hafal operates over 80 local services, including supported housing, domiciliary respite and home care services, family and carers support services, employment training and resources centres. Despite the impact of the Covid-19 pandemic, the development of local services continued in 2020/21 with Hafal attracting funding for new services and achieving expansion in others.

Among these developments were:

- In March 2020 Hafal was awarded a service contract to deliver the Mental Health Sanctuary in the Swansea Bay UHB area and the development and opening of this service occurred during the height of the Covid-19 pandemic. The Sanctuary is an out of hours service that provides practical and therapeutic, holistic person-centred support to people at risk of mental health crisis in Swansea and Neath Port Talbot. The service is open 7 days a week, 365 days a year, from 6pm until 2am. The service is set in a welcoming and homely environment, with a lounge area, a kitchen/dining area, shower and clothes washing facilities. There are also private areas for those who need quiet time and/or 1:2:1 support. The Sanctuary aims to lessen hospital admissions and reduce the risk of harm for people in their homes. Individuals' safety and wellbeing will be fully assessed before they return home, with referrals to other services as appropriate.
- In March 2021, in partnership with CAIS, Hafal purchased a property in Acton Road in Wrexham to enhance the existing provision of housing related support as part of the longstanding Wrexham Outreach Tenancy Service.
- Hafal was successful in being awarded the single contract for develop the Wales Money Guider network for the Money and Pensions Trust. This is part of an ambitious programme to ensure quality, informed support to people who need support with money issues in Wales.
- The Armed Forces Covenant Trust both extended Hafal's existing Veterans programme and granted additional funding to deliver a combination of direct support and help for Veterans in Mid & West Wales who are isolated and alone, enabling them to access existing community, health and social care services.
- Hafal was successful in Welsh Government funding applications for the provision of Hafal's Promise and a Social Navigation programme as part of the Covid-19 response in Wales.
- A major new development in the way that children and young people are supported was funded by Cardiff and Vale University Health Board. Getting Started is a resilience programme which works with around 300 young people to help them develop coping strategies, improve their resilience, and ideally reduce the need for specialist mental health services.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

Hafal's Appropriate Adult Service has continued delivery to South Wales, Dyfed Powys, Gwent and North Wales Police Force areas. During 2020/21, Hafal was awarded the Appropriate Adult Tender for Dyfed Powys, Gwent and South Wales Police, extending the duration of the service by 3 years with an option to add a fourth. During the year we have delivered a service to a total of 3,414 vulnerable adults during police detention and questioning and hosted 13 AA training sessions across Wales.

The service has continued to support the police by providing up to date information regarding changes to PACE and Covid Restrictions (and how this impacts the Appropriate Adult service), innovative new ideas on how the service can operate, and provided training resources for new custody sergeants. Two University training courses have been delivered this year with students from Glyndwr university, with Cardiff's AA scheme restarting for the 2021/2022 term. The service has developed a bespoke training package for organisations who interview people under caution (outside of the police). This has been delivered to 4 separate groups within Neath Port Talbot council.

2020/21 saw the successful conclusion of Time to Change Wales' Phase 3 campaign, an initiative aimed at reducing stigma and discrimination delivered in partnership with Mind Cymru, funded by Welsh Government and Comic Relief. Time to Change Wales exceeded all set targets, with a particular focus on engaging with Men, Welsh language and Rurality as well as working closely with Organisations (Private and SME's), where we know the effects of stigma can be really harmful.

Welsh Government has awarded a further £445,996 to Time to Change Wales for a 12-month extension with a focus on better reaching socio-economically deprived communities and identifying the needs of Black, Asian and Minority Ethnic communities in Wales with detailed audience insight, developing partnerships and testing pilot activity.

The Mental Health and Money Advice Service, delivered as part of Mental Health UK had another successful year with gains for clients reaching over £1.050million. The average gain per client averaged £6,259 during the year. The service assisted 254 clients by way of 262 cases, made up of debt cases, welfare benefit cases and mental health related cases. The advisors have shown incredible levels of resilience to continue delivering the service during Covid.

Mental Health UK's 'Bloom' programme is a mental health resilience programme for young people aged 14-18. Following an initial training session with teachers, Bloom is co-delivered in education environments over six sessions by teachers and our own training associates. This year, we again overachieved on our targets by delivering the programme to 16 schools/ colleges.

Mental Health UK's 'Your Resilience' programme is a mental health resilience programme for young people aged 14-18. Following an initial training session with facilitators, Your Resilience is co-delivered in CAMHS over six sessions by facilitators and our own training associates.

The Cyfle Cymru Peer Mentoring service continued for a fifth successful year across Wales, supporting individuals to provide peer mentoring, training and confidence building skills to help them take steps to get back into work. The Welsh Government were successful in securing additional funds for Cyfle Cymru which has now been extended to 31st August 2022.

Despite the challenges of Covid-19, adaptations were developed which allowed Hafal staff to access training remotely. This mean that staff have received a wide range of training throughout the year including Safeguarding training, Domestic Violence and Abuse training, Covid-19 awareness, use of PPE, GDPR, moving and handling, Management of Violence and Aggression.

Hafal Registered Services were inspected by Care Inspectorate Wales (CIW) in February 2020. Two Inspectors completed the onsite inspections, visiting Llansamlet to audit HR files and met the Responsible Individual. The Audit Inspections focussed on the Western Bay Region (Swansea & Bridgend projects) and the West Wales Region (Ceredigion, Pembrokeshire & Carmarthenshire). The onsite visit for Western Bay Region was at Llansamlet with Mel Williams, Registered Manager for the Swansea Registered Services plus telephone interviews with staff and clients of both Swansea and Bridgend Services. The second Inspector visited Pembrokeshire to meet a clients & Carers from the Supported Accommodation, Respite & Children Services as well as speaking to staff working in our Registered Services.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

The two reports were positive with no recommendations.

During the Covid-19 pandemic, allocated CIW Inspectors for the different Regional Areas contacted the team weekly and went through a checklist of questions they had for every Provider. The CIW then commenced quarterly Microsoft Teams Inspection Calls.

In respect of Social Care Wales Registration, managers are ensuring that staff are renewing their SCW Registration and/or ensuring new staff are able to register with the correct qualifications.

A range of high quality publications and information leaflets were produced during 2020/21. Local leaflets were updated to reflect service developments across Wales, and new publications included Mair's Manifesto for the Senedd 2021 election and an annual review incorporating a 2021 calendar.

Hafal's websites continued to be regularly updated with news and information; in 2020/21 the redesigned Hafal corporate site featured a series of blog and vlog posts during the pandemic which promoted physical and mental wellbeing including a three-part stress management course, a range of exercise workouts and healthy eating recipes, and a series of podcasts on recovery. We also published key information for people with a mental illness and their carers on staying well during lockdown. Updated sections of the website included a new area on how to support the charity (via fundraising, volunteering, donating, etc.); information on our new services including the Sanctuary Service in Swansea, and a new section on our Hafal Crossroads services across mid and west Wales. New Clic online community microsites were developed for patients in the north Wales, young people in Gwent, and for Men's Sheds Cymru.

Hafal continued to update and develop the Mental Health Wales website and produced a quarterly journal which was circulated widely throughout Wales and which included issues focusing on carers, post-Covid mental health services, young people, and co-occurring diagnoses. Hafal's social media sites continued to develop and increase in popularity in 2020/21: we now have over 24,000 followers on Facebook, Twitter, Instagram and YouTube. In the 2020 calendar year our social media posts reached over 1million users.

Hafal's Public Affairs work during 2020/21 continued to be both influential, far-reaching, and responsive. Extensive media and campaigning work during the year included in-depth features and interviews on both television and radio, and in the local and national press. One of the most important pieces of coverage was a documentary by BBC Wales which aired on the BBC's UK channels and which was produced by the BBC in response to Hafal's research on the impact of the Covid-19 pandemic on statutory services; the documentary included an interview with a Hafal client who was discharged from statutory services during the pandemic as well as Hafal Chair Mair Elliott and the Health Minister Vaughan Gething. Further coverage included features on BBC Wales Today, ITV Wales news, Newyddion 9 (S4C), BBC Radio Wales, BBC Radio Cymru, and a regular column in the Western Mail.

We had planned to run a national campaign promoting physical health during 2020 - Let's Get Physical! - but unfortunately the pandemic meant we were unable to run campaign events. However, we were still able to run the campaign virtually, sharing a number of physical health resources throughout the summer and then holding a virtual event in September across all our media and social channels (including our dedicated physical health website) and reaching thousands of people in the process! During the year we also renewed our Making Sense campaign to improve services by speaking to young people across the country and publishing 11 recommendations for improving mental health support. Furthermore, to mark Children's Mental Health Week earlier this year we joined charities in each of the four nations of the UK, including Promo Cymru in Wales, in supporting hundreds of young people to come together to outline their vision for what mental health services should look like in their communities as part of the 'Our Minds Our Future' project.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRATEGIC REPORT

Financial review

Financial position

The Charity performed well on the whole during the year further strengthening its position; this was mainly as a result of continuing development of strong partnerships with funders in the Welsh NHS and local authorities which are its principal funding sources.

2020/21 saw the fourth full year of operation for Gellinudd Recovery Centre. The Centre was the realisation of a long-held ambition for the Charity to provide a different approach to in-patient care with guests at the heart of the service. Challenges with how Gellinudd as a unique, patient-led model fits within the NHS Wales Framework meant that referrals had been slow and occupancy rates low, but at the beginning of the year the Centre was at the highest level of occupancy since opening. Unfortunately, the impact of the Covid-19 pandemic and the accompanying restrictions on referrals, admissions, and the reduction of face-to-face visits and assessments led to significant reductions in bed occupancy by the end of the year. This in part demonstrated the effectiveness of the Centre in that patients were supported to regain their health and move on but as new referrals were reduced, then occupancy fell. Trustees continued to monitor this situation.

The business of the Charity substantially depends on commissioned work in local areas and the Charity continues to seek funding from other sources so as to mitigate the effects of austerity and cuts to public sector funding. The Charity also continues to develop fund-raising from other sources and the development team (shared with partners CAIS) continued to apply for new funding and encourage fundraising and donations to the organisation.

The Charity does not engage any professional fundraising agencies or employ any direct marketing campaigns; should this change in the future, Trustees will ensure that an ethical fundraising policy is adopted and adhered to.

Sound financial management in previous financial years has strengthened the reserves position enabling Trustees to work towards securing the Charity's future and to develop a number of national projects while continuing to provide a high standard of local services in line with 'Hafal Ymlaen' - the Charity's Strategic Vision and Plan for 2012 - 2022.

The impact of the Covid-19 pandemic led to significant expenditure on Personal Protective Equipment (PPE) and support systems and staff this year. Additionally, the organisation initially supplemented furlough payments and continued to pay staff full sick pay if they had been required to self-isolate. Hafal's Trustees were clear that their responsibilities to the staff team included ensuring a secure supply chain for PPE and investing in training, support, and communication during unprecedented times. The appointment of a specialist communications role was maintained throughout the year to ensure clear and comprehensive guidance was provided for staff, volunteers and clients. There were a number of Covid-19 grant schemes developed throughout the year and successful applications were made to the WCVA, Comic Relief Covid-19 fund, the Welsh Government, and a number of grant providers. This financial and in-kind support allowed Hafal staff to deliver services throughout the pandemic.

Trustees continued to safeguard the financial security of the Charity; during the year Trustees secured a mortgage facility against four properties in order to strengthen and protect the cash position of the Charity, and reviewed investment options in order to maximise investment income for the Charity.

In the reporting period the Charity secured a total income of £9,934,818 with a reported surplus of £31,765 at the end of the year. The net worth of the Charity as at 31 March 2021 was £4,928,637.

Investment policy and objectives

Hafal's Trustees have an agreed low risk Investment Policy which was revised in June 2013 and reviewed annually each March from 2016 to 2020. As was anticipated, the Charity needed to access much of its cash funds for the development and establishment of the Gellinudd Recovery Centre in 2017; therefore, there is little scope for long term investment. The Trustees have agreed to invest funds in interest-bearing accounts with the Charity's bankers. Income from interest amounted to £488 for 2020/21 compared with £848 for 2019/20. As the Charity merged into Adferiad Recovery on 1st April 2021 the future investment strategy will be determined by the new Board of that organisation.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRATEGIC REPORT

Financial review

Reserves policy

Hafal's Trustees aim to secure a safe level of uncommitted general reserves equivalent to between three and six months of operating costs of the Charity in addition to reserves committed by Trustees to specific purposes. The reserves are required to meet the working capital requirements of the Charity and the Trustees are confident that at this level they would be able to sustain the current activities in the event of a significant reduction to funding.

The present value of total reserves is £4,928,637; this includes restricted funds of £747,004, designated/free funds of £4,181,633. As the Charity merged into Adferiad Recovery on 1st April 2021 the new organisation will determine a suitable reserves policy for the combined organisation.

Future plans

Hafal is committed to working in partnership to maximise the opportunities for people who need our help. We will continue to seek out new partners and also to build on existing relationships where we may make more of shared resources and back-office functions to maximise the funds available to provide direct support. It is in no small measure that this approach has led us to the full merger and the genesis of Adferiad Recovery. The new Charity will set out plans for the years to come but it is worth noting here that as part of Adferiad Recovery, Hafal will continue to work as part of Mental Health UK, a network of four charities - Hafal (Wales), Rethink Mental Illness (England), Support in Mind Scotland, and MindWise (Northern Ireland) - to develop initiatives and services to benefit clients and carers across the UK.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

HAFAL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Charity constitution

Hafal operates as a single company with up to seventeen Trustees serving as Directors. The Trustees of Hafal constitute its Board of Directors, are the subscribers to the Memorandum, and serve for terms of up to three years following either election through a ballot of Members or co-option.

Hafal has a formal arrangement with CAIS Ltd and the Welsh Centre for Action on Dependency and Addiction (WCADA) through Adferiad Recovery CIO to develop and deliver high quality services and support for individuals and their families, relatives and carers who are affected by issues relating to mental health and substance abuse. Hafal's Chief Executive and Deputy Chief Executive are members of the Board of Trustees of Adferiad Recovery. This work has developed into a full merger of the organisations into Adferiad Recovery as of 1st April 2021.

Hafal is managed by its Trustees who meet four times a year for that purpose. A Finance sub-committee with ratified terms of reference and delegated authorities meets quarterly. Trustees are collectively responsible for reviewing and agreeing senior staff benefits and achieve this by means of reference to recommendations received from the Finance sub-committee. The majority of Trustees are nominated and elected by the Charity's Members. Training for Trustees is provided both internally by Hafal and externally through accessing information from Blake Morgan LLP, the Charity Commission, Companies House and other relevant organisations. Trustees receive an Induction Pack which includes Hafal's Articles of Association, Hafal Ymlaen (future plans and objectives) and Charity Commission publications relating to Trustees' roles and responsibilities. Trustees meet with the senior management team when they commence their term of office, and during the year Trustees visit local services, shadow staff and attend local events to gain first-hand knowledge of service delivery. Information from training events is circulated and discussed by all Trustees.

A formal system of delegation of authority is in place enabling the day-to-day running of the Charity by executive officers with reference as required to the Chair, Vice Chair and Honorary Treasurer. A small team of senior managers leads the charity: during 2020/21 this team included a Chief Executive, a Deputy Chief Executive, a Chief Operating Officer, a Director of People, Planning and Performance and a Finance Director seconded from partner charity CAIS. Hafal and CAIS have further developed relationships from those at local project level through to senior management and to governance where the Chief Executive of each organisation sits on the other's Board of Trustees.

In addition to the Head Office in Swansea, Hafal has a North Wales Office in Colwyn Bay and a National Resource Centre in Cardiff. Hafal works closely with the Wales Alliance for Mental Health in Wales and with Rethink, Mindwise (Northern Ireland) and Scotland in Mind as part of Mental Health UK (Hafal's Chief Executive is a Trustee of MHUK) and with other similar charities across the British Isles on both a bespoke basis and also as a member of the Mental Health Alliance.

Hafal is a member of Developing a Caring Wales (DACW), a Welsh Consortium providing a complete range of services for people affected by alcohol and drug misuse and mental health difficulties. DACW members deliver the Cyfle Cymru project, part of the Welsh Government's Out of Work Service supported by the European Social Fund. Hafal's Chief Executive is a Trustee of DACW.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Engagement with employees

During 2020/21 Hafal employed approximately 450 full and part-time staff across Wales and had staff located in all 22 counties. Consistent policies and procedures on pay and conditions apply to all staff. During the year the Charity communicated and consulted regularly with its employees weekly updates, online meetings, and via the online 'Staff Area' on its website.

Employee Involvement

Hafal's Trustees see their employees as key stakeholders in the Charity and consult staff both formally and informally on the policies and direction of the Charity. The Charity has a recognised trade union (UNISON) to represent staff and staff have free, non-voting, associate membership of the Charity.

Hafal has worked hard to ensure that all employees are paid the Living Wage Foundation pay rate and will continue to work with funders to ensure that contract arrangements reflect the value of Hafal staff. Austerity and inflationary pressures combined with minimal or zero uplifts on contract values makes it increasingly difficult to maintain this position, but Hafal continues to work with UNISON, and to lobby Welsh Government to ensure that no public services contracts are issued at less than Living Wage Foundation rates.

Risk management

Hafal's Trustees have agreed an updated General Statement of Policy under the Health & Safety at Work Act 1974. Hafal has also assessed risk in relation to business and financial management and incorporated safeguards in the Financial Regulations and Delegated Authorities and Financial Standing Orders which were reviewed and updated in 2020/21 by the Trustees. During the year Trustees reviewed Hafal's corporate risk assessment which addressed the major risks to which the Charity could be exposed and a Corporate Risk Register was reviewed by Trustees on a quarterly basis.

Hafal's Health & Safety Committee convened as necessary during the year to monitor and review the safety of activities. Hafal continues to engage Health and Safety specialist Amanda Trimble to provide specialist support and advice on Health & Safety processes and procedures with the aim of continuing to work in line with the Health and Safety Executive's model for "Successful Health and Safety Management".

During 2020/21 Amanda Trimble delivered updated Health and Safety training, Managing Safely training sessions and updated policy, risk management, and guidance for members of staff, volunteers and Trustees.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

4504443 (England and Wales)

Registered Charity number

1093747

Registered office

Unit B3 Lakeside Technology Park
Phoenix Way
Swansea
SA7 9FE

HAFAL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

Trustees

Dilwyn Voyle - Honorary Treasurer
Mair Elliott - Chair
Ceinwen Rowlands - Vice Chair (resigned 17.9.20)
Gerald Cole (resigned 17.9.20)
Suzanne Duval
Euan Hails
Susan Northcott
Richard Owen
Clive Wolfendale

Executive Officers in 2020/21 were:

Alun Thomas - Chief Executive
Sharon Jones - Deputy Chief Executive
Nicola Thomas - Chief Operating Officer
Lynn Bennoch - Finance Director
Nia Murphy - Director of People, Planning and Performance

Company Secretary

Nicola Thomas

Auditors

Williams Denton Cyf
Chartered Certified Accountants
Statutory Auditors
13 Trinity Square
Llandudno
United Kingdom
CONWY
LL30 2RB

HAFAL MEMBERS

The Members of the Charity, mainly comprising people with serious mental illness and their families (many of whom work actively for the Charity as volunteers) totalled 1,711 (including staff who are Associate Members). Client involvement at Hafal projects continued to develop as clients worked with staff to manage services and plan future developments.

Unfortunately due to the Covid-19 pandemic it was not possible to run Members Days as in previous years but the expansion of Hafal's Promise offered greater contact to Members throughout the year.

As part of the merger, Hafal Members could not simply transfer their membership to the new organisation but ongoing contact in 2021/22 will seek to ensure all those who wish to become members of Adferiad Recovery may do so.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Hafal 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).

HAFAL

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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

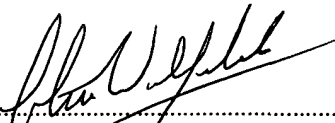
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the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

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 6th October 2021 and signed on the board's behalf by:


.....
Clive Wolfendale - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HAFAL

Opinion

We have audited the financial statements of Hafal (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- 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; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HAFAL

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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.

Responsibilities of trustees

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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud.

We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of legal counsel. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

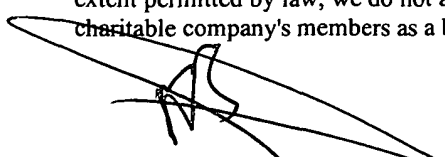
We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HAFAL

Use of our report

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



Martin Barrett (Senior Statutory Auditor)
for and on behalf of Williams Denton Cyf
Chartered Certified Accountants
Statutory Auditors
13 Trinity Square
Llandudno
United Kingdom
CONWY
LL30 2RB

Date: 6th October 2021

HAFAL**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Unrestricted funds £	Restricted fund £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	56,435	101	56,536	82,481
Charitable activities	4				
General charitable activities		7,603,621	2,274,173	9,877,794	8,346,793
Investment income	3	488	-	488	848
Total		7,660,544	2,274,274	9,934,818	8,430,122
EXPENDITURE ON					
Raising funds	5	77,632	-	77,632	53,110
Charitable activities	6				
General charitable activities		7,617,115	1,949,809	9,566,924	8,416,917
Total		7,694,747	1,949,809	9,644,556	8,470,027
NET INCOME/(EXPENDITURE)		(34,203)	324,465	290,262	(39,905)
Transfers between funds	19	300,262	(300,262)	-	-
Other recognised gains/(losses)					
Gains/(losses) on revaluation of fixed assets		(160,347)	(98,150)	(258,497)	-
Net movement in funds		105,712	(73,947)	31,765	(39,905)
RECONCILIATION OF FUNDS					
Total funds brought forward		4,075,921	820,951	4,896,872	4,936,777
TOTAL FUNDS CARRIED FORWARD		4,181,633	747,004	4,928,637	4,896,872

The notes form part of these financial statements

HAFAL**BALANCE SHEET
31 MARCH 2021**

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	12	4,158,539	4,529,453
CURRENT ASSETS			
Debtors	13	1,683,206	1,517,668
Cash at bank		<u>1,836,660</u>	<u>579,456</u>
		3,519,866	2,097,124
CREDITORS			
Amounts falling due within one year	14	(1,442,066)	(1,229,705)
NET CURRENT ASSETS		<u>2,077,800</u>	<u>867,419</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6,236,339	5,396,872
CREDITORS			
Amounts falling due after more than one year	15	(992,702)	(500,000)
PROVISIONS FOR LIABILITIES	17	(315,000)	-
NET ASSETS		<u>4,928,637</u>	<u>4,896,872</u>
FUNDS	19		
Unrestricted funds		4,181,633	4,075,921
Restricted funds		<u>747,004</u>	<u>820,951</u>
TOTAL FUNDS		<u>4,928,637</u>	<u>4,896,872</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 6th October 2021 and were signed on its behalf by:



.....
Clive Wolfendale - Trustee

The notes form part of these financial statements

HAFAL**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 £
Cash flows from operating activities		
Cash generated from operations	<u>812,893</u>	<u>210,429</u>
Net cash provided by/(used in) operating activities	<u>812,893</u>	<u>210,429</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(48,949)	(223,890)
Sale of tangible fixed assets	-	18,960
Interest received	<u>488</u>	<u>848</u>
Net cash used in investing activities	<u>(48,461)</u>	<u>(204,082)</u>
Cash flows from financing activities		
Cash inflows from new borrowing	<u>492,702</u>	<u>-</u>
Net cash used in investing activities	<u>492,702</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period	1,257,204	6,347
Cash and cash equivalents at the beginning of the reporting period	<u>579,456</u>	<u>573,109</u>
Cash and cash equivalents at the end of the reporting period	<u><u>1,836,660</u></u>	<u><u>579,456</u></u>

The notes form part of these financial statements

HAFAL**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021****1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM
OPERATING ACTIVITIES**

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	290,261	(39,905)
Adjustments for:		
Depreciation charges	161,367	203,852
Interest received	(488)	(848)
Increase in debtors	(165,539)	(422,146)
Increase in creditors	527,362	485,985
Profit from sale of fixed assets	-	(16,509)
Net cash provided by/(used in) operations	<u>812,963</u>	<u>210,429</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash in hand	1,836,033	578,830
Notice deposits (less than 3 months)	627	626
Net cash provided by/(used in) operations	<u>1,836,660</u>	<u>579,456</u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Long leasehold	- 33% on cost
Plant and machinery	- 10% on cost
Motor vehicles	- 33% on cost

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

HAFAL**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021****2. DONATIONS AND LEGACIES**

	2021	2020
	£	£
Donations	<u>56,536</u>	<u>82,481</u>

3. INVESTMENT INCOME

	2021	2020
	£	£
Interest receivable - trading	<u>488</u>	<u>848</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	£	£
Sales	15,779	4,632
Family and Carers Support	3,275,287	3,533,091
Clubs and Centres	193,479	145,227
Supported Housing	2,585,366	1,869,903
Befriending / advocacy	£123,838	119,586
Employment	632,982	814,244
Domiciliary Care	10,425	13,986
General charitable activities	<u>3,097,662</u>	<u>1,929,454</u>
	<u>9,934,818</u>	<u>8,430,122</u>

Sources of income included in the above:

	2021	2020
	£	£
Local Health Board / Social Services Joint Funding	568,777	459,123
Social Services	1,530,345	1,572,968
Local Mental Health Grant Scheme / SPD	507,395	247,834
Housing Benefit	627,940	467,280
Supporting People Grant	752,575	577,534
Supporting People Revenue Grant	428,655	382,597
Local Health Boards	3,092,027	2,525,957
Comic Relief	19,272	32,277
ESF Funding for Cyfle Cymru project	375,765	560,305
Welsh Government	317,531	98,929

HAFAL**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021****5. RAISING FUNDS****Raising donations and legacies**

	2021	2020
	£	£
Staff costs	68,266	48,412
Purchase of goods for sale	<u>9,366</u>	<u>4,698</u>
	<u>77,632</u>	<u>53,110</u>

6. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff Costs	Other Costs	Total Costs	Total Costs
			2021	2020
	£	£	£	£
Purchase of goods for sale		9,366	9,366	4,698
Family and Carers Support	2,178,355	1,000,410	3,178,764	3,315,535
Clubs and Centres	93,066	68,043	161,110	145,499
Supported Housing	1,244,852	954,875	2,199,727	1,840,395
Befriending / advocacy	83,210	24,638	107,848	124,682
Employment	352,507	151,250	503,757	656,035
Domiciliary Care	11,855	3,843	15,697	36,320
General charitable activities	£,770,341	183,642	1,953,983	1,313,279
Management and Admin	<u>1,362,656</u>	<u>151,649</u>	<u>1,514,305</u>	<u>1,033,584</u>
	<u>7,096,842</u>	<u>2,547,715</u>	<u>9,644,556</u>	<u>8,470,027</u>

7. SUPPORT COSTS**Transfer of management and internal fees:**

	2021	2020
	£	£
Family and Carers Support	110,442	144,219
Clubs and Centres	29,335	17,276
Supported Housing	34,279	13,671
Befriending / advocacy	14,205	12,385
Employment	35,438	35,438
General charitable activities	<u>76,562</u>	<u>37,516</u>
	<u>300,262</u>	<u>260,505</u>

HAFAL**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021****8. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Auditors Remuneration	13,431	16,200
Depreciation - owned assets	<u>161,367</u>	<u>203,853</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

Trustee's are not remunerated.

Trustees' expenses

Expenses for travelling and subsistence on Charity business in the amount of £0 (2020: £464) were reimbursed to four Trustees.

10. STAFF COSTS

	2021	2020
	£	£
Wages & salaries	6,454,909	5,605,531
Social security cost	402,355	338,598
Pension cost	£45,000	133,911
Apprenticeship Levy	<u>10,539</u>	<u>7,491</u>
	7,112,803	6,085,531
Less: Movement in Holiday Pay Provision	40,629	(5,267)
Add: Recruitment costs	12,466	966
Add: Life Assurance	<u>12,202</u>	<u>9,989</u>
	<u>7,096,842</u>	<u>6,091,219</u>

Total value of staff benefits in kind: £42,585 (2020: £41,005)

The average monthly number of employees during the year was as follows:

	2021	2020
Charitable Activities	<u>443</u>	<u>400</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021	2020
£60,001 - £70,000	2	2
£80,001 - £90,000*	<u>1</u>	<u>1</u>
	<u>3</u>	<u>3</u>

HAFAL**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021****10. STAFF COSTS - continued**

*Salary: £79,888 benefits in kind (vehicle): £4,728

PENSION OBLIGATIONS

	2021	2020
	£	£
Defined contribution		
- Contributions payable by the Charity for the year	245,000	133,911

Contributions are charged to the relevant fund that the employee costs are allocated to.

Hafal participates in the Pensions Trust Growth Plan. The Plan is funded and is not contracted-out of the state scheme. The Growth Plan is a multi-employer pension Plan; it is not possible in the normal course of events to identify a reasonable and consistent basis the share of underlying assets and liabilities belonging to each individual participating employer.

The Pensions Trust has indicated that as of 30th September 2020, the estimated debt on withdrawal from the Plan for Hafal was £55,035 (2020: £133,911). It is unlikely that the Charity would withdraw from the scheme when it is not fully funded.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	72,193	10,288	82,481
Charitable activities			
General charitable activities	5,786,684	2,560,109	8,346,793
Investment income	<u>848</u>	<u>-</u>	<u>848</u>
Total	5,859,725	2,570,397	8,430,122
EXPENDITURE ON			
Raising funds	53,110	-	53,110
Charitable activities			
General charitable activities	<u>6,250,851</u>	<u>2,166,066</u>	<u>8,416,917</u>
Total	<u>6,303,961</u>	<u>2,166,066</u>	<u>8,470,027</u>
NET INCOME/(EXPENDITURE)	(444,236)	404,331	(39,905)
Transfers between funds	<u>260,505</u>	<u>(260,505)</u>	<u>-</u>
Net movement in funds	(183,731)	143,826	(39,905)

HAFAL
**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**
11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted fund £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	4,259,652	677,125	4,936,777
TOTAL FUNDS CARRIED FORWARD	<u>4,075,921</u>	<u>820,951</u>	<u>4,896,872</u>

12. TANGIBLE FIXED ASSETS

	Freehold property £	Long leasehold £	Plant and machinery £	Motor vehicles £	Totals £
COST OR VALUATION					
At 1 April 2020	3,846,652	758,658	399,728	350,755	5,355,793
Additions	-	29,144	19,806	-	48,950
Revaluations	<u>(581,652)</u>	<u>22,198</u>	<u>-</u>	<u>-</u>	<u>(559,454)</u>
At 31 March 2021	<u>3,265,000</u>	<u>810,000</u>	<u>419,534</u>	<u>350,755</u>	<u>4,845,289</u>
DEPRECIATION					
At 1 April 2020	188,585	20,149	333,526	284,080	826,340
Charge for year	76,933	15,290	27,393	41,751	161,367
Revaluation adjustments	<u>(265,518)</u>	<u>(35,439)</u>	<u>-</u>	<u>-</u>	<u>(300,957)</u>
At 31 March 2021	<u>-</u>	<u>-</u>	<u>360,919</u>	<u>325,831</u>	<u>686,750</u>
NET BOOK VALUE					
At 31 March 2021	<u>3,265,000</u>	<u>810,000</u>	<u>58,615</u>	<u>24,924</u>	<u>4,158,539</u>
At 31 March 2020	<u>3,658,067</u>	<u>738,509</u>	<u>66,202</u>	<u>66,675</u>	<u>4,529,453</u>

Cost or valuation at 31 March 2021 is represented by:

	Freehold property £	Long leasehold £	Plant and machinery £	Motor vehicles £	Totals £
Valuation in 2021	(581,652)	22,198	-	-	(559,454)
Cost	<u>3,846,652</u>	<u>787,802</u>	<u>419,534</u>	<u>350,755</u>	<u>5,404,743</u>
	<u>3,265,000</u>	<u>810,000</u>	<u>419,534</u>	<u>350,755</u>	<u>4,845,289</u>

HAFAL**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021****13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021	2020
	£	£
Trade debtors	1,142,170	1,276,746
Amounts owed by group undertakings	50,000	50,000
Other debtors	116,276	3,784
Prepayments and accrued income	329,430	141,351
Prepayments	45,330	45,787
	<u>1,683,206</u>	<u>1,517,668</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	105,126	444,101
Social security and other taxes	115,548	190,001
Other creditors	166,221	116,777
Accruals and deferred income	1,055,171	478,826
	<u>1,442,066</u>	<u>1,229,705</u>

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

	2021	2020
	£	£
Bank loans (see note 16)	492,702	-
Other creditors	500,000	500,000
	<u>992,702</u>	<u>500,000</u>

16. LOANS

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	492,702	-

HAFAL**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021****17. PROVISIONS FOR LIABILITIES**

	2021 £	2020 £
Provisions	<u>315,000</u>	<u>-</u>

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted fund £	2021 Total funds £	2020 Total funds £
Fixed assets	3,488,539	670,000	4,158,539	4,529,453
Current assets	2,487,178	1,032,688	3,519,866	2,097,124
Current liabilities	(486,382)	(955,684)	(1,442,066)	(1,229,705)
Long term liabilities	(992,702)	-	(992,702)	(500,000)
Provision for liabilities	(315,000)	-	(315,000)	-
	<u>4,181,633</u>	<u>747,004</u>	<u>4,928,637</u>	<u>4,896,872</u>

19. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	4,075,921	(194,550)	300,262	4,181,633
Restricted funds				
Restricted Funds	820,951	226,315	(300,262)	747,004
TOTAL FUNDS	<u>4,896,872</u>	<u>31,765</u>	<u>-</u>	<u>4,928,637</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	7,660,544	(7,694,747)	(160,347)	(194,550)
Restricted funds				
Restricted Funds	2,274,274	(1,949,809)	(98,150)	226,315
TOTAL FUNDS	<u>9,934,818</u>	<u>(9,644,556)</u>	<u>(258,497)</u>	<u>31,765</u>

HAFAL

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
Unrestricted funds				
General fund	4,259,652	(444,236)	260,505	4,075,921
Restricted funds				
Restricted Funds	677,125	404,331	(260,505)	820,951
TOTAL FUNDS	<u>4,936,777</u>	<u>(39,905)</u>	<u>-</u>	<u>4,896,872</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	5,859,725	(6,303,961)	(444,236)
Restricted funds			
Restricted Funds	2,570,397	(2,166,066)	404,331
TOTAL FUNDS	<u>8,430,122</u>	<u>(8,470,027)</u>	<u>(39,905)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	4,259,652	(638,786)	560,767	4,181,633
Restricted funds				
Restricted Funds	677,125	630,646	(560,767)	747,004
TOTAL FUNDS	<u>4,936,777</u>	<u>(8,140)</u>	<u>-</u>	<u>4,928,637</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

19. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	13,520,269	(13,998,708)	(160,347)	(638,786)
Restricted funds				
Restricted Funds	4,844,671	(4,115,875)	(98,150)	630,646
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>18,364,940</u>	<u>(18,114,583)</u>	<u>(258,497)</u>	<u>(8,140)</u>

20. RELATED PARTY DISCLOSURES

During the year, the company incurred the following transactions with companies/persons connected by virtue of family relationship to:

Nicola Thomas (Director of Corporate and Public Affairs): Ward Electrical Services Ltd (husband is a Director) an approved contractor: electrical repairs of £20,271 (2020: £16,470 which were conducted on an arm's length basis.