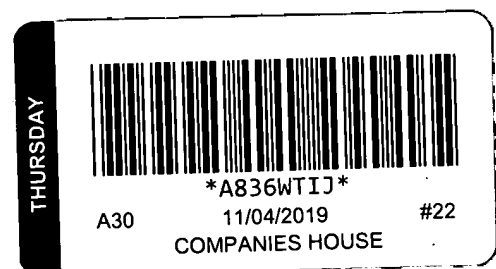


WARM WALES - CYMRU GYNNES CWMNI BUDDIANT CYMUNEDOL

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2018

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WARM WALES - CYMRU GYNNES CWMNI BUDDIANT CYMUNEDOL

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BALANCE SHEET

AS AT 31 JULY 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	6		6,910		6,394
Investments	7		-		100
			<u>6,910</u>		<u>6,494</u>
Current assets					
Debtors	8	59,916		142,626	
Cash at bank and in hand		446,421		203,148	
		<u>506,337</u>		<u>345,774</u>	
Creditors: amounts falling due within one year	9	<u>(86,322)</u>		<u>(63,333)</u>	
Net current assets			<u>420,015</u>		<u>282,441</u>
Total assets less current liabilities			<u>426,925</u>		<u>288,935</u>
Reserves					
Income and expenditure account	11		<u>426,925</u>		<u>288,935</u>

The directors of the company have elected not to include a copy of the income and expenditure account within the financial statements.

For the financial year ended 31 July 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 26.3.19 and are signed on its behalf by:


Prof P Jones
Director

Company Registration No. 05183580

WARM WALES - CYMRU GYNNES CWMNI BUDDIANT CYMUNEDOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2018

1 Accounting policies

Company information

Warm Wales - Cymru Gynnes Cwmni Buddiant Cymunedol is a community interest company limited by guarantee incorporated in England and Wales. The registered office is Llewellyn House, Harbourside Business Park, Harbourside Road, Port Talbot, SA13 1SB.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

This company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 'Statement of Cash Flows';
- the requirement of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Income is recognised when there is a right to consideration in exchange for performance. Deferred income represents funding received in advance of performance towards specific projects.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	Straight Line 25% on cost and 25% Reducing Balance
---------------------	--

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to surplus or deficit.

1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in surplus or deficit.

WARM WALES - CYMRU GYNNES CWMNI BUDDIANT CYMUNEDOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2018

1 Accounting policies

(Continued)

1.5 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair values, which is normally the transaction price.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.7 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

WARM WALES - CYMRU GYNNES CWMNI BUDDIANT CYMUNEDOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2018

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.11 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

WARM WALES - CYMRU GYNNES CWMNI BUDDIANT CYMUNEDOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2018

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Information about significant areas of estimation and critical judgement in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included under the 'Financial Instrument' accounting policy above.

3 Operating surplus

	2018	2017
	£	£
Operating surplus for the year is stated after charging:		
Depreciation of owned tangible fixed assets	4,879	7,412
	<u> </u>	<u> </u>

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was 9 (2017 - 6).

5 Directors' remuneration

	2018	2017
	£	£
Remuneration paid to directors	40,393	78,148
	<u> </u>	<u> </u>

WARM WALES - CYMRU GYNNES CWMNI BUDDIANT CYMUNEDOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2018

6 Tangible fixed assets

	Plant and machinery £
Cost	
At 1 August 2017	25,039
Additions	5,395
Disposals	(23,018)
At 31 July 2018	7,416
Depreciation and impairment	
At 1 August 2017	18,645
Depreciation charged in the year	4,879
Eliminated in respect of disposals	(23,018)
At 31 July 2018	506
Carrying amount	
At 31 July 2018	6,910
At 31 July 2017	6,394

7 Fixed asset investments

	2018 £	2017 £
Investments	100	100
Disposals	(100)	-
	-	100

On 1 April 2018 the company disposed of its shareholding in EWI Pro Limited.

8 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade Debtors	44,669	114,346
Amounts owed by group undertakings	-	26,114
Other debtors	15,247	2,166
	59,916	142,626

Trade debtors are stated after provision for doubtful debt of £5,000 (2017: £nil).

WARM WALES - CYMRU GYNNES CWMNI BUDDIANT CYMUNEDOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2018

9 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	6,677	16,218
Other taxation and social security	35,914	11,864
Other creditors	43,731	35,251
	<u>86,322</u>	<u>63,333</u>

10 Members' liability

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £1.

11 Income and expenditure account

	2018 £	2017 £
At the beginning of the year	288,935	233,456
Surplus for the year	137,990	55,479
	<u>426,925</u>	<u>288,935</u>

12 Contingent liabilities

During the year Warm Wales Cymru Gynnes CBC received grant funding in relation to the Fuel Poor Network Extension Scheme. The purpose of the grants is to support ongoing eligible project expenditure. Should any conditions of the grants be contravened, then the whole of the grant could become repayable to the funder.

13 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2018 £	2017 £
	<u>118,871</u>	<u>36,000</u>

WARM WALES - CYMRU GYNNES CWMNI BUDDIANT CYMUNEDOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2018

14 Related party transactions

J A Hamilton

Director of the company.

During the year, Mrs J A Hamilton invoiced the company £11,594 (2017 - £12,066) in relation to HR services supplied. At the year end she was owed £645 (2017 - £1,433).

H B Beynon

Director of the company.

During the year, INB Accountancy Solutions Limited invoiced the company £5,551 (2017 - £6,656) in relation to accountancy and business support. At the year end a balance of £1,392 was owed to INB Accountancy Solutions Limited (2017 - £476). Ms H B Beynon is a director of INB Accountancy Solutions Limited.

EWI Pro Limited

A company of which 53% is owned by Warm Wales - Cymru Gynnes Cwmni Buddiant Cymunedol.

During the year there were recharges to EWI Pro Limited totalling £5,104 (2017: £12,926). At the year end Warm Wales - Cymru Gynnes Cwmni Buddiant Cymunedol was owed £nil (2017: £26,114). During the year an amount of £12,187 was written off on disposal of the share capital of Ewi Pro Limited. During the year the company disposed of its shareholding in EWI Pro Limited.

15 Parent company

There is no Ultimate Controlling Party as the company is a community interest company.