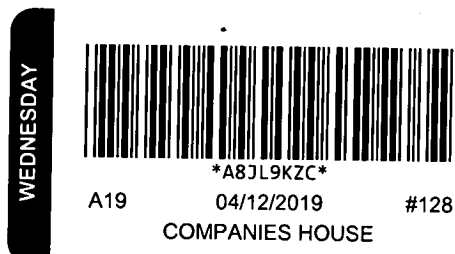


COMPANY REGISTRATION NUMBER: 7058600  
CHARITY REGISTRATION NUMBER: 1142159

**Diverse Excellence Cymru Limited**  
**Company Limited by Guarantee**  
**Financial Statements**  
**31 March 2019**



**WALTER HUNTER & CO LIMITED**  
Chartered accountants & statutory auditor  
24 Bridge Street  
Newport  
South Wales  
NP20 4SF

# **Diverse Excellence Cymru Limited**

**Company Limited by Guarantee**

## **Financial Statements**

**Year ended 31 March 2019**

|  | <b>Page</b> |
|--|-------------|
| Trustees' annual report (incorporating the director's report)                | <b>1</b>    |
| Independent auditor's report to the members                                  | <b>9</b>    |
| Statement of financial activities (including income and expenditure account) | <b>13</b>   |
| Statement of financial position  | <b>14</b>   |
| Statement of cash flows  | <b>15</b>   |
| Notes to the financial statements  | <b>16</b>   |

# **Diverse Excellence Cymru Limited**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report)**

#### **Year ended 31 March 2019**

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2019.

#### **Reference and administrative details**

**Registered charity name** Diverse Excellence Cymru Limited

**Charity registration number** 1142159

**Company registration number** 7058600

**Principal office and registered office** Alexandra House  
3rd Floor  
307 - 315 Cowbridge Road East  
Cardiff  
CF5 1JD

#### **The trustees**

|              |                              |
|--------------|------------------------------|
| A Quinn Aziz |                              |
| H S Dodoo    |                              |
| S Evans      |                              |
| J Jones      |                              |
| A Toby       |                              |
| J Williams   |                              |
| E Aure       | (Appointed 27 May 2019)      |
| R Gibson     | (Appointed 13 June 2019)     |
| R Cook       | (Appointed 18 June 2019)     |
| B Coates     | (Appointed 2 September 2019) |
| R J Ballard  | (Resigned 13 March 2019)     |
| D M Sibanda  | (Resigned 4 June 2019)       |
|              | (Appointed 6 November 2018/  |
| R Pritchard  | resigned 4 June 2019)        |
|              | (Appointed 6 November 2018/  |
| E Jones      | resigned 30 July 2019)       |
| M A Harris   | (Resigned 31 July 2018)      |

#### **Auditor**

Walter Hunter & Co Limited  
Chartered accountants & statutory auditor  
24 Bridge Street  
Newport  
South Wales  
NP20 4SF

# **Diverse Excellence Cymru Limited**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

#### **Year ended 31 March 2019**

#### **Structure, governance and management**

##### **Governing Document**

The organisation was formed as a company limited by guarantee and is governed by the Memorandum and Articles of Association. It was incorporated on 27th October 2009, registered as a Charity on 22nd February 2011 and started to operate on 1st April 2011.

This followed the amalgamation of two existing organisations, being Awetu and the Cardiff & Vale Coalition for Disabled People. Awetu ('Our Unity' in Swahili) was a registered charity set up in 1988 as a result of the growing concern among a number of professional workers at the over representation of black clients within the mental health services and the need to improve the sensitivity of these services to black people's needs.

Cardiff & Vale Coalition for Disabled People, a Company Limited by guarantee, was created in 1991. It was established from the outset as an organisation for disabled people that could challenge barriers; bring disabled people together to campaign on relevant issues such as education, employment, housing, transport and strengthen the voices of disabled people in the community and in decision making.

##### **Recruitment**

The Directors also serve as Trustees of the Charity. Trustees can be voted for at the Annual General Meeting or can be co-opted by the Board of Trustees at any time.

##### **Trustee Induction and Training**

The charity has a comprehensive induction training programme. Following the initial induction a range of training opportunities are provided with particular regard to governance.

##### **Risk Review**

All major risks to which the Charity becomes exposed to, is identified by the Trustees. These are reviewed and systems or procedures established to manage those risks

The following key principles outline Diverse Cymru's approach to risk management and internal control:

- The Board of Trustees has responsibility for overseeing risk management within Diverse Cymru as a whole.
- A risk register is maintained and updated as required.
- An open and receptive approach to solving risk problems is adopted by the Board of Trustees.
- The CEO and Senior Management Team (SMT) offer support, advice and implement policies and procedures agreed by the Board of Trustees.
- Diverse Cymru recognises prudent disclosure of financial and non-financial implications of risks.
- The Trustees, CEO, SMT and other key staff are responsible for encouraging good risk management practice within their areas of work.

# **Diverse Excellence Cymru Limited**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 31 March 2019**

#### **OBJECTIVES AND ACTIVITIES**

##### **Organisational structure**

The Board of Trustees has strategic oversight, in line with charity law. The Chief Executive is an ex officio member of the Board by virtue of his role as Company Secretary and is supported by SMT in the administration of his operational responsibility for the charity.

##### **OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT**

The Charity's objects are specifically restricted to promote equality and diversity for the benefit of the public by seeking to eliminate discrimination in all its forms, in particular but not exclusively, by the provision of advice, information and training.

Diverse Cymru's vision is 'a world without prejudice or discrimination, where every person is equal and diversity is celebrated'.

Our mission is to eliminate discrimination and inequality in Wales. We will do this through:

- |                  |  |
|------------------|--|
| Provision        | - Delivering services that reduce inequality;                                |
| Promotion        | - Increasing awareness of equality issues;                                   |
| Participation    | - Enabling people affected by inequality to engage and speak for themselves; |
| Inspiring action | - Motivating people to take action against inequality                        |

# **Diverse Excellence Cymru Limited**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

#### **Year ended 31 March 2019**

##### **Achievements and performance**

Since last year 2018-19, Diverse Cymru has continued on its journey to provide high quality services that make a real difference to the lives of those we support. This year has not been without its challenges; we have again found the need to reduce staff costs and this resulted in losing two members of staff. Whilst these losses had an impact internally we were able to maintain our standards of service to customers. We also had some positive news in that we were informed that we had won the Direct payments contract for Newport and this without doubt has improved our financial position for this year. The management team and staff as usual did not stand still but instead have put extra time and effort into finding alternative funding options, and this will pay off next year with a positive end of year balance.

All staff must be congratulated for their dedication and commitment ensuring we never lost sight of what really matters, "Our Service Users". As you can see from the following overview we have also been successful in delivering positive results in all areas of our operation. We also take this opportunity to thank all the staff, trustees, volunteers, clients and service partners for their support, ensuring this year ended with a positive outlook for the future.

##### **Advocacy**

Working under the Social Care and Wellbeing (Wales) Act 2014, Diverse Cymru provides a free and Independent Professional Advocacy (IPA) service for disabled users of Adult Social Services who are residents in the Vale of Glamorgan, commissioned by the Council. In this year, we provided Advocacy to over 80 people, supporting people through a range of difficulties and issues including housing, health and disability benefits related issues.

##### **Direct Payments**

Direct payments are an alternative to having support arranged directly by social services and provide people with choice, voice and control over the care that they receive, as identified in the Social Services and Wellbeing (Wales) Act 2014. Diverse Cymru support disabled people and carers to achieve this control in 5 counties across Wales including a new commissioned service in Bridgend County from 5<sup>th</sup> July 2019.

We are currently commissioned by the 3 West Wales counties of Ceredigion, Carmarthenshire and Pembrokeshire to deliver a full Direct Payments support service including managed accounts and payroll support to over 1,500 clients. This year was our first full year commissioned by Newport City Council to work alongside the Council's Independent Living Advisors and provide a payroll and managed accounts service to approximately 130 Direct Payments clients.

##### **BME Mental Health Recovery Project**

Commissioned by the Cardiff and Vale University Health Board, Diverse Cymru provides support, befriending and advice to Black and Minority Ethnic (BME) people in Cardiff and the Vale of Glamorgan who are affected by ill health. During this year we worked with clients through an individual recovery plan, collaborating to identify individual goals and ideal paths to recovery, and provide essential support in the community and a befriending service.

# **Diverse Excellence Cymru Limited**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

#### **Year ended 31 March 2019**

##### **Financial review**

###### **Results for the year**

The charity incurred a deficit for the year of £70,924. This reflects the impact of a full year of direct payments in Cardiff not recurring and tempered by the first year of direct payments in Newport City Council was anticipated by the Trustees.

The average number of employees, calculated on the basis of full-time equivalents, has decreased from 42 to 40.

###### **Reserves Policy**

The Board of Trustees believes that the Charity requires a sufficient level of reserves to cover the on-going work of the Charity and its administrative functions. At this point there are insufficient reserves to cover material one-off unexpected occurrences. The Board aims to maintain three months running costs in order to ensure continued operation and appropriate cash flow management.

Unrestricted funds stand at £314,123.

The Trustees regard the on-going review of the reserves policy as part of managing the Charity. The operating results are identified and reported upon each month. On completion of the Audit of the Annual Accounts unrestricted funds are identified and analysed. The reserves policy is then reviewed by the Board of Trustees as part of the Charity's strategic planning process. The review ensures that the policy is still relevant as the Charity develops, changes and implements its strategy.

###### **Principal Funding**

The principal funding of the Charity is through West Wales by supporting the Direct Payments operations for £799,552. During the year Direct Payments operations were also supported by Newport City Council for £32,883. The organisation is looking at developing the provision of our services throughout the rest of Wales.

###### **Material Investments Policy**

The Bank Account is reviewed daily. At present the Charity does not consider itself to have sufficient funds to invest elsewhere and receive a beneficial return. This however is a matter which is continually under review.

# Diverse Excellence Cymru Limited

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2019

#### Plans for future periods

The Charity is looking to develop the existing operations in all areas and in particular in other parts of Wales.

#### Funds held as custodian trustee on behalf of others

The Charity manages, on behalf of Carmarthenshire County Council, Ceredigion County Council, Pembrokeshire County Council and Newport City Council the Direct Payment matters for registered Service Users. This is seen as a way of assisting the Service Users in their independence and the respective Councils in the areas of South Wales providing that service.

In doing this we hold, in the Charity's name, monies in a separate bank account which cannot be used for the operation of Charity activities.

At the year end the charity held the following amounts as custodian trustee on behalf of the Managed Payments Scheme:

|                                | 2019<br>£ | 2018<br>£ |
|--------------------------------|-----------|-----------|
| Carmarthenshire County Council | 1,088,238 | 876,983   |
| Ceredigion County Council      | 423,634   | 241,452   |
| Newport City Council           | 173,164   | —         |
| Pembrokeshire County Council   | 348,078   | 700,642   |

These bank accounts are reconciled and agreed on a daily basis.

#### Trustees' responsibilities statement

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

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

In preparing these financial statements, the trustees are required to:

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

# **Diverse Excellence Cymru Limited**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

#### **Year ended 31 March 2019**

##### **BME Mental Health All Wales Projects**

Funded by the Welsh Government through a Section 64 mental health grant, this year saw the successful rollout of our BME Mental Health Workplace Good Practice Certification Scheme endorsed by the Royal College of Psychiatrists in Wales that is designed for professionals that work with BME communities in Wales, in efforts to improve the accessibility and quality of social care and mental health services. The project includes research into the experiences of BME people with dementia and their carers and provides specialist BME mental health awareness training.

Finally, within this programme, our HYPE Cymru project engages with BME children and young people across Wales on engaging approaches to talking about mental health. This includes workshops on feelings, mindfulness and yoga and The Green Prescription, taking young people out and about to experience Wales' countryside.

##### **Policy, Engagement and Training**

Diverse Cymru has a proven track record of understanding the experiences of multi-characteristic individuals and communities. The provision of a training and consultancy service contributes to the organisation's profile and reputation as experts in the elimination of discrimination and inequality and to directly improving the experiences of people affected by inequality in Wales.

Diverse Cymru also has a proven track record of delivering high-quality specialist equality and diversity research. The provision of this service contributes to ensuring that the voices of people affected by inequality are heard and acted upon by decision-makers. This research, in partnership with the case studies we produce, enhance the evidence base for equality policy and practice in Wales.

In this year, the project was commissioned by the EHRC to undertake a review of public authorities under the Public Sector Equality Duty; continued public engagement on a range of themes through the 3rd Sector Partnership with C3SC, commissioned by Cardiff Council; and completed the 'Your Wellbeing Your Government' project, in collaboration with C3SC.

# **Diverse Excellence Cymru Limited**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

#### **Year ended 31 March 2019**

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

#### **Auditor**

Each of the persons who is a trustee at the date of approval of this report confirms that:

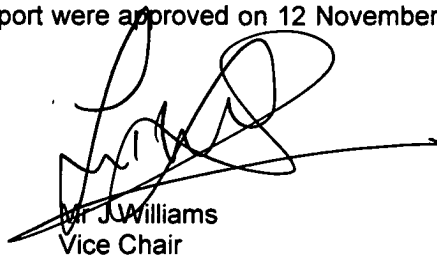
- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

The trustees' annual report and the strategic report were approved on 12 November 2019 and signed on behalf of the board of trustees by:



Mrs J Jones  
Chair of Trustees



Mr J Williams  
Vice Chair

# **Diverse Excellence Cymru Limited**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of Diverse Excellence Cymru Limited** *(continued)*

**Year ended 31 March 2019**

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's 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 an auditor's report 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

# **Diverse Excellence Cymru Limited**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of Diverse Excellence Cymru Limited** *(continued)*

**Year ended 31 March 2019**

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which 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.

# **Diverse Excellence Cymru Limited**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of Diverse Excellence Cymru Limited**

**Year ended 31 March 2019**

#### **Opinion**

We have audited the financial statements of Diverse Excellence Cymru Limited (the 'charity') for the year ended 31 March 2019 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, 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, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2019 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;
- 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 auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

# **Diverse Excellence Cymru Limited**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of Diverse Excellence Cymru Limited** *(continued)*

#### **Year ended 31 March 2019**

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Use of our report**

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Jonathan Rhodes BSc FCA (Senior  
Statutory Auditor)  
For and on behalf of  
WALTER HUNTER & CO LIMITED  
Chartered Accountants  
& Statutory Auditor

24 Bridge Street  
Newport  
South Wales  
NP20 4SF

12<sup>th</sup> November 2019

# Diverse Excellence Cymru Limited

## Company Limited by Guarantee

### Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2019

|   |       |                         | 2019                  |                  | 2018             |
|---|-------|-------------------------|-----------------------|------------------|------------------|
|   | Note  | Unrestricted funds<br>£ | Restricted funds<br>£ | Total funds<br>£ | Total funds<br>£ |
| <b>Income and endowments</b>  |       |                         |                       |                  |                  |
| Donations and legacies  | 5     | 1,150                   | 125                   | 1,275            | 395              |
| Charitable activities   | 6     | -                       | 286,328               | 286,328          | 399,166          |
| Other income  | 7     | 856,803                 | 1,660                 | 858,463          | 1,093,867        |
| <b>Total income</b>   |       | <u>857,953</u>          | <u>288,113</u>        | <u>1,146,066</u> | <u>1,493,428</u> |
| <b>Expenditure</b>  |       |                         |                       |                  |                  |
| Expenditure on charitable activities                                      | 8,9   | 959,526                 | 257,464               | 1,216,990        | 1,329,734        |
| <b>Total expenditure</b>  |       | <u>959,526</u>          | <u>257,464</u>        | <u>1,216,990</u> | <u>1,329,734</u> |
| <b>Net (expenditure)/income and net movement in funds before transfer</b> |       |                         |                       |                  |                  |
| Transfer  | 14,20 | (101,573)               | 30,649                | (70,924)         | 163,694          |
|   |       | (54,268)                | 54,268                | -                | -                |
| <b>Net (expenditure)/income for the year</b>                              |       | <u>(155,841)</u>        | <u>84,917</u>         | <u>(70,924)</u>  | <u>163,694</u>   |
| <b>Reconciliation of funds</b>  |       |                         |                       |                  |                  |
| Total funds brought forward   |       | 469,964                 | (36,240)              | 433,724          | 270,030          |
| <b>Total funds carried forward</b>  |       | <u>314,123</u>          | <u>48,677</u>         | <u>362,800</u>   | <u>433,724</u>   |

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

The notes on pages 16 to 32 form part of these financial statements.

# Diverse Excellence Cymru Limited

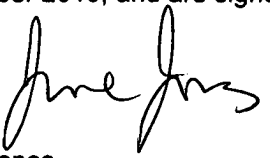
## Company Limited by Guarantee

### Statement of Financial Position

31 March 2019

|   | Note | 2019<br>£      | 2018<br>£      |
|---|------|----------------|----------------|
| <b>Fixed assets</b>                                   |      |                |                |
| ILS Database  | 15   | 44,128         | 36,749         |
| Tangible fixed assets                                 | 16   | 14,459         | 18,537         |
|   |      | <u>58,587</u>  | <u>55,286</u>  |
| <b>Current assets</b>                                 |      |                |                |
| Debtors   | 17   | 159,267        | 125,034        |
| Cash at bank and in hand                              |      | 220,772        | 311,555        |
|   |      | <u>380,039</u> | <u>436,589</u> |
| <b>Creditors: amounts falling due within one year</b> | 18   | <u>75,826</u>  | <u>58,151</u>  |
| <b>Net current assets</b>                             |      | <u>304,213</u> | <u>378,438</u> |
| <b>Total assets less current liabilities</b>          |      | <u>362,800</u> | <u>433,724</u> |
| <b>Net assets</b>                                     |      | <u>362,800</u> | <u>433,724</u> |
| <b>Funds of the charity</b>                           |      |                |                |
| Restricted funds                                      |      | 48,677         | (36,240)       |
| Unrestricted funds                                    |      | 314,123        | 469,964        |
| <b>Total charity funds</b>                            | 20   | <u>362,800</u> | <u>433,724</u> |

These financial statements were approved by the board of trustees and authorised for issue on 12 November 2019, and are signed on behalf of the board by:

  
Mrs J Jones  
Chair

  
Mr J Williams  
Vice Chair

The notes on pages 16 to 32 form part of these financial statements.

# Diverse Excellence Cymru Limited

## Company Limited by Guarantee

### Statement of Cash Flows

Year ended 31 March 2019

|   | 2019<br>£             | 2018<br>£             |
|---|-----------------------|-----------------------|
| <b>Cash flows from operating activities</b>                 |                       |                       |
| Net (expenditure)/income                                    | (70,924)              | 163,693               |
| <i>Adjustments for:</i>                                     |                       |                       |
| Depreciation of tangible fixed assets                       | 10,256                | 12,033                |
| Amortisation of ils database                                | 2,621                 | 2,290                 |
| Interest payable and similar charges                        | 16,042                | 1,914                 |
| Accrued income  | (24,982)              | (94,446)              |
| <i>Changes in:</i>  |                       |                       |
| Trade and other debtors                                     | (1,189)               | 45,458                |
| Trade and other creditors                                   | 9,613                 | (7,639)               |
| Cash generated from operations                              | (58,563)              | 123,303               |
| Interest paid   | (16,042)              | (1,914)               |
| Net cash (used in)/from operating activities                | <u>(74,605)</u>       | <u>121,389</u>        |
| <b>Cash flows from investing activities</b>                 |                       |                       |
| Purchase of tangible and intangible assets                  | (16,178)              | –                     |
| Proceeds from sale of tangible assets                       | –                     | 14,258                |
| Net cash (used in)/from investing activities                | <u>(16,178)</u>       | <u>14,258</u>         |
| <b>Net (decrease)/increase in cash and cash equivalents</b> | <b>(90,783)</b>       | <b>135,647</b>        |
| <b>Cash and cash equivalents at beginning of year</b>       | <b>311,555</b>        | <b>175,908</b>        |
| <b>Cash and cash equivalents at end of year</b>             | <b><u>220,772</u></b> | <b><u>311,555</u></b> |

The notes on pages 16 to 32 form part of these financial statements.

# **Diverse Excellence Cymru Limited**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements**

**Year ended 31 March 2019**

#### **1. General information**

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Alexandra House, 3rd Floor, 307 - 315 Cowbridge Road East, Cardiff, CF5 1JD.

#### **2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

#### **3. Accounting policies**

##### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### **Going concern**

There are no material uncertainties about the charity's ability to continue.

##### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### **Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

# Diverse Excellence Cymru Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2019

#### 3. Accounting policies *(continued)*

##### Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

##### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

##### Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

|                |   |   |
|----------------|---|---|
| 'ILS' Database | - | Over the useful economic life of 10 years less 50% residual value |
|----------------|---|---|

# Diverse Excellence Cymru Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2019

#### 3. Accounting policies *(continued)*

##### **Amortisation *(continued)***

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

##### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

##### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

|                     |   |                              |
|---------------------|---|------------------------------|
| Leasehold Property  | - | Over the term of the lease   |
| Equipment           | - | 20% p.a. straight line basis |
| Fixtures & Fittings | - | 20% p.a. straight line basis |

##### **Impairment of fixed assets**

##### **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

##### **Financial instruments**

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

# Diverse Excellence Cymru Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2019

#### 3. Accounting policies *(continued)*

##### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

#### 4. Limited by guarantee

The charity is incorporated under the Companies Act 2006 and is limited by guarantee, each member having undertaken to contribute such amounts not exceeding one pound as may be required in the event of the company being wound up whilst he or she is still a member or within one year thereafter. There are 9 members of the company.

#### 5. Donations and legacies

|           | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2019<br>£ |
|-----------|----------------------------|--------------------------|--------------------------|
| Donations | <u>1,150</u>               | <u>125</u>               | <u>1,275</u>             |

|           | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2018<br>£ |
|-----------|----------------------------|--------------------------|--------------------------|
| Donations | <u>395</u>                 | <u>—</u>                 | <u>395</u>               |

# Diverse Excellence Cymru Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

#### 6. Charitable activities

##### Direct Payments

In helping to meet the 'Independent Living' needs of disabled people, Diverse Cymru provides a direct payment support service on behalf of Carmarthenshire, Ceredigion and Pembrokeshire County Councils and Newport City Council to assist service users with all aspects of Direct Payments.

|   | Restricted<br>Funds<br>£ | Total Funds<br>2019<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2018<br>£ |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| Policy Training   | 5,889                    | <b>5,889</b>             | –                        | –                        |
| EHRC  | –                        | –                        | 19,869                   | 19,869                   |
| Cardiff Third Sector Council -<br>Community Voice                   | –                        | –                        | 10,919                   | 10,919                   |
| Cardiff Advice Service  | –                        | –                        | 59,360                   | 59,360                   |
| Policy Management   | 48,000                   | <b>48,000</b>            | –                        | –                        |
| Creu Cymru /ACW   | 5,410                    | <b>5,410</b>             | 18,511                   | 18,511                   |
| Cardiff & Vale University Local Health<br>Board Mental Health Grant | 66,597                   | <b>66,597</b>            | 66,597                   | 66,597                   |
| Vale of Glamorgan   | 17,342                   | <b>17,342</b>            | 17,170                   | 17,170                   |
| Welsh Government Section 64   | 100,234                  | <b>100,234</b>           | 75,554                   | 75,554                   |
| Action for Children - Families First                                | –                        | –                        | 65,349                   | 65,349                   |
| Golden Thread   | –                        | –                        | 2,000                    | 2,000                    |
| WCVA- Open Government Equalities                                    | 3,675                    | <b>3,675</b>             | 1,575                    | 1,575                    |
| EHRC - PSED   | 19,000                   | <b>19,000</b>            | 20,800                   | 20,800                   |
| Queens baton relay  | –                        | –                        | 1,500                    | 1,500                    |
| Powys County Council - Syrian<br>evaluation project work            | –                        | –                        | 4,750                    | 4,750                    |
| Welsh Government - Re writing the<br>script commissioning project   | 10,200                   | <b>10,200</b>            | 10,000                   | 10,000                   |
| Welsh Government Arts Strategy                                      | 5,000                    | <b>5,000</b>             | 5,000                    | 5,000                    |
| High end TV   | 4,981                    | <b>4,981</b>             | –                        | –                        |
| Welsh Gymnastics  | –                        | –                        | 20,212                   | 20,212                   |
|   | <u>286,328</u>           | <u><b>286,328</b></u>    | <u>399,166</u>           | <u>399,166</u>           |

# Diverse Excellence Cymru Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

#### 7. Other income

|  | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2019<br>£ |
|--|----------------------------|--------------------------|--------------------------|
| Training courses                       | 1,782                      | —                        | 1,782                    |
| Other Income                           | 22,298                     | 1,660                    | 23,958                   |
| Cardiff City Council - Direct payments | 288                        | —                        | 288                      |
| West Wales - Direct Payments           | 799,552                    | —                        | 799,552                  |
| Newport Direct Payments                | 32,883                     | —                        | 32,883                   |
|  | <u>856,803</u>             | <u>1,660</u>             | <u>858,463</u>           |

|  | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2018<br>£ |
|--|----------------------------|--------------------------|--------------------------|
| Training courses                       | 5,874                      | —                        | 5,874                    |
| Other Income                           | 15,536                     | —                        | 15,536                   |
| Cardiff City Council - Direct payments | 337,880                    | —                        | 337,880                  |
| West Wales - Direct Payments           | 734,577                    | —                        | 734,577                  |
| Newport Direct Payments                | —                          | —                        | —                        |
|  | <u>1,093,867</u>           | <u>—</u>                 | <u>1,093,867</u>         |

#### Direct Payments

In helping to meet the 'Independent Living' needs of disabled people, Diverse Cymru provides a direct payment support service on behalf of Carmarthenshire, Ceredigion and Pembrokeshire County Councils and Newport City Council to assist service users with all aspects of Direct Payments.

# Diverse Excellence Cymru Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

#### 8. Expenditure on charitable activities by fund type

|  | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2019<br>£ |
|--|----------------------------|--------------------------|--------------------------|
| Winter Ball  | –                          | 773                      | 773                      |
| Training   | 2,886                      | –                        | 2,886                    |
| Cardiff and Vale University                                  | –                          | –                        | –                        |
| Welsh Government   | –                          | 81,568                   | 81,568                   |
| Direct Payments - West Wales                                 | 580,188                    | –                        | 580,188                  |
| Policy Management  | –                          | 48,000                   | 48,000                   |
| Policy Training  | –                          | 3,321                    | 3,321                    |
| Vale of Glamorgan  | –                          | 23,239                   | 23,239                   |
| Welsh Government Arts Strategy                               | –                          | 2,161                    | 2,161                    |
| Welsh Gymnastics   | –                          | 282                      | 282                      |
| Vale of Glamorgan - Cardiff Advice Hub                       | –                          | –                        | –                        |
| High End TV  | –                          | 4,967                    | 4,967                    |
| EHRC   | –                          | 1,062                    | 1,062                    |
| Wales Audit Office   | –                          | 2,419                    | 2,419                    |
| Cardiff and Vale University Health Board Mental Health Grant | –                          | 47,215                   | 47,215                   |
| Direct Payments Newport                                      | 17,546                     | –                        | 17,546                   |
| Comic Relief   | –                          | –                        | –                        |
| Golden Thread  | –                          | 46                       | 46                       |
| Cardiff Third Sector Community Voice                         | –                          | –                        | –                        |
| WCVA Open Government Equalities                              | –                          | 2,021                    | 2,021                    |
| EHRC PSED  | –                          | 2,637                    | 2,637                    |
| Action for Children Families First                           | –                          | 12,119                   | 12,119                   |
| Queens Baton Relay   | –                          | –                        | –                        |
| Powys County Council - Syrian evaluation project work        | –                          | –                        | –                        |
| Creu Cymru   | –                          | 5,410                    | 5,410                    |
| Welsh Government Toolkit                                     | –                          | 10,229                   | 10,229                   |
| Support costs  | 358,906                    | 9,985                    | 368,891                  |
|  | <u>959,526</u>             | <u>257,464</u>           | <u>1,216,990</u>         |

# Diverse Excellence Cymru Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2019

#### 8. Expenditure on charitable activities by fund type *(continued)*

|  | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2018<br>£ |
|--|----------------------------|--------------------------|--------------------------|
| Winter Ball  | –                          | –                        | –                        |
| Training   | 1,821                      | –                        | 1,821                    |
| Cardiff and Vale University                                  | –                          | 66,597                   | 66,597                   |
| Welsh Government   | –                          | 75,075                   | 75,075                   |
| Direct Payments - Cardiff                                    | 176,705                    | –                        | 176,705                  |
| Direct Payments - West Wales                                 | 482,860                    | –                        | 482,860                  |
| Policy Management  | –                          | –                        | –                        |
| Policy Training  | –                          | –                        | –                        |
| Vale of Glamorgan  | –                          | 24,079                   | 24,079                   |
| Welsh Government Arts Strategy                               | –                          | 11,506                   | 11,506                   |
| Welsh Gymnastics   | –                          | 26,317                   | 26,317                   |
| Vale of Glamorgan - Cardiff Advice Hub                       | –                          | 59,360                   | 59,360                   |
| High End TV  | –                          | –                        | –                        |
| EHRC   | –                          | 20,275                   | 20,275                   |
| Wales Audit Office   | –                          | –                        | –                        |
| Cardiff and Vale University Health Board Mental Health Grant | –                          | –                        | –                        |
| Direct Payments Newport                                      | 241                        | –                        | 241                      |
| Comic Relief   | –                          | 4,611                    | 4,611                    |
| Golden Thread  | –                          | 750                      | 750                      |
| Cardiff Third Sector Community Voice                         | –                          | 24,314                   | 24,314                   |
| WCVA Open Government Equalities                              | –                          | 1,699                    | 1,699                    |
| EHRC PSED  | –                          | 20,800                   | 20,800                   |
| Action for Children Families First                           | –                          | 70,162                   | 70,162                   |
| Queens Baton Relay   | –                          | 761                      | 761                      |
| Powys County Council - Syrian evaluation project work        | –                          | 107                      | 107                      |
| Creu Cymru   | –                          | 18,511                   | 18,511                   |
| Welsh Government Toolkit                                     | –                          | 10,482                   | 10,482                   |
| Support costs  | 232,701                    | –                        | 232,701                  |
|  | <u>894,328</u>             | <u>435,406</u>           | <u>1,329,734</u>         |

# Diverse Excellence Cymru Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2019

#### 9. Expenditure on charitable activities by activity type

|   | Activities<br>undertaken<br>directly<br>£ | Support<br>costs<br>£ | Total funds<br>2019<br>£ | Total fund<br>2018<br>£ |
|---|---|-----------------------|--------------------------|-------------------------|
| Winter Ball   | 773                                       | –                     | 773                      | –                       |
| Training  | 2,886                                     | –                     | 2,886                    | 1,821                   |
| Cardiff and Vale University                                     | –   | –                     | –                        | 66,597                  |
| Welsh Government  | 81,568                                    | –                     | 81,568                   | 75,075                  |
| Direct Payments - Cardiff                                       | 12,264                                    | –                     | 12,264                   | 176,705                 |
| Direct Payments - West Wales                                    | 567,924                                   | –                     | 567,924                  | 482,860                 |
| Funding & Project Management                                    | –   | 59,110                | 59,110                   | –                       |
| Policy Management   | 48,000                                    | –                     | 48,000                   | –                       |
| Policy Training   | 3,321                                     | –                     | 3,321                    | –                       |
| Vale of Glamorgan   | 23,239                                    | –                     | 23,239                   | 24,079                  |
| Welsh Government Arts Strategy                                  | 2,161                                     | –                     | 2,161                    | 11,506                  |
| Welsh Gymnastics  | 282                                       | –                     | 282                      | 26,317                  |
| Vale of Glamorgan - Cardiff Advice<br>Hub                       | –   | –                     | –                        | 59,360                  |
| High End TV   | 4,967                                     | –                     | 4,967                    | –                       |
| EHRC  | 1,062                                     | –                     | 1,062                    | 20,275                  |
| Wales Audit Office  | 2,419                                     | –                     | 2,419                    | –                       |
| Cardiff and Vale University Health<br>Board Mental Health Grant | 47,215                                    | –                     | 47,215                   | –                       |
| Direct Payments Newport   | 17,546                                    | –                     | 17,546                   | 241                     |
| Comic Relief  | –   | –                     | –                        | 4,611                   |
| Central Costs   | –   | 299,796               | 299,796                  | 232,701                 |
| Golden Thread   | 46  | –                     | 46                       | 750                     |
| Cardiff Third Sector Community Voice                            | –   | –                     | –                        | 24,314                  |
| WCVA Open Government Equalities                                 | 2,021                                     | –                     | 2,021                    | 1,699                   |
| EHRC PSED   | 2,637                                     | 9,985                 | 12,622                   | 20,801                  |
| Action for Children Families First                              | 12,119                                    | –                     | 12,119                   | 70,163                  |
| Queens Baton Relay  | –   | –                     | –                        | 761                     |
| Powys County Council - Syrian<br>evaluation project work        | –   | –                     | –                        | 107                     |
| Creu Cymru  | 5,410                                     | –                     | 5,410                    | 18,539                  |
| Welsh Government Toolkit  | 10,229                                    | –                     | 10,229                   | 10,454                  |
|   | <u>848,099</u>                            | <u>368,891</u>        | <u>1,216,990</u>         | <u>1,329,734</u>        |

# Diverse Excellence Cymru Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

#### 10. Analysis of support costs

|                       | Funding and<br>project<br>management | EHRC PSED    | Central costs<br>£ | Total 2019<br>£       | Total 2018<br>£ |
|-----------------------|--------------------------------------|--------------|--------------------|-----------------------|-----------------|
| Staff costs           | 57,435                               | 7,457        | 114,252            | <b>179,144</b>        | 31,913          |
| Premises              | -                                    | -            | 91,762             | <b>91,762</b>         | 81,435          |
| Communications and IT | -                                    | -            | 7,956              | <b>7,956</b>          | 10,080          |
| Finance costs         | -                                    | -            | 7,158              | <b>7,158</b>          | 1,914           |
| Governance costs      | 1,200                                | -            | 49,876             | <b>51,076</b>         | 74,630          |
| Other office costs    | -                                    | -            | 8,853              | <b>8,853</b>          | 9,391           |
| Travel costs          | 170                                  | 340          | 1,902              | <b>2,412</b>          | 425             |
| Activities            | 305                                  | 2,188        | 5,160              | <b>7,653</b>          | 8,590           |
| Depreciation          | -                                    | -            | 12,877             | <b>12,877</b>         | 14,323          |
|                       | <u>59,110</u>                        | <u>9,985</u> | <u>299,796</u>     | <u><b>368,891</b></u> | <u>232,701</u>  |

#### 11. Net (expenditure)/income

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

|                                       | 2019<br>£     | 2018<br>£ |
|---------------------------------------|---------------|-----------|
| Amortisation of ILS database          | <b>2,621</b>  | 2,290     |
| Depreciation of tangible fixed assets | <b>10,256</b> | 12,033    |

#### 12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

|   | 2019<br>£             | 2018<br>£      |
|---|-----------------------|----------------|
| Wages and salaries                      | <b>811,282</b>        | 876,692        |
| Social security costs                   | <b>60,381</b>         | 64,189         |
| Employer contributions to pension plans | <b>19,422</b>         | 21,520         |
|   | <u><b>891,085</b></u> | <u>962,671</u> |

The average head count of employees during the year was 43 (2018: 47). The average number of full-time equivalent employees during the year is analysed as follows:

|                 | 2019<br>No.      | 2018<br>No. |
|-----------------|------------------|-------------|
| Number of staff | <u><b>40</b></u> | <u>42</u>   |

No employee received employee benefits of more than £60,000 during the year (2018: Nil).

# Diverse Excellence Cymru Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2019

#### 13. Trustee remuneration and expenses

No trustee received any remuneration during the year.

All trustees are entitled to claim expenses for attending meetings, but none have done so this year (2018: £nil).

#### 14. Transfers between funds

Net transfers detailed in note 20 relate to deficits made on certain projects during the year.

#### 15. Intangible assets

|                         | ILS<br>Database<br>£ |
|-------------------------|----------------------|
| <b>Cost</b>             |                      |
| At 1 April 2018         | 45,797               |
| Additions               | —                    |
| Purchase of copyright   | 10,000               |
| <b>At 31 March 2019</b> | <b>55,797</b>        |
| <b>Amortisation</b>     |                      |
| At 1 April 2018         | 9,048                |
| Charge for the year     | 2,621                |
| <b>At 31 March 2019</b> | <b>11,669</b>        |
| <b>Carrying amount</b>  |                      |
| <b>At 31 March 2019</b> | <b>44,128</b>        |
| At 31 March 2018        | 36,749               |

#### 16. Tangible fixed assets

|                         | Leasehold<br>property<br>£ | Fixtures and<br>fittings<br>£ | Equipment<br>£ | Total<br>£     |
|-------------------------|----------------------------|-------------------------------|----------------|----------------|
| <b>Cost</b>             |                            |                               |                |                |
| At 1 April 2018         | 5,307                      | 12,474                        | 85,512         | 103,293        |
| Additions               | —                          | 2,465                         | 3,713          | 6,178          |
| <b>At 31 March 2019</b> | <b>5,307</b>               | <b>14,939</b>                 | <b>89,225</b>  | <b>109,471</b> |
| <b>Depreciation</b>     |                            |                               |                |                |
| At 1 April 2018         | 5,307                      | 9,483                         | 69,966         | 84,756         |
| Charge for the year     | —                          | 2,677                         | 7,579          | 10,256         |
| <b>At 31 March 2019</b> | <b>5,307</b>               | <b>12,160</b>                 | <b>77,545</b>  | <b>95,012</b>  |
| <b>Carrying amount</b>  |                            |                               |                |                |
| <b>At 31 March 2019</b> | <b>—</b>                   | <b>2,779</b>                  | <b>11,680</b>  | <b>14,459</b>  |
| At 31 March 2018        | —                          | 2,991                         | 15,546         | 18,537         |

# Diverse Excellence Cymru Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

#### 17. Debtors

|                                | 2019           | 2018           |
|--------------------------------|----------------|----------------|
|                                | £              | £              |
| Trade debtors                  | 115,094        | 78,951         |
| Prepayments and accrued income | 39,858         | 36,683         |
| Other debtors                  | 4,315          | 9,400          |
|                                | <u>159,267</u> | <u>125,034</u> |

#### 18. Creditors: amounts falling due within one year

|                                 | 2019          | 2018          |
|---------------------------------|---------------|---------------|
|                                 | £             | £             |
| Trade creditors                 | 17,029        | 12,512        |
| Accruals and deferred income    | 45,070        | 37,008        |
| Social security and other taxes | 13,727        | 8,631         |
|                                 | <u>75,826</u> | <u>58,151</u> |

#### 19. Pensions and other post retirement benefits

##### Defined contribution plans

The amount recognised in the Statement of Financial Activities as an expense in relation to defined contribution plans was £19,422 (2018: £21,520).

# Diverse Excellence Cymru Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

#### 20. Analysis of charitable funds

| <b>Unrestricted funds</b>                |                         |                  |                  |                 |                          |
|--|-------------------------|------------------|------------------|-----------------|--------------------------|
|  | At<br>1 April 2018<br>£ | Income<br>£      | Expenditure<br>£ | Transfer<br>£   | At 31 March<br>2019<br>£ |
| Unrestricted funds                       | 469,964                 | 857,953          | (959,526)        | (54,268)        | 314,123                  |
|  | <u>469,964</u>          | <u>857,953</u>   | <u>(959,526)</u> | <u>(54,268)</u> | <u>314,123</u>           |
|  |                         |                  |                  |                 |                          |
|  | At<br>1 April 2017<br>£ | Income<br>£      | Expenditure<br>£ | Transfer<br>£   | At 31 March<br>2018<br>£ |
| Unrestricted funds                       | 270,030                 | 1,094,262        | (894,328)        | –               | 469,964                  |
|  | <u>270,030</u>          | <u>1,094,262</u> | <u>(894,328)</u> | <u>–</u>        | <u>469,964</u>           |
| <b>Restricted funds</b>                  |                         |                  |                  |                 |                          |
|  | At<br>1 April 2018<br>£ | Income<br>£      | Expenditure<br>£ | Transfer<br>£   | At 31 March<br>2019<br>£ |
| Winter Ball                              | –                       | 125              | (773)            | 648             | –                        |
| Welsh Government - Section 64            | 479                     | 100,234          | (81,568)         | –               | 19,145                   |
| Vale of Glamorgan                        | (6,909)                 | 17,342           | (23,249)         | 12,816          | –                        |
| Welsh Audit Office                       | –                       | 1,660            | (2,419)          | 759             | –                        |
| Comic Relief                             | (4,611)                 | –                | –                | 4,611           | –                        |
| Cardiff Third Sector - Community Voice   | (13,395)                | –                | –                | 13,395          | –                        |
| Action for Children Families First       | (4,813)                 | –                | (12,119)         | 16,932          | –                        |
| Creu Cymru                               | –                       | 5,410            | 5,410            | –               | –                        |
| Policy Management                        | –                       | 48,000           | (48,000)         | –               | –                        |
| Policy Training                          | –                       | 5,889            | (3,321)          | –               | 2,568                    |
| Welsh Government Arts Strategy           | (6,506)                 | 5,000            | (2,161)          | 3,667           | –                        |
| Welsh Gymnastics                         | (6,105)                 | –                | (282)            | 6,387           | –                        |
| High End TV                              | –                       | 4,981            | (4,967)          | (14)            | –                        |
| EHRC                                     | (406)                   | –                | (1,062)          | 1,468           | –                        |
| Cardiff and Vale University Health Board |                         |                  |                  |                 |                          |
| - Mental Health Grant                    | –                       | 66,597           | (47,215)         | –               | 19,382                   |
| Golden Thread                            | 1,250                   | –                | (46)             | –               | 1,204                    |
| Open Gov Equalities WCVA                 | (124)                   | 3,675            | (2,021)          | (1,530)         | –                        |
| PSED (EHRC)                              | –                       | 19,000           | (12,622)         | –               | 6,378                    |
| Queens Baton Relay                       | 739                     | –                | –                | (739)           | –                        |
| Powys County Council - Syrian            |                         |                  |                  |                 |                          |
| evaluation project work                  | 4,643                   | –                | –                | (4,643)         | –                        |
| WG Toolkit                               | 29                      | 10,200           | (10,229)         | –               | –                        |
| Ffilm                                    | (511)                   | –                | –                | 511             | –                        |
|  | <u>(36,240)</u>         | <u>288,113</u>   | <u>(257,464)</u> | <u>54,268</u>   | <u>48,677</u>            |

# Diverse Excellence Cymru Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2019

#### 20. Analysis of charitable funds *(continued)*

|   | At<br>1 April 2017<br>£ | Income<br>£    | Expenditure<br>£ | At 31 March<br>2018<br>£ |
|---|-------------------------|----------------|------------------|--------------------------|
| Cardiff and Vale University                                       | –                       | 66,597         | (66,597)         | –                        |
| Winter Ball   | –                       | –              | –                | –                        |
| Welsh Government - Section 64<br>Funding & Project Management     | –                       | 75,554         | (75,075)         | 479                      |
| Vale of Glamorgan   | –                       | 17,170         | (24,079)         | (6,909)                  |
| Vale of Glamorgan - Cardiff Advice<br>Hub                         | –                       | 59,360         | (59,360)         | –                        |
| Welsh Audit Office  | –                       | –              | –                | –                        |
| Comic Relief  | –                       | –              | (4,611)          | (4,611)                  |
| Cardiff Third Sector - Community<br>Voice                         | –                       | 10,919         | (24,314)         | (13,395)                 |
| Action for Children Families First                                | –                       | 65,349         | (70,162)         | (4,813)                  |
| Creu Cymru  | –                       | 18,511         | (18,511)         | –                        |
| Policy Management   | –                       | –              | –                | –                        |
| Policy Training   | –                       | –              | –                | –                        |
| Welsh Government Arts Strategy                                    | –                       | 5,000          | (11,506)         | (6,506)                  |
| Welsh Gymnastics  | –                       | 20,212         | (26,317)         | (6,105)                  |
| High End TV   | –                       | –              | –                | –                        |
| EHRC  | –                       | 19,869         | (20,275)         | (406)                    |
| Cardiff and Vale University Health<br>Board - Mental Health Grant | –                       | –              | –                | –                        |
| Golden Thread   | –                       | 2,000          | (750)            | 1,250                    |
| Open Gov Equalities WCVA  | –                       | 1,575          | (1,699)          | (124)                    |
| PSED (EHRC)   | –                       | 20,800         | (20,800)         | –                        |
| Queens Baton Relay  | –                       | 1,500          | (761)            | 739                      |
| Powys County Council - Syrian<br>evaluation project work          | –                       | 4,750          | (107)            | 4,643                    |
| WG Toolkit  | –                       | 10,000         | (9,971)          | 29                       |
| Ffilm   | –                       | –              | (511)            | (511)                    |
|   | –                       | <u>399,166</u> | <u>(435,406)</u> | <u>(36,240)</u>          |

# **Diverse Excellence Cymru Limited**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements** *(continued)*

#### **Year ended 31 March 2019**

#### **20. Analysis of charitable funds** *(continued)*

**Welsh Government Section 64** – This grant funds a project to promote the cultural competency of mental health services across Wales at Policy level. Through this grant we work with health professionals on the BME Mental Health Good Practice Certification Scheme and train professionals in BME mental health. The grant also funds Hype Cymru (Helping Young People Through Empowerment) a Wales-wide programme to engage BME children and young people in training, information and activities to support good mental health.

**Advocacy** – The Vale of Glamorgan Council engages Diverse Cymru to provide Advocacy support to disabled adults on a range of issues to improve their health and wellbeing. Supported by Creu Cymru, the Charity provides an Arbitration service for the Hynt Card. Hynt is a membership card that provides disabled customers and their carers with access to consistent concessions when purchasing tickets across all theatres and arts centres in Wales.

**Cardiff Third Sector Partnership** – This project is a partnership between the Charity, Cardiff Third Sector Council (C3SC) and Race Equality First. The Charity's role in the partnership is to bring together, develop the capacity, promote the voice and support seldom heard groups and individuals in Cardiff.

**Families First** – This grant, funded by Action for Children, enabled the Charity to provide Advocacy support and welfare advice for families with children and young people with disabilities.

**Arts Council for Wales** – The aim of the project was to produce a toolkit on equality and diversity for use by a wide range of organisations and individuals across the arts in Wales to promote good practice.

**Welsh Gymnastics** – This project saw the Charity work in partnership with Welsh Gymnastics to develop a sustainable women and girls only gymnastics club within Butetown.

**High End TV** – Funded by Creative Skillset, the Charity was able to provide small bursaries to Welsh filmmakers from underrepresented groups to enable them to obtain equipment, or training to further their careers in Wales' film and tv industries.

**Cardiff and Vale University Health Board** – The Charity is commissioned by the Health Board to deliver a one to one project supporting BME adults in Cardiff and the Vale of Glamorgan with their mental health recovery, and to provide a volunteering and befriending programme.

**Golden Thread Advocacy Programme** – the Charity continues to support this project that helps to ensure that local authorities are ready for the commissioning of Independent Professional Advocacy services in line with the Social Services and Well-being (Wales) Act 2014

**Open Gov Network Wales** – The Your Wellbeing, Your Government project (WCVA Open Government Network Wales funded) looked at skilling up diverse individuals in engaging with public sector organisations and co-produce new ways of engaging diverse communities between diverse individuals and public sector organisations.

**EHRC** – The Charity was engaged by the Equality and Human Rights Commission to research public sector organisations' compliance with the Public Sector Equality Duties for Wales. This involved extensive desk-top research, questionnaires, interviews and case study and report development alongside compliance data.

# Diverse Excellence Cymru Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

#### 20. Analysis of charitable funds *(continued)*

**Queens Baton Relay** – the Charity worked with the Relay organisers to coordinate Cardiff's leg of the Queens Baton Relay for the Gold Coast 2018 Commonwealth Games.

**Powys County Council** – the Charity was engaged by the Council to undertake an evaluation of its Syrian Vulnerable Persons' Resettlement Scheme.

#### 21. Analysis of Net Assets between funds

|  | <b>Tangible<br/>fixed assets</b> | <b>Net current<br/>assets</b> | <b>Total</b>   |
|--|----------------------------------|-------------------------------|----------------|
|  | £                                | £                             | £              |
| <b>Restricted Income Funds:</b>                                |                                  |                               |                |
| Welsh Government - Section 64                                  | –                                | 19,145                        | 19,145         |
| Policy Training  | –                                | 2,568                         | 2,568          |
| Cardiff and Vale University Health Board - Mental Health Grant | –                                | 19,382                        | 19,382         |
| Golden Thread  | –                                | 1,204                         | 1,204          |
| PSED (EHRC)  | –                                | 6,378                         | 6,378          |
|  | <hr/>                            | <hr/>                         | <hr/>          |
|  | –                                | 48,677                        | 48,677         |
|  | <hr/>                            | <hr/>                         | <hr/>          |
| <b>Unrestricted Income Funds</b>                               | <b>58,587</b>                    | <b>255,536</b>                | <b>314,123</b> |
|  | <hr/>                            | <hr/>                         | <hr/>          |
| <b>Total Funds</b>   | <b>58,587</b>                    | <b>304,213</b>                | <b>362,800</b> |
|  | <hr/> <hr/>                      | <hr/> <hr/>                   | <hr/> <hr/>    |

# Diverse Excellence Cymru Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2019

#### 22. Funds received as agent or held as custodian trustee

At the year end the charity held the following amounts as custodian trustee on behalf of the Managed Payments Scheme:

|                                | 2019<br>£ | 2018<br>£ |
|--------------------------------|-----------|-----------|
| Carmarthenshire County Council | 1,088,238 | 876,983   |
| Ceredigion County Council      | 423,634   | 241,452   |
| Newport City Council           | 173,164   | –         |
| Pembrokeshire County Council   | 348,078   | 700,642   |

#### 23. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

|  | 2019<br>£     | 2018<br>£     |
|--|---------------|---------------|
| Not later than 1 year                        | 2,560         | –             |
| Later than 1 year and not later than 5 years | 45,044        | 54,664        |
|  | <u>47,604</u> | <u>54,664</u> |

#### 24. Limitation of auditors liability

By way of a members' resolution dated 6th November 2018, the company has agreed to enter into a limited liability agreement with its auditors whereby their exposure to legal claims is limited to £100,000 per claim.