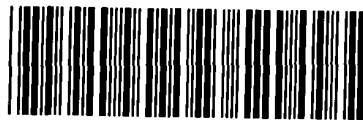


REGISTERED COMPANY NUMBER: 07628816 (England and Wales)
REGISTERED CHARITY NUMBER: 1143732

**Report of the Trustees and
Financial Statements for the Year Ended 31 March 2017
for**

Cymdeithas Gofal The Care Society

FRIDAY



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22/12/2017

#421

COMPANIES HOUSE

Morgan Griffiths LLP
Chartered Accountants
Statutory Auditor
Cross Chambers
9 High Street
Newtown
Powys
SY16 2NY

Cymdeithas Gofal The Care Society
Contents of the Financial Statements
for the Year Ended 31 March 2017

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Cymdeithas Gofal The Care Society

**Reference and Administrative Details
for the Year Ended 31 March 2017**

TRUSTEES

Ms T Lee (resigned 20.7.16)
M A Strong
Ms P Bentley (resigned 26.1.17)
G H Evans (Executive Director)
R J Gray
Mrs S F Hart (resigned 20.7.16)
T Kitchen
Mrs M Sharpe (resigned 18.5.16)
A P Hearn
Ms S J Jones-Davies (appointed 10.5.17)
C A Symons (appointed 10.5.17)
R G Wells (appointed 10.5.17)
B C Forbes (appointed 10.5.17)

REGISTERED OFFICE

21 Terrace Road
Aberystwyth
Ceredigion
SY23 1NP

REGISTERED COMPANY NUMBER

07628816 (England and Wales)

REGISTERED CHARITY NUMBER

1143732

AUDITORS

Morgan Griffiths LLP
Chartered Accountants
Statutory Auditor
Cross Chambers
9 High Street
Newtown
Powys
SY16 2NY

SOLICITORS

Morris & Bates
PO Box 1
Ffordd Alexandra Road
Aberystwyth
Ceredigion
SY23 1PT

Cymdeithas Gofal The Care Society

**Reference and Administrative Details
for the Year Ended 31 March 2017**

BANKERS

TSB PLC
PO Box 3
12 Terrace Road
Aberystwyth
Ceredigion
SY23 2AR

Unity Trust Bank PLC
Nine Brindley Place
Birmingham
B1 2HB

Executive Director
Guy Evans

Cymdeithas Gofal The Care Society

Chairman's Report for the Year Ended 31 March 2017

Throughout 2016 / 2017 The Board of Directors have continued to focus on ensuring the governance and management of The Care Society is robust and that our operational services are delivered despite difficult financial challenges. To this end the Board have been proactive in reviewing the value, performance and viability of all our projects.

Despite overseeing deep rooted efficiency savings and remodelling, we have also ensured that the quality of existing services are maintained and new complimentary projects such as our Befriending and Mediation services have been planned, developed and piloted.

The Care Society continues to rely on the support of local and national partners and other benefactors. I would again take this opportunity to thank you for your continued support, without which we would not be able to continue to provide services where there remains a proven need; services which achieve incredible outcomes for the most vulnerable members of our community.

I am grateful for the hard work and support of my fellow Directors as we explore all opportunities to strengthen The Care Society and to all staff and volunteers for their unrelenting commitment and dedication.

Executive Directors Report

The year 2016 / 17 has proved to be a challenging year for The Care Society. In the face of public funding cuts we have implemented significant changes in-order to continue to deliver existing essential services. For example we have remodelled The Night Shelter and Emergency Accommodation Service, relocated our head office, relocated the Charity and Shop Mobility scheme and made the difficult decision to 'wind down' our Maintenance service which operated through our trading subsidiary CGC Trading.

On a more positive note we have piloted a Befriending service and a Mediation service which complement existing services and help to fulfil our charitable objectives.

There are continued numbers of vulnerable people and families accessing our Tenancy Support services, Night Shelter project, Warden Emergency Accommodation service, Care Leaver project and people accommodated through our Bond Scheme and Estates & Lettings service. This is testament to the hardship faced by so many people and also the invaluable work and continued need for The Care Society.

I am grateful to the continued dedication and compassion of my colleagues, volunteers and the Board of Directors who work tirelessly to make sure our services reach so many people in our local communities. I am grateful to The Welsh Government, The Local Authority, partner Agencies and the local community for their continued support and I can only hope The Care Society can rely on this support to deliver our services in the future.

**Report of the Trustees
for the Year Ended 31 March 2017**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2017. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives and aims of the charity are:

To promote Social Inclusion for the public benefit by preventing people from becoming socially excluded by reason of homelessness, at risk of losing their home, living in inadequate accommodation or unsettled circumstances in Ceredigion and surrounding counties by:

- a) the provision of quality, customer focused services,
- b) working in a flexible, innovative and responsive way,
- c) the recognition and provision of suitable housing and by supporting people in realising their full potential.

Public benefit

Our main activities and who we try to help are described below. All our charitable activities further our charities objectives having regard to charity commission guidance and for the public benefit. The impact of our work goes far beyond the people we help directly and has a positive impact on building stronger communities, improved health and wellbeing, crime reduction, employment and training in rural mid-Wales. However the main focus of Charity activities is on providing advice and accommodation to people who are homeless, faced with homelessness or live in unsettled, unsuitable accommodation and to provide support to help maintain tenancies, help people live fulfilled lives, and;

Through working in conjunction with the local authority, Housing Associations and other key agencies we have continued to develop our services to meet our objectives and to meet the needs of the people we support.

These objectives are delivered through the provision of the following services:

- The Night Shelter and resettlement project
- Managed Emergency Accommodation Units
- The Bond Scheme
- Accommodation Officer scheme & Estates and Lettings services
- Young Peoples supported Accommodation Project
- County wide Tenancy Support Service
- Shop Mobility Scheme.

**Report of the Trustees
for the Year Ended 31 March 2017**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Achievements

Over the last 12 months we have continued to see a demand for Care Society Services and evidence of the value of our services to vulnerable people within the local community.

During the financial year 2016 / 17 a total of 63 People accessed the Night Shelter on 1598 occasions a 19% increase on our target of 1300 occasions people access the shelter. Of the 63 people accessing the shelter, through the Night Shelter resettlement support 37 vulnerable and often chaotic people moved on to other forms of accommodation and improved security of tenure. This represents a 59% Resettlement success rate. This exceeds our resettlement target of 50%.

During the period of this report a total of 84 people accessed Care Society Warden Emergency Accommodation service; 50 males, 34 females and Children.

Our Bond scheme received in excess of 170 referrals from the Local Authority Housing Department & Social Services, other local agencies and self-referral; for people and families seeking advice and accommodation in the Private Rented Sector. Through the Bond scheme a total of 83 Tenancies were established with a provision of a Bond. In addition accommodation was also sourced and housing advice and support provided for people to successfully secure Private Rented Accommodation without the provision of a Bond Guarantee.

The Care Society Estates and Lettings Agency service continues to provide accommodation for vulnerable people throughout Ceredigion. During the period of this report we have endeavoured to improve our internal processes, investing in bespoke Letting Agency software, Accreditations and improving the standards of existing stock.

During the period of this report our countywide Tenancy Support Scheme staff supported -

211 Single People
54 Families
53 Residents in Emergency Accommodation
28 Disabled People
6 People through our Young Persons Project

In addition we have successfully piloted a Befriending Service and have invested in staff development and training to deliver Agency Care Provision throughout Ceredigion.

Following the relocation of The Care Society Charity Shop & Shop Mobility Service I am pleased to report that both the profitability of the Charity Shop has increased and that significantly increased numbers of people are utilizing Shop Mobility equipment.

FINANCIAL REVIEW

Principal funding sources

The principal income generated by the Charity is currently through grant income, contract income from Ceredigion County Council and partner agencies together with self-generated income from Management fees, rents receivable and shop income. All Fundraising expenditure is for this current period and has been invested in the delivery of the charities services and providing food, clothing, furniture items and a contingency fund for beneficiaries experiencing extreme hardship. As a result of increasing financial pressures on the local authority and reduced contract income, the charity needs to seek additional income from alternative sources including additional fundraising activity.

Investment policy and objectives

The Charity has no investment powers except to place any surplus income into deposit accounts. Having considered the options available the Trustees have decided to ensure reserves are available to meet the working capital requirements of the Charity.

**Report of the Trustees
for the Year Ended 31 March 2017**

FINANCIAL REVIEW

Reserves policy

The Trustees have reviewed the requirement for reserves in view of continued reduction in public funding and risks to the organisation.

- To enable the Charity to meet its contractual obligations, including possible redundancy payments, amounts due to creditors and commitments under leases, in the event of loss or deferral of major funding streams

- To enable the Charity to continue to provide a stable and quality service to those who need it whilst it seeks to find alternative sources of income.

- To cover large items of expenditure such as repairs to premises and equipment replacement necessary to ensure a safe and reasonable working environment for both clients and staff.

The Trustees have agreed to aim to establish a level of reserves equal to six months running costs. Budgeted expenditure for 2016/2017 is £1.1 million therefore the target reserves are £550,000. The current level of reserves falls significantly short of this target. The long term strategy of The Charity is to build reserves through delivering planned operating surpluses. In the short term the Charity has explored all possibilities to reduce expenditure including activities that could be curtailed should circumstance require and also the level of unrestricted funds committed to fixed assets held by the Charity.

Results:

The Statement of Financial Activities shows a net deficit from ordinary activities for the year of £19,145 (2016 deficit of £63,285), and reserves now stand at £219,696 (2016 £238,841). Following another difficult year (operating loss £18,794 (2016: £23,538)), the decision was made to close the trading subsidiary 'CGC Trading Limited' with effect from 30th April 2017. The intercompany loan from the Charity to the subsidiary of £71,141 was therefore written off at the 31st March 2017.

The charity's funds have all been applied in accordance with its objectives and the charity's assets are all being maintained in the furtherance of these objectives.

FUTURE PLANS

The Charity, subject to satisfactory and continued funding, intends continuing the activities outlined above to alleviate homelessness throughout the county and rural mid - wales and to work with the local Authority and partner organisations to meet local regional and national strategic objectives. In view of the challenging financial environment and public funding cuts the charity will continue to -

- Review the performance and financial sustainability of each charity project and activity against departmental budgets and Key Performance Indicators
- Remodel services where necessary in line with legislation, good practice and levels of funding
- Review Charity expenditure and implement efficiency savings
- Develop and expand our Befriending and Agency Care Provision
- Explore efficiencies and opportunities through enhanced partnership working with organisations that fit our ethos and working practices
- Encourage and develop bilingualism throughout The Care Society
- Increase fundraising activity and identify suitable applications for grant funding from charitable trusts.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

**Report of the Trustees
for the Year Ended 31 March 2017**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

The Care Society has a competency based performance management policy and procedure for recruitment of all personnel which is used to set performance expectations, objectives and goals, monitor progress and measure results against the objectives of the charity.

Recruitment of Trustees is reviewed by the Board with the view to ensuring the needs of the Board are appropriately reflected through the diversity of the Trustee body. All Prospective Trustees are requested to complete DBS checks and complete application forms before induction.

All new Trustees are supplied with a comprehensive Induction Pack which details:

- The History of Cymdeithas Gofal The Care Society
- Structure Governance and Management including information on and pertaining to the charities
 - Articles of Association
 - Three Year Business Plan
 - Finances and Finance Policy
 - Quality Assurance Systems
 - Health and Safety Policies & Procedures
- Directors and Trustees
- Structure and Functions of Board of Trustees
- Role of Trustees
- Ensuring Eligibility as a Trustee as Defined in CC3
- Trustee codes of Practice
- Expectations and Support for Trustees
- Trustee Job Descriptions
- Current Work of the charity and Volunteering scheme.

Organisational structure

The Charity is managed by the Trustees who meet bi monthly. In addition delegated Trustees also form a Strategic Sub Group and a Finance Sub group. The Strategic Sub Group and Finance Sub Group meet periodically and submit recommendations to the Board for discussion and approval. The day to day responsibility for the provision of services is delegated to the Executive Director Guy Hamilton Evans who reports to the Trustees at regular meetings.

Key management remuneration

The Finance Sub Group reviews the pay and remuneration of all the charities personnel on an annual basis. Any recommendations are submitted to the board for scrutiny before Board authorisation.

The Care Society's remuneration policy principles are as follows:

1. To ensure that the aims and objectives of the charity being met.
2. To be able to attract and also retain staff who have the necessary skills and experience in their specific roles to ensure that the organisation is able to run effectively.
3. The remuneration policy is fair and consistent across the organisation.
4. Any pay increases need to be appropriate for the type of role across the organisation and agreed by the board of directors.

**Report of the Trustees
for the Year Ended 31 March 2017**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The Trustees have reviewed the major risks faced by the Charity and have ensured appropriate systems and procedures have been established to mitigate impact. The Charity has invested significantly in both the training of staff and numerous quality assurance mechanisms including:

- The QCS Welsh Social Care Management System and a comprehensive library of policies and procedures which are compliant with Care and Social Services Inspectorate Wales standards
- Investors in People accreditation
- Internal Monitoring Processes, departmental budgets and Key Performance Indicators linked to organisational strategy and a three year business plan
- Implementing all aspects of organisational governance to comply with PQASSO accreditation
- Project Specific Accreditations including membership of - the National Federation of Property Professionals Accreditation, Membership of The National Association of Landlords, Membership of The Property ombudsman service, Membership of the Tenancy Deposit Service
- Retained external specialists including Morris and Bates Solicitors providing contract, legal and Human Resource Advice. Dutton and Gregory providing specialist Housing advice.

Internal control risks are minimised by the implementation of a robust Finance Policy and established procedures for authorisation of all transactions. External risks to funding have been identified and consequently greater staff resource will be deployed in fundraising activity and to identify suitable grant opportunities.

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

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

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

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

In so far as the trustees are aware:

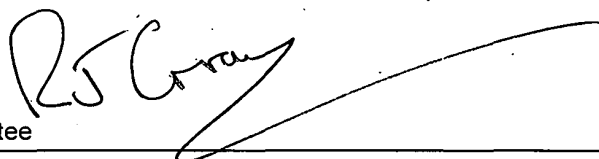
- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Morgan Griffiths LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 20/12/2017 and signed on its behalf by:

R J Gray - Trustee



Report of the Independent Auditors to the Members of Cymdeithas Gofal The Care Society

We have audited the financial statements of Cymdeithas Gofal The Care Society for the year ended 31 March 2017 on pages eleven to twenty eight. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of trustees and auditors

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

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Chairman's Report and the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

**Report of the Independent Auditors to the Members of
Cymdeithas Gofal The Care Society**

Matters on which we are required to report by exception

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

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



Thomas Landers BA ACA (Senior Statutory Auditor)
for and on behalf of Morgan Griffiths LLP
Chartered Accountants
Statutory Auditor
Cross Chambers
9 High Street
Newtown
Powys
SY16 2NY

Date: 21/12/2017.....

Cymdeithas Gofal The Care Society

**Consolidated Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2017**

		Unrestricted fund £	Restricted funds £	31.3.17 Total funds £	31.3.16 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	4,262	-	4,262	2,644
Charitable activities	5				
Promotion of social inclusion		862,204	287,728	1,149,932	1,196,115
Other trading activities	3	148,440	-	148,440	183,338
Investment income	4	28	-	28	129
Total		1,014,934	287,728	1,302,662	1,382,226
EXPENDITURE ON					
Raising funds	6	224,535	406	224,941	244,323
Charitable activities					
Promotion of social inclusion	7	810,602	286,264	1,096,866	1,201,188
Total		1,035,137	286,670	1,321,807	1,445,511
NET INCOMING /(EXPENDITURE)		(20,203)	1,058	(19,145)	(63,285)
RECONCILIATION OF FUNDS					
Total funds brought forward		183,146	55,695	238,841	302,126
TOTAL FUNDS CARRIED FORWARD		162,943	56,753	219,696	238,841

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

Cymdeithas Gofal The Care Society (Registered number: 07628816)

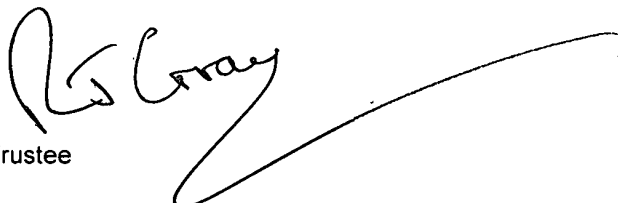
**Balance Sheet
At 31 March 2017**

	Notes	Group 31.3.17 £	Group 31.3.16 £	Charity 31.3.17 £	Charity 31.3.16 £
FIXED ASSETS					
Tangible assets	15	468,934	503,252	468,934	476,333
Investments	16	-	-	1	1
		468,934	503,252	468,935	476,334
CURRENT ASSETS					
Stocks		500	500	-	-
Debtors	17	158,053	164,535	120,388	158,382
Cash at bank and in hand		84,886	116,029	80,873	112,788
		243,439	281,064	201,261	271,170
CREDITORS					
Amounts falling due within one year	18	(184,237)	(215,953)	(150,475)	(148,266)
		59,202	65,111	50,786	122,904
NET CURRENT ASSETS					
		528,136	568,363	519,721	599,238
TOTAL ASSETS LESS CURRENT LIABILITIES					
		528,136	568,363	519,721	599,238
CREDITORS					
Amounts falling due after more than one year	19	(308,440)	(329,522)	(308,440)	(317,943)
		219,696	238,841	211,281	281,295
NET ASSETS					
		219,696	238,841	211,281	281,295
FUNDS					
	24				
Unrestricted funds		162,943	183,146	154,529	225,600
Restricted funds		56,753	55,695	56,752	55,695
		219,696	238,841	211,281	281,295
TOTAL FUNDS					
		219,696	238,841	211,281	281,295

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 20/12/2017 and were signed on its behalf by:

R J Gray -Trustee



The notes form part of these financial statements

Cymdeithas Gofal The Care Society

**Cash Flow Statement
for the Year Ended 31 March 2017**

	Notes	Group 31.3.17 £	Group 31.3.16 £	Charity 31.3.17 £	Charity 31.3.16 £
Cash flows from operating activities:					
Cash generated from operations	1	(1,992)	55,555	(21,271)	37,325
Interest paid		(14,060)	(14,488)	(13,003)	(13,568)
Interest element of hire purchase payments paid		(421)	(421)	-	-
Net cash provided by (used in) operating activities		(16,473)	40,646	(34,274)	23,757
Cash flows from investing activities:					
Purchase of tangible fixed assets		(2,200)	(6,841)	(2,200)	(6,841)
Interest received		28	129	28	129
Net cash provided by (used in) investing activities		(2,172)	(6,712)	(2,172)	(6,712)
Cash flow from financing activities:					
Loan repayments in year		(9,003)	(11,004)	(9,003)	(8,617)
Intercompany loan		-	-	13,534	11,564
Capital repayments in the year		(3,495)	(3,495)	-	-
Net cash provided by used in financing activities		(12,498)	(14,499)	4,531	2,947
Change in cash and cash equivalents in the reporting period		(31,143)	19,435	(31,915)	19,992
Cash and cash equivalents at the beginning of the reporting period		116,029	96,594	112,788	92,796
Cash and cash equivalents at the end of the reporting period		84,886	116,029	80,873	112,788

The notes form part of these financial statements

Cymdeithas Gofal The Care Society

**Notes to the Cash Flow Statement
for the Year Ended 31 March 2017**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 31.3.17 £	Group 31.3.16 £	Charity 31.3.17 £	Charity 31.3.16 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(19,145)	(63,285)	(70,014)	(26,070)
Adjustments for:				
Depreciation charges	15,003	22,834	9,599	17,083
Interest received	(28)	(129)	(28)	(129)
Interest paid	14,481	14,909	13,003	13,568
Decrease in stocks	-	113	-	113
Decrease/(increase) in debtors	25,649	2,250	24,459	(9,199)
Increase/(decrease) in creditors	(37,952)	78,863	1,710	41,959
Net cash provided by (used in) operating activities	(1,992)	55,555	(21,271)	37,325

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

Basis of consolidation

The consolidated accounts incorporate the results of Cymdeithas Gofal The Care Society and its Subsidiary undertakings on a line by line basis. The consolidated entity is referred to as 'the group'. No separate company Statement of Financial Activities (SOFA) has been prepared for the charity as permitted by section 408 of the Companies Act 2006.

Income

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

Expenditure

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

Governance costs

Governance costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

Allocation and apportionment of costs

Support costs and governance costs have been apportioned to activities based on the apportionment of salary costs.

Tangible fixed assets

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

Freehold property	- Straight line over 25 years
Fixtures and fittings	- 33% on cost, 25% on cost and 20% on cost

No depreciation is provided on freehold land.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Items donated for resale or distribution, are not included in the financial statements until they are sold or distributed. The trustee's believe that the costs involved in determining the value of stock held for distribution would outweigh the benefit to the users.

Taxation

The charity is exempt from corporation tax on its charitable activities. The trading subsidiary does not generally pay UK corporation tax because their policy is to pay taxable profits as Gift Aid to the Charity.

Cymdeithas Gofal The Care Society

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

1. ACCOUNTING POLICIES - continued

Fund accounting

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

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

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Transfer from unincorporated charity

Income, expenditure and associated funds are donated from the the subsidiary undertaking at cost as and when the leases which are currently in the name of Ceredigion Care Society and registered into the parent's name.

2. DONATIONS AND LEGACIES

	Group 31.3.17	Group 31.3.16
	£	£
Donations	<u>4,262</u>	<u>2,644</u>

3. OTHER TRADING ACTIVITIES

	Group 31.3.17	Group 31.3.16
	£	£
Fundraising events	1,845	623
Shop income & property maintenance	145,708	182,715
Shopmobility rental income	<u>887</u>	<u>-</u>
	<u>148,440</u>	<u>183,338</u>

4. INVESTMENT INCOME

	Group 31.3.17	Group 31.3.16
	£	£
Deposit account interest	<u>28</u>	<u>129</u>

Cymdeithas Gofal The Care Society

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

5. INCOME FROM CHARITABLE ACTIVITIES

		Group 31.3.17 £	Group 31.3.16 £
Rents receivable	Promotion of social inclusion	365,631	320,085
Management fees	Promotion of social inclusion	68,909	41,731
CCC - Managed Emergency Accommodation	Promotion of social inclusion	52,001	76,822
Rental and storage income	Promotion of social inclusion	-	604
Grants	Promotion of social inclusion	663,391	754,873
		<u>1,149,932</u>	<u>1,196,115</u>

Grants received, included in the above, are as follows:

	Group 31.3.17 £	Group 31.3.16 £
Welsh Assembly Government- S180 Bond Scheme	41,683	42,707
Welsh Assembly Government - S180 Night Shelter Funding	162,048	171,812
Welsh Assembly Government - S180 Accommodation Officer	39,178	40,142
ROG funding - Reaching Wider	1,648	22,942
WCVA: Volunteering in Wales fund	2,759	5,518
Tai Ceredigion	12,149	12,149
Ceredigion County Council - supporting	287,310	297,976
Ceredigion County Council - extended bond	20,000	26,650
Young Persons Project - Cardigan	32,285	34,169
Probation grant	-	7,956
Transition Funding	(7,332)	39,910
Shop Mobility	27,000	28,190
Screwfix foundation	-	5,000
Mid & West Wales Fire Rescue	-	792
Mid Wales Housing	3,783	3,783
Ponthafren Bid	-	1,369
Rowan Organisation	-	1,337
Ceredigion County Council	35,661	12,471
Cold Weather grant	4,780	-
Crisis Intervention Pot	439	-
	<u>663,391</u>	<u>754,873</u>

Cymdeithas Gofal The Care Society

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

6. RAISING FUNDS

Other trading activities

	Group 31.3.17 £	Group 31.3.16 £
Purchases	462	234
Staff costs	11,364	16,834
Other operating leases	14,311	13,210
Other employment costs	225	542
Subscription	138	167
Sundries	13	71
Utilities	864	1,772
Postage, stationary, advertising & telephone	1,482	1,164
Travel and subsistence	-	11
Repairs & maintenance of equipment	3,557	4,177
Professional fees	123	6
Support costs	1,787	3,038
Subsidiary trading	<u>190,615</u>	<u>203,097</u>
	<u>224,941</u>	<u>244,323</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 8) £	Support costs (See note 9) £	Totals £
Promotion of social inclusion	<u>1,003,512</u>	<u>93,354</u>	<u>1,096,866</u>

Cymdeithas Gofal The Care Society

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	Group 31.3.17 £	Group 31.3.16 £
Staff costs	516,221	605,691
Hire of plant and machinery	9,480	8,717
Insurance	6,871	6,463
Rates & Water	-	1,583
Light and heat	28,562	27,962
Telephone	6,696	7,221
Postage and stationery	3,790	6,997
PR, marketing & promotions	941	7,596
Sundries	4,405	4,657
Repairs and maintenance	6,694	36,004
Resettlement expenditure	302,600	264,852
IT, licences & internet	7,123	6,517
Travel and subsistence	18,295	24,594
Grant expenditure	-	5,688
Legal and professional	17,731	24,233
Bank charges	692	174
Bad debts	22,798	9,226
Cleaning	3,459	2,471
Recruitment and training	4,260	4,793
Sub contractors	15,192	812
Volunteer expenses	-	723
Van costs	5,100	-
Depreciation	9,599	17,083
Interest payable and similar charges	13,003	13,568
	<u>1,003,512</u>	<u>1,087,625</u>

9. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Other trading activities	1,662	125	1,787
Promotion of social inclusion	86,863	6,491	93,354
	<u>88,525</u>	<u>6,616</u>	<u>95,141</u>

Activity	Basis of allocation
Management	Staff costs
Governance costs	Staff costs

Support costs, included in the above, are as follows:

Cymdeithas Gofal The Care Society

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

9. SUPPORT COSTS - continued

Management

	Other trading activities	Promotion of social inclusion	Group 31.3.17	Group 31.3.16
			Total activities	Total activities
	£	£	£	£
Wages	865	45,182	46,047	46,617
Social security	77	4,036	4,113	6,033
Other operating leases	574	29,975	30,549	40,977
Insurance	7	382	389	402
Light and heat	30	1,592	1,622	671
Telephone	109	5,696	5,805	5,529
	<u>1,662</u>	<u>86,863</u>	<u>88,525</u>	<u>100,229</u>

Governance costs

	Other trading activities	Promotion of social inclusion	Group 31.3.17	Group 31.3.16
			Total activities	Total activities
	£	£	£	£
Auditors' remuneration	107	5,593	5,700	5,700
Previous auditors disputed fee	-	-	-	6,955
Accountancy	-	-	-	1,560
Cost of trustee meetings	18	898	916	2,157
	<u>125</u>	<u>6,491</u>	<u>6,616</u>	<u>16,372</u>

Cymdeithas Gofal The Care Society

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

10. NET INCOME/(EXPENDITURE)

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

	Group 31.3.17 £	Group 31.3.16 £
Auditors' remuneration	5,700	6,950
Depreciation - owned assets	11,539	19,370
Depreciation – Hire purchase assets	3,464	3,464
Hire of plant and machinery	10,598	9,636
Other operating leases	<u>47,513</u>	<u>60,031</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

The charity considers its key management personnel comprise the Board of Trustees. Trustee remuneration for the Executive Director (the only remunerated Trustee) amounted to £40,291 (2016 £41,188).

Trustees' expenses

Trustee expenses paid in the year amounted to £1,110 for 1 trustee (2016 £710 - 1 trustee).

12. STAFF COSTS

	Group 31.3.17 £	Group 31.3.16 £
Wages and salaries	610,080	699,867
Social security costs	35,578	46,705
Other pension costs	<u>15,203</u>	<u>12,341</u>
	<u>660,861</u>	<u>758,913</u>

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

	Group 31.3.17	Group 31.3.16
Charitable activities	43	44
Administration	<u>3</u>	<u>3</u>
	<u>46</u>	<u>47</u>

No employees received emoluments in excess of £60,000.

13. INCOMING RESOURCES AND NET DECREASE IN FUNDS – CHARITY ONLY

The Consolidated Statement of Financial Activities is for the Group as a whole. The figures below are the equivalent figures for the Charity only, excluding other Group entities.

- Charity only total incoming resources for the year ended 31 March 2017 were £1,165,584 (2016 £1,238,408).
- Charity only net decrease in funds in the year totalled £70,014 (2016 £26,070 decrease).

Cymdeithas Gofal The Care Society

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total Group funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2,644	-	2,644
Charitable activities			
Promotion of social inclusion	867,835	328,280	1,196,115
Other trading activities	183,338	-	183,338
Investment income	129	-	129
Total	1,053,946	328,280	1,382,226
EXPENDITURE ON			
Raising funds	244,323	-	244,323
Charitable activities			
Promotion of social inclusion	928,603	272,585	1,201,188
Total	1,172,926	272,585	1,445,511
NET INCOME/(EXPENDITURE)	(118,980)	55,695	(63,285)
RECONCILIATION OF FUNDS			
Total funds brought forward	302,126	-	302,126
TOTAL FUNDS CARRIED FORWARD	183,146	55,695	238,841

15. TANGIBLE FIXED ASSETS

Group	Freehold property £	Improvements to property £	Fixtures and fittings & Motor vehicles £	Totals £
COST				
At 1 April 2016	487,552	63,532	76,572	627,656
Additions	-	-	2,200	2,200
Reclassification/transfer	-	-	(47,200)	(47,200)
At 31 March 2017	487,552	63,532	31,572	582,656
DEPRECIATION				
At 1 April 2016	80,134	-	44,270	124,404
Charge for year	6,891	-	8,112	15,003
Reclassification/transfer	-	-	(25,685)	(25,685)
At 31 March 2017	87,025	-	26,697	113,722
NET BOOK VALUE				
At 31 March 2017	400,527	63,532	4,875	468,934
At 31 March 2016	407,418	63,532	32,302	503,252

Included in cost or valuation of land and buildings is freehold land of £143,000 (2016 - £143,000) which is not depreciated.

Cymdeithas Gofal The Care Society

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

15. TANGIBLE FIXED ASSETS - continued

The net book value of plant and machinery includes £nil (2016 £15,276 in respect of assets held under finance leases. The amount of depreciation in respect of such assets amounted to £3,464 for the year (2016 - £3,464).

Charity		Improvements to property	Fixtures and fittings	Totals
	£	£	£	£
COST				
At 1 April 2016	487,552	63,532	29,372	580,456
Additions	-	-	2,200	2,200
At 31 March 2017	487,552	63,532	31,572	582,656
DEPRECIATION				
At 1 April 2016	80,134	-	23,989	104,123
Charge for year	6,891	-	2,708	9,599
At 31 March 2017	87,025	-	26,697	113,722
NET BOOK VALUE				
At 31 March 2017	400,527	63,532	4,875	468,934
At 31 March 2016	407,418	63,532	5,383	476,333

Included in cost or valuation of land and buildings is freehold land of £143,000 (2016 - £143,000) which is not depreciated.

Cymdeithas Gofal The Care Society

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

16. FIXED ASSET INVESTMENTS

Charity	Shares in group undertakings £
MARKET VALUE	
At 1 April 2016 and 31 March 2017	<u>1</u>
NET BOOK VALUE	
At 31 March 2017	<u><u>1</u></u>
At 31 March 2016	<u><u>1</u></u>

There were no investment assets outside the UK.

The financial information for the wholly owned subsidiary, CGC Trading Limited is provided below:

	31.3.17		31.3.16
	£	£	£
TURNOVER		170,343	166,749
Cost of sales		<u>129,591</u>	<u>120,229</u>
GROSS PROFIT		40,752	46,520
Distribution costs	2,653		5,844
Administrative expenses	<u>59,696</u>		<u>75,683</u>
		<u>62,349</u>	<u>81,527</u>
		(21,597)	(35,007)
Other operating income		<u>2,803</u>	<u>11,469</u>
OPERATING LOSS		(18,794)	(23,538)
Write off intercompany loan		<u>71,141</u>	<u>-</u>
		52,347	(23,538)
Interest payable and similar expenses		<u>1,478</u>	<u>1,341</u>
PROFIT/(LOSS) BEFORE TAXATION		50,869	(24,879)
Tax on profit/(loss)		<u>-</u>	<u>-</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u><u>50,869</u></u>	<u><u>(24,879)</u></u>
		31.3.17	31.3.16
		£	£
Assets		45,532	50,455
Liabilities		(37,116)	(92,908)
Capital and reserves		8,416	(42,453)

Cymdeithas Gofal The Care Society

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	Group	Charity	Charity
	31.3.17	31.3.16	31.3.17	31.3.16
	£	£	£	£
Trade debtors	91,642	48,822	84,130	44,998
Amounts owed by group undertakings	-	-	-	13,535
Other debtors	66,411	115,713	36,258	99,849
	<u>158,053</u>	<u>164,535</u>	<u>120,388</u>	<u>158,382</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	Group	Charity	Charity
	31.3.17	31.3.16	31.3.17	31.3.16
	£	£	£	£
Bank loans and overdrafts	9,000	8,500	9,000	8,500
Hire purchase contracts	11,580	3,496	-	-
Trade creditors	39,670	34,612	27,496	29,098
Taxation and social security	47,754	38,464	41,217	24,477
Other creditors	76,233	130,881	72,762	86,191
	<u>184,237</u>	<u>215,953</u>	<u>150,475</u>	<u>148,266</u>

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

	Group	Group	Charity	Charity
	31.3.17	31.3.16	31.3.17	31.3.16
	£	£	£	£
Bank loans	308,440	317,943	308,440	317,943
Hire purchase contracts	-	11,579	-	-
	<u>308,440</u>	<u>329,522</u>	<u>308,440</u>	<u>317,943</u>

20. LOANS

An analysis of the maturity of loans is given below:

	31.3.17	31.3.16
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>9,000</u>	<u>8,500</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>9,000</u>	<u>8,500</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>27,000</u>	<u>25,500</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans - > 5 years	<u>272,440</u>	<u>283,943</u>

Cymdeithas Gofal The Care Society

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

21. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	Group & Charity	Group & Charity
	31.3.17	31.3.16
	£	£
Within one year	192,727	245,089
Between one and five years	252,340	375,373
	<u>445,067</u>	<u>620,462</u>

22. SECURED DEBTS

The following secured debts are included within creditors:

	Group	Group	Charity	Charity
	31.3.17	31.3.16	31.3.17	31.3.16
	£	£	£	£
Bank loans	317,440	326,443	317,440	326,443
Hire purchase contracts	11,580	15,075	-	-
	<u>329,020</u>	<u>341,518</u>	<u>317,440</u>	<u>326,443</u>

The bank loan is secured by way of a first legal charge over the freehold property known as 26 Cambrian Street, Aberystwyth and 21 Terrace Road Aberystwyth

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

			31.3.17	31.3.16
Group	Unrestricted fund	Restricted funds	Total funds	Total funds
	£	£	£	£
Fixed assets	468,934	-	468,934	503,252
Current assets	186,688	56,753	243,439	281,064
Current liabilities	(184,237)	-	(184,237)	(215,953)
Long term liabilities	(308,440)	-	(308,440)	(329,522)
	<u>162,943</u>	<u>56,753</u>	<u>219,696</u>	<u>238,841</u>
Charity	Unrestricted fund	Restricted funds	31.3.17	31.3.16
	£	£	Total funds	Total funds
	£	£	£	£
Fixed assets	468,934	-	468,934	476,333
Investments	1	-	1	1
Current assets	144,508	56,753	201,261	271,170
Current liabilities	(150,475)	-	(150,475)	(148,266)
Long term liabilities	(308,440)	-	(308,440)	(317,943)
	<u>154,529</u>	<u>56,753</u>	<u>211,281</u>	<u>281,295</u>

Cymdeithas Gofal The Care Society

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

24. MOVEMENT IN FUNDS - continued

	At 1.4.16 £	Net movement in funds £	Transfers between funds £	At 31.3.17 £
Unrestricted funds				
General fund	183,146	(20,203)	-	162,943
Restricted funds				
Welsh Assembly Government - S180 Bond Scheme	-	(14,015)	51,710	37,695
Welsh Assembly Government - S180 Accommodation Officer	-	94	-	94
Transition funding	36,649	15,061	(51,710)	-
Shop Mobility	19,046	(82)	-	18,964
	55,695	1,058	-	56,753
TOTAL FUNDS	<u>238,841</u>	<u>(19,145)</u>	<u>-</u>	<u>219,696</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,014,934	(1,035,137)	(20,203)
Restricted funds			
Welsh Assembly Government - S180 Bond Scheme	41,682	(55,697)	(14,015)
WCVA: Volunteering in Wales Fund	2,759	(2,759)	-
Welsh Assembly Government - S180 Accommodation Officer	39,177	(39,083)	94
Welsh Assembly Government - S180 Night Shelter	162,049	(162,049)	-
Transition funding	15,061	-	15,061
Shop Mobility	27,000	(27,082)	(82)
	287,728	(286,670)	1,058
TOTAL FUNDS	<u>1,302,662</u>	<u>(1,321,807)</u>	<u>(19,145)</u>

Cymdeithas Gofal The Care Society

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

24. MOVEMENT IN FUNDS - continued

General funds - are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted accounts are as follows:

Grants have been received under S180 of the Housing Act 1996 or Section 126 of the Housing Grants Construction and Regeneration Act 1996 from the Welsh Assembly Government for specific projects, these grants are as follows:

S180 Bond Scheme - The Bond Scheme enables people on low or no incomes into being able to move into their own private accommodation. Thus people, who are homeless or facing homelessness, are assisted in finding safe, affordable and sustainable rented accommodation facilitated through the provision of a bond guarantee.

S180 Accommodation Officer - The principle objective of the 'Accommodation Officer Scheme' is to alleviate homelessness in Ceredigion through meeting the increasing demand for suitable and affordable private rented accommodation. To this end the scheme works with the Welsh Government, the Local Authority and regional private landlords to promote good practice, improve property standards and meet the shortfall from the existing private rented sector, registered social housing and statutory housing provision.

S180 Night Shelter - Rooflessness & Resettlement Initiative -

The overall aim of this project is to reduce homelessness and repeat homelessness in Ceredigion and rural mid-Wales through the provision of safe accommodation for 'rough sleepers' and homeless people. The project also aims to achieve positive resettlement outcomes and prevent social exclusion through engagement with service users and by providing support, access to the Accommodation Officer and Bond Schemes, client activities, housing advice, welfare, finance and benefits advice, partnership working and signposting to specialist agencies.

WCVA - Volunteering in Wales Scheme - To support formal volunteering projects that aim to recruit, support, train and place new volunteers. To encourage good practice in volunteering and support the development in under-developed areas such as underrepresented groups, areas with less opportunities or types of volunteering opportunities.

Ceredigion Shopmobility Scheme - To provide the effective delivery of the Ceredigion Shopmobility Project, including staff training, acquisition of suitable mobility equipment, safe storage of such equipment and in an appropriate central location in Aberystwyth and delivery to where the equipment is needed, Use of the equipment should be charged for on a fair and reasonable basis and effective promotion of the scheme is also required.

Transition funding - Funded by Ceredigion County Council, Transition funding was provided for the use in various projects, some of these include; Rough Sleeper Count, Crisis Support, Emergency use of B&B type accommodation and Mediation. Some of these projects along with a few others will be continuing in 2016/17.

25. RELATED PARTY DISCLOSURES

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

During the year this charity paid for accountancy services amounting to nil (2016 £1,560) from Francis Gray Ltd. Robert Gray is a director of Francis Gray Limited.