

ANHEDDAU CYFYNGEDIG

(Limited by Guarantee)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

(Company Registration Number 2380151)
(Charity Registration Number 701697)

WEDNESDAY



A5JUHJFM

A12

16/11/2016

#5

COMPANIES HOUSE

ANHEDDAU CYFYNGEDIG

TRUSTEES' REPORT

The Trustee Directors (hereafter referred to as "Trustees") present their report and audited accounts for the year ended 31 March 2016.

Reference & Administrative Details

Charity Registration Number	701697
Company Registration Number	2380151
Registered and Principal Office	6 Llys Britannia Parc Menai Bangor GWYNEDD LL57 4BN
Bankers	HSBC plc 24 Castle Square CAERNARFON LL55 2NB
Auditors	Owain Bebb a'i Gwmni 32 Y Maes CAERNARFON LL55 2NN
Accountants	TLL Accountants Ltd 7 – 9 Station Road PRESTON PR4 6SN
Solicitors	Richard C Hall & Partners Red Hill House, Hope Street SALTNEY CH4 8BU

Directors (Trustees)

The directors of the charitable company are also its trustees for the purpose of charity law. The trustees who served during the year and the present members are:

Brian Merfyn Jones (Chair)
Richard G Barker (Vice Chair)
Jonathan M Walsh (Treasurer)
John Williams
Martin Davidson
Gwylan Williams

Senior Staff Members as at 31 March 2016

Janetta T. Jones (CEO and Chief Financial Officer)
Nia Prendergast (Head of Administrative Services and Company Secretary)
Sharon Burke (Head of Client Services)

ANHEDDAU CYFYNGEDIG

TRUSTEES' REPORT - continued

Structure, Governance and Management

Anheddau is a Registered Charity and a Company Limited by Guarantee and is governed by its Memorandum and Articles of Association (hereafter referred to as "the charity").

Any adult can apply to become a trustee. There is an application pack available which is completed by applicants who are then interviewed by not less than two of the existing Trustees. The induction process is carried out with the existing Trustees. Trustees are encouraged to undertake relevant training such as that offered by the Wales Council for Voluntary Action.

The day to day management of the organisation is delegated by the Trustees to the Chief Executive. Management duties are then carried out as appropriate by the other managers within Anheddau. (see organisation chart below).

The Chief Executive, Head of Administrative Services and Head of Client Services meet with the Chair of the Trustee Board as the Executive Group. This group meets at least six times per year in addition to the other Board meetings. At the Executive Group meetings the Senior Managers report to the Chair and matters not requiring full Board approval are addressed. A report from this group is made by the Chief Executive and the Chair to the full Board. The Board make the final decisions and ratify the policies by which the organisation is bound.

The full Trustee Board meets quarterly in addition to the Annual General Meeting.

The Board has undertaken a full assessment of the risks to which Anheddau may be subject such as loss of income, health and safety issues and changes in legislation. A risk management strategy is in place which identifies the risks and sets out methods and procedures by which they may be minimised and dealt with should they arise.

Objectives, Activities & Achievements

The objectives of Anheddau are to promote the relief of people with support needs, residing primarily or temporarily in Wales, to empower them to live fulfilled lives. Anheddau currently works in the Counties of Gwynedd, Ynys Mon, Conwy and Denbighshire.

Anheddau works closely with the people it supports, their families, friends and other carers as well as relevant professionals to ensure that the support provided is of the highest quality and is what the person receiving the support wants and needs.

The support provided by Anheddau is tailored to the needs of each individual. This work is undertaken primarily based upon service level agreements with the Social Services Departments of the above Counties with whom Anheddau works in close partnership. However, support is also provided to individuals funded by the N.H.S., the Independent Living Scheme, and some people who fund their own support. A majority of people supported by Anheddau live in their own homes many of which are owned by the Housing Associations, Grwp Cynefin. We also support people in other types of accommodation.

At Anheddau's day service, a variety of short courses are available in activities such as Music and Art. Anheddau Outdoors, which takes people hill walking, abseiling and coastal walking, together with its own indoor climbing wall, is also based at this building.

The Charity's main offices are located at 6, Llys Britannia, Parc Menai, Bangor. This accommodation provides a high quality environment in which staff can feel valued in the work environment and ensure that Anheddau is perceived to be an organisation which seeks to be an employer of choice which works in a professional manner in all its activities.

ANHEDDAU CYFYNGEDIG

TRUSTEES' REPORT - continued

Objectives, Activities & Achievements – continued

In order to ensure that high standards are maintained, Anheddau has a commitment to training and developing its staff. All the Support Workers who provide the direct support to our clients either have or are working towards Q.C.F. Level II in Care. Similarly Managers undertake the relevant Level III or IV in Management.

There is also a core training programme which is compulsory for all staff comprising First Aid, Fire Safety, Food Safety, Health and Safety, Manual Handling and De-escalation. Staff also receive relevant subject based and professional training as their jobs require. In order to embed staff development further within the organisation Anheddau opened its new Training and Development Suite adjacent to the main office on Parc Menai. Thus, learning and development are seen as an integral part of the activities of the organisation.

In order to maintain its commitment to being a good employer who provides support of the highest quality to its clients Anheddau works in partnership with stakeholders and seeks to continue to expand its services to serve the people of North Wales.

Public Benefit

In meeting the objects of the charitable company the Trustees have considered the Charity Commission guidance on public benefit and are satisfied that the activities undertaken during the year have provided significant benefit to the section of the general public, being as described in the Guidance of being in need due to ill-health, disability, age or other disadvantage.

ANHEDDAU CYFYNGEDIG
TRUSTEES' REPORT - continued

Organisation Chart as at 31 March 2016

BOARD OF TRUSTEE DIRECTORS

COUNCIL OF MANAGEMENT

Executive Management Group

Chair, CEO, Head of Service, Head of Administrative Service

**Service Delivery &
Safeguarding Group**

Vice Chair, Trustee and Head of Service

Finance Sub Group

Treasurer, CEO, Finance Manager
and Accountant

Corporate Service Group

Trustee, Head and Assistant Head
of Administrative Services, H&S
Manager, Workforce
Development Manager

C.E.O

Janetta T Jones

Head of Service

Sharon C Burke

**Head of Administrative
Services**

Nia E Prendergast

Senior Managers

Finance Manager, Assistant Heads of Service, Assistant Head of Corporate Service, Workforce Development
Manager, Health and Safety Manager

Area/Service Managers

Anglesey
Conwy
Denbighshire
Gwynedd

Administrative Managers

Contracts Manager
Training Manager
Office Manager

House Managers

Anglesey
Conwy
Denbighshire
Gwynedd

Administrative Officers

Finance Officer
Payroll Officer
PCP Facilitator
Information Officer
Internal Verifiers

Support Workers

TRUSTEES' REPORT - continued

Financial Review

During the year the charity has achieved a deficit of £357,504 (after exceptional costs of £207,869). Unrestricted reserves now stand at £736,760 (General fund balance). The detailed results and closing balances are shown on the Statement of Financial Activities and Balance Sheet respectively.

Policy on Reserves, and Investment

Anheddau needs reserves for the following reasons:-

- a) To provide sufficient working capital for its day to day needs;
- b) To enable it to continue to operate in the event of a crisis, whether foreseen or unforeseen;
- c) To enable it to cope with any reduction in its income;
- d) To finance and underpin growth in its activities.

The view of the Trustees is that Anheddau needs sufficient reserves to continue the Charity's activities and hold sufficient liquid resources (i.e. cash, bank balances or other assets close to cash such as deposits) to cover the payroll and other costs for a period of three months. In addition the Trustees consider it prudent to hold a further three months' reserves to cover any costs associated with future employment or legislative changes, such as those experienced in 2015 to 2016 when changes to National Minimum Wage regulations resulted in £800,000 of unexpected wage payments, particularly during the present uncertain economic landscape.

At the year end, approximately two months' liquid reserves (ignoring exceptional costs) are available and the Board will work to increase this level towards the target level outlined above.

The reserves policy shall inform other spending decisions, which must be examined having regard to their impact on it. A sum of £5,000 has been transferred onto deposit each month unless there is an agreed written dispensation from the Treasurer having consulted with one or more members of the Council of Management.

The trustees believe that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in producing these accounts.

Plans for Future Periods

The primary objective for Anheddau for the immediate future is to continue to expand and develop as an organisation, in a financially challenging climate, whilst maintaining the high quality of service to existing and new clients.

ANHEDDAU CYFYNGEDIG

TRUSTEES' REPORT - continued

Employment Policy

The Charity's policy is to promote equality of opportunity to all in employment and the selection process irrespective of their gender, race, ethnic origin, disability, age, nationality, sexuality, marital status and social class. Anheddau oppose all forms of unlawful and unfair discrimination.

All employees and volunteers will be treated fairly and equally. Selection for employment, promotion, training and any other benefits will be on the basis of aptitude and ability. All employees will be helped and encouraged to further develop their full potential and the talents and the resources of the workforce will be fully utilised to maximise the efficiency of the organisation.

Risk Policy

The Charity maintains a risk register and regularly reviews the risks that are faced from internal and external factors at Board level, on various committee agendas and at management level throughout the organisation.

They key headline risks that face the Charity at present may be summarised as follows:-

- Ensuring financial sustainability in a climate of increased statutory compliance, particularly in relation to wages and the severely constrained climate of local authority finance upon which the Organisation depends
- Ensuring the high standard of staff training and maintenance of quality control and safety standards to ensure our care services meet the necessary requirements and the safekeeping of service users and staff is maintained.

ANHEDDAU CYFYNGEDIG

TRUSTEES' REPORT - continued

Statement of Trustees' Responsibilities

The trustees (who are also directors of Anheddau Cyfyngedig for the purposes of company law) are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (UK GAAP).

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 these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and 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; and
- 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 adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 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.

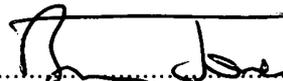
The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

This report was approved by the Board on 25th August 2016 and signed on its behalf by:



.....
N E Prendergast (Company Secretary)



.....
B M Jones (Trustee / Chair)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

ANHEDDAU CYFYNGEDIG

We have audited the financial statements of Anheddau Cyf. (limited by guarantee) for the year ended 31st March 2016, which comprise the Statement of Financial Activities (Income and Expenditure Account), the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement on page 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the 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 annual report to identify material inconsistencies with the audited financial statements. 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 31st March 2015 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 Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

ANHEDDAU CYFYNGEDIG - continued

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;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of the trustees' remuneration specified by law are not made;
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report.



Date: 25/8/16

.....
Rhys Harris
Senior Statutory Auditor, for and on behalf of:
Owain Bebb a'i Gwmni
Chartered Accountants
Statutory Auditor

32 Y Maes
Caernarfon
LL55 2NN

ANHEDDAU CYFYNGEDIG

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING THE INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2016

	Notes	Unrestricted Funds	Restricted Fund	Total Funds 2016	Total Funds 2015
		£	£	£	£
Income and endowments from:					
<i>Generated Funds</i>					
Investment Income					
- Bank Interest (UK)		1,761	-	1,761	2,355
<i>Charitable Activities</i>					
Supporting People in the Community	2	4,837,474	-	4,837,474	4,938,088
Total		4,839,235	-	4,839,235	4,940,443
Expenditure on:					
<i>Charitable Activities:</i>					
<i>Supporting People in the Community</i>					
- Wages & travel		4,572,800	-	4,572,800	4,435,806
- Exceptional costs**	12	207,869	-	207,869	590,000
- Training and recruitment costs		14,679	-	14,679	24,362
- Food & provisions		13,907	-	13,907	15,481
- Property costs	2	142,784	-	142,784	171,342
- Office & insurance costs	2	186,522	-	186,522	192,848
- Bank charges & interest		4,393	-	4,393	4,369
- Depreciation		22,616	-	22,616	16,750
- Audit & Accountancy		11,000	-	11,000	10,800
- Professional fees		24,984	-	24,984	25,611
Total		5,201,554	-	5,201,554	5,487,369
Net income/(expenditure)		(362,319)	-	(362,319)	(546,926)
Gross transfers between funds	10	1,250	(1,250)	-	-
Net incoming/(outgoing) resources for the year		(361,069)	(1,250)	(362,319)	(546,926)
Total Funds b/fwd		1,191,596	81,250	1,272,846	1,819,772
Total funds c/fwd *	10	830,527	80,000	910,527	1,272,846

* Part of the unrestricted funds are designated for specific reasons as shown on the Balance Sheet.

** Deficit before exceptional costs 2016: £154,450 (2015: Surplus £43,074) relating to costs outside the Charity's own control.

Comparative figures:

The only movement on restricted funds during the prior year was the annual £1,250 transfer to unrestricted funds.

The notes on pages 11 to 18 form an integral part of these accounts.

ANHEDDAU CYFYNGEDIG

BALANCE SHEET

AS AT 31 MARCH 2016

	Notes	2016 £	2015 £
FIXED ASSETS			
Tangible Assets	3	173,767	173,586
		-----	-----
		173,767	173,586
		-----	-----
CURRENT ASSETS			
Debtors	4	555,633	714,969
Cash at bank and in hand		356,601	574,833
		-----	-----
		912,234	1,289,802
CREDITORS: amounts falling due within one year	5	(175,474)	(190,542)
		-----	-----
NET CURRENT ASSETS		736,760	1,099,260
		-----	-----
NET ASSETS		910,527	1,272,846
		=====	=====
RESERVES			
Unrestricted reserves			
- General		736,760	1,099,260
- Fixed assets: Other		93,767	92,336
- Other designated funds		-	-
Restricted reserves (Land & Buildings)		80,000	81,250
		-----	-----
	10	910,527	1,272,846
		=====	=====

The accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 applicable to small companies.

The accounts were approved by the Board on 25th AUGUST 2016 and signed on its behalf by:-



B M Jones (Trustee / Chair)

The notes on pages 11 to 18 form an integral part of these accounts.

ANHEDDAU CYFYNGEDIG
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

1. Accounting Policies

a. Basis of Preparation

The accounts have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets), the Financial Reporting Standard for Smaller Entities (effective April 2008), the "SORP 2015" for charities (FRSSE version), and Companies Act 2006.

b. Fixed Assets

Fixed assets are stated at cost and depreciated over their economic useful lives at the following rates:-

Computer hardware & software	25%
Office equipment & furniture	15%
Housing furniture	15%
Freehold land & buildings	2%
Leasehold Improvements	Over the term of the lease

Individual purchases of £500 or less are not generally capitalised, but expended to the Statement of Financial Activities. A fixed asset register is maintained and items of a certain category (such as computers) are capitalised even if below this value.

c. Incoming Resources & Funds

Income is accounted for on a receivable basis and the main sources of income are service level agreements from various authorities. All income is derived in the UK.

Income with restrictions imposed is allocated to a restricted fund and matched with the expenditure. Capital grants are allocated to a Restricted Fund and released over the terms of the restriction.

Income has been split between the different incoming resources. All income (except bank interest) is shown as charitable activities.

d. Pension

The Charity operates a defined contribution group stakeholder pension scheme under Auto Enrolment where the contribution rate is 3% of qualifying pay. The Charity also continues to contribute to certain staff's private pension schemes. The total contributions payable are disclosed in the notes to the accounts.

ANHEDDAU CYFYNGEDIG

NOTES TO THE FINANCIAL STATEMENTS - continued

FOR THE YEAR ENDED 31 MARCH 2016

1. Accounting Policies - continued

e. Operating Leases

Operating leases are charged to the Statement of Financial Activities as incurred.

f. Resources Expended

All expenditure is included in the Statement of Financial Activities in accordance with the accruals concept, where there is a legal obligation committing the Charity to the expenditure.

Charitable activities include expenditure associated with supporting people in the community. Support costs are included within charitable activities as analysed in the Statement of Financial Activities.

Governance costs include those costs incurred in the governance of the charity and those associated with constitutional and statutory requirements.

g. Support Costs

The general running costs of the Charity are detailed in the SORP and Notes to the Accounts. Since there is one charitable activity and no fund-raising activities category, it is not necessary to do any further allocation of support costs.

h. VAT

The Charity is not registered for VAT, as such the VAT element is added to the related cost, shown gross.

ANHEDDAU CYFYNGEDIG

NOTES TO THE FINANCIAL STATEMENTS - continued

FOR THE YEAR ENDED 31 MARCH 2016

2. Statement of Financial Activities Notes

	2016	2015
	£	£
Income - Supporting People in the Community		
Mental Health	140,798	226,137
Social Services	3,411,321	3,359,814
Supporting People	613,888	666,025
SPRG Grant Income	-	28,755
Client contribution and Client Monies	258,066	355,815
Domiciliary Care Short Contracts	237,275	224,268
Local Health Authority & Other Income	176,126	77,274
	-----	-----
	4,837,474	4,938,088
	-----	-----
Expenditure		
Property costs		
Rent	130,260	153,562
Heat & light	12,524	17,780
	-----	-----
	142,784	171,342
	=====	=====
	2016	2015
	£	£
Office and insurance costs		
Printing, stationery & advertising	28,356	25,242
Insurances	20,665	13,817
Telephone	60,098	52,302
Photocopying costs	24,175	16,792
Sundries	19,625	30,788
Repairs & renewals	4,648	15,948
Subscriptions	4,008	5,071
Health & safety	9,553	11,137
Cleaning costs	9,148	7,445
Computer costs	6,246	14,306
	-----	-----
	186,522	192,848
	=====	=====
	2016	2015
	£	£
Depreciation	22,616	16,750
Auditor's Fees:		
- Audit services	6,000	6,000
	=====	=====

ANHEDDAU CYFYNGEDIG

NOTES TO THE FINANCIAL STATEMENTS - continued

FOR THE YEAR ENDED 31 MARCH 2016

2. Statement of Financial Activities Notes - Continued

Trustees have not received any remuneration for their services during this year nor the prior year. Trustee expenses reimbursed during the year totalled £1,498 (2015: £2,192). This related to two Trustees (2015: two Trustees).

The full time equivalent number of staff (including relief staff) for the year was 232. Carers: 201 (2015: 200); Admin: 31 (2015: 30).

	2016 £	2015 £
Wages & Salaries (incl. Exceptional Costs)	4,268,279	4,422,190
Social Security costs	241,856	304,039
Pension costs for 272 staff (2015: 135 staff)	65,489	82,127
	4,575,624	4,808,356
	4,575,624	4,808,356

The trustees can confirm that no employee was paid in excess of £60,000 p.a. (being the minimum reporting level set by the Charity Commission) for this year, nor the previous year.

3. Fixed Assets

	Land & Buildings	Housing Furniture	Computer Hardware & Software	Office Furniture	Total
Cost/Valuation	£	£	£	£	£
Balance b/f	205,109	17,880	147,328	42,512	412,829
Additions	804	872	20,657	465	22,798
Disposals	-	-	-	-	-
	205,913	18,752	167,985	42,977	435,627
	205,913	18,752	167,985	42,977	435,627
Depreciation					
Balance b/f	58,833	13,894	136,126	30,391	239,244
Charge for the year	7,756	726	10,501	3,633	22,616
Eliminated on disposal	-	-	-	-	-
	66,589	14,620	146,627	34,024	261,860
	66,589	14,620	146,627	34,024	261,860
Net Book Value					
As at 31.3.16	139,324	4,133	21,358	8,953	173,767
As at 31.3.15	146,276	3,986	11,202	12,121	173,586

All fixed assets are used for charitable purposes. Land and Buildings includes freehold assets of £128,599 and leasehold improvements of £10,704.

ANHEDDAU CYFYNGEDIG

NOTES TO THE FINANCIAL STATEMENTS - continued

FOR THE YEAR ENDED 31 MARCH 2016

4. Debtors - amounts falling due within one year

	2016	2015
	£	£
Trade debtors	463,697	591,404
Prepayments	23,210	23,720
Other debtors	68,726	99,845
	-----	-----
	555,633	714,969
	=====	=====

5. Creditors - amounts falling due within one year

	2016	2015
	£	£
Trade creditors	15,160	13,668
PAYE & NIC	53,012	62,760
Other Creditors and Accruals	107,302	114,114
	-----	-----
	175,474	190,542
	=====	=====

Creditors include £2,870 (2015: £7,192) due to the Charity pension scheme at 31 March 2016.

6. Capital Structure

The charitable company is limited by guarantee and has no share capital.

7. Operating Lease Commitments

At 31 March 2016 the charity had the following annual non-cancellable operating lease commitments.

	2016		2015	
	Cars & Equipment	Land & Buildings	Cars & Equipment	Land & Buildings
	£	£	£	£
Expiring within one year	47,274	10,000	39,744	4,680
Expiring in two to five years	-	4,680	7,530	10,000
Expiring in more than five years	-	48,656	-	48,656
	-----	-----	-----	-----
	47,274	63,336	47,274	63,336
	=====	=====	=====	=====

8. Related Parties

The charity is controlled by the members of the Council of Management, which are listed in their report on page one. There were no related party transactions between the charity and its members.

ANHEDDAU CYFYNGEDIG

NOTES TO THE FINANCIAL STATEMENTS - continued

FOR THE YEAR ENDED 31 MARCH 2016

9. Analysis of Net Assets between Funds

	<u>Unrestricted Funds</u>		Restricted Funds	Total
	General/ Designated	Fixed assets		
	£	£	£	£
Tangible Fixed Assets	-	93,767	80,000	173,767
Current Assets	912,234	-	-	912,234
Current liabilities	(175,474)	-	-	(175,474)
	-----	-----	-----	-----
	736,760	93,767	80,000	910,527
	=====	=====	=====	=====

10. Analysis of Funds

	Balance at 1.4.15	Income	Expenditure	Transfer	Balance 31.3.16
	£	£	£	£	£
Unrestricted Funds					
- General	1,099,260	4,839,235	(5,201,554)	(181)	736,760
- Fixed assets: Other	92,336	-	-	1,431	93,767
- Other designated funds	-	-	-	-	-
	-----	-----	-----	-----	-----
	1,191,596	4,839,235	(5,201,554)	1,250	830,527
	-----	-----	-----	-----	-----
Restricted Funds					
- Land & Buildings fund	81,250	-	-	(1,250)	80,000
	-----	-----	-----	-----	-----
	81,250	-	-	(1,250)	80,000
	=====	=====	=====	=====	=====

Unrestricted Funds

The general fund is used to further the objects of the Charity.

The designated fixed asset fund represents the net book value of fixed assets (per the balance sheet, after deducting the related restricted fund) which clearly do not represent 'liquid' funds.

The view of the Trustees is that Anheddau needs sufficient reserves to continue the Charity's activities and hold sufficient liquid resources (i.e. cash, bank balances or other assets close to cash such as deposits) to cover the payroll and other costs for a period of three months. In addition the Trustees consider it prudent to hold a further three months' reserves to cover any costs associated with future employment or legislative changes, such as those experienced in 2015 to 2016 when changes to National Minimum Wage regulations resulted in £800,000 of unexpected wage payments, particularly during the present uncertain economic landscape.

At the year end, approximately two months' liquid reserves (ignoring exceptional costs) are available and the Board will work to increase this level towards the target level outlined above.

Restricted Funds

The land and buildings fund represents monies received to purchase specific fixed assets, released over the terms of the restrictions. A transfer is made from restricted funds to unrestricted funds each year to reflect the annual reduction in restricted assets.

ANHEDDAU CYFYNGEDIG

NOTES TO THE FINANCIAL STATEMENTS - continued

FOR THE YEAR ENDED 31 MARCH 2016

11. Agency Transactions

During the year the Charity received Housing Benefit and other income on behalf of certain clients which was re-distributed to the relevant clients in full.

The attributable amounts are not included within income or expenditure of the Charity for the year to March 2016 since the Charity only acts as Agent in relation to these amounts.

The amounts administered and excluded are as follows:

	£	£
	2016	2015
- Income received and distributed (excluding Management Fees)	291,691	248,880
- Net amounts awaiting distribution at year end (within creditors)	-	-
- Amounts included in the client bank account awaiting receipt (within debtors)	12,197	-
- Separate bank accounts held on behalf of clients (not included in Charity Balance Sheet)	329,348	292,183

12. Exceptional Costs

As noted last year, a change in law regarding minimum wage regulations in relation to certain types of work has, again, resulted in additional wage costs during the year. These costs have been shown separately as an exceptional item in the Statement of Financial Activities, giving a total of £207,869. Following negotiations with local authorities these additional costs will be covered within the income rates for the coming year.