

**CWM TAF CARE AND REPAIR LIMITED**

Co-operative and Community Benefit Societies Registered Number: IP29634R

**ANNUAL REPORT**

**YEAR ENDED 31 MARCH 2021**

# CWM TAF CARE & REPAIR LIMITED

## CONTENTS

|  | <b>Page</b> |
|--|-------------|
| OFFICERS AND PROFESSIONAL ADVISERS     | 3           |
| BOARD OF MANAGEMENT'S REPORT           | 4 - 5       |
| STATEMENT OF BOARD'S' RESPONSIBILITIES | 6           |
| INTERNAL CONTROL STATEMENT             | 7           |
| INDEPENDENT AUDITOR'S REPORT           | 8 - 12      |
| STATEMENT OF COMPREHENSIVE INCOME      | 13          |
| STATEMENT OF FINANCIAL POSITION        | 14          |
| STATEMENT OF CASHFLOWS                 | 15          |
| STATEMENT OF CHANGES IN RESERVES       | 16          |
| NOTES TO THE FINANCIAL STATEMENTS      | 17 – 31     |

**CWM TAF CARE & REPAIR LIMITED  
BOARD OF MANAGEMENT'S REPORT  
YEAR ENDED 31 MARCH 2021**

**AGENCY INFORMATION**

**Board of Management voting members**

|                  |                        |
|------------------|------------------------|
| Mr W Smith       | Chair                  |
| Mr C Binding     |                        |
| Mr D Lewis       |                        |
| Mr B Jones       | Resigned June 2020     |
| Mrs F Bevan      |                        |
| Mrs M McLaughlin | Resigned February 2021 |
| Rebecca Thomas   |                        |
| Julie McCarthy   |                        |
| Karen Cherrett   |                        |

**Secretary** Ms C White

**Agency Number** 29634R

**Auditor** Bevan Buckland LLP  
Langdon House  
Langdon Road  
Swansea  
SA1 8QY

**Solicitors** Morgan LaRoche  
Bay House  
Tawe Business Village  
Phoenix Way  
Enterprise Park  
Swansea  
SA7 9LA

**Bankers** Barclays  
Windsor Court  
3 Windsor Place  
Cardiff  
CF10 3ZL

**CWM TAF CARE & REPAIR LIMITED**  
**BOARD OF MANAGEMENT'S REPORT**  
**YEAR ENDED 31 MARCH 2021**

The Board of Management presents its report with the financial statements of the Agency for the year ended 31 March 2021.

**Financial Performance**

The surplus for the year increased from £53,446 in 2020 to £93,976 in 2021. However, accounting in the year for the SHPS defined benefit pension scheme has resulted in a reported comprehensive income for the year of £322,446 compared to a total comprehensive loss of £205,509 in 2020.

**Principal activity and review of operations**

The principal activity of the Agency is to help older and disabled people to improve or maintain a suitable home environment by enabling repairs, improvements and adaptations to be carried out.

This specifically involves enabling older and disabled people to remain independent within their own homes through assisting in the improvement and accessibility of their homes, providing advice, technical support and technical assistance to clients in relation to finance, planning, organisation, implementation and completion of agreed building works, and providing general advice and information to clients on how to select and engage reputable builders and complete desired building works.

**Board of Management**

The Board of Management who served during the year were:

**Voting members**

|                  |                        |
|------------------|------------------------|
| Mr W Smith       | Chair                  |
| Mr C Binding     |                        |
| Mr D Lewis       |                        |
| Mr B Jones       | Resigned February 2021 |
| Mrs F Bevan      |                        |
| Mrs M McLaughlin | Resigned February 2021 |
| Rebecca Thomas   |                        |
| Julie McCarthy   |                        |
| Karen Cherrett   |                        |

**Political and charitable contributions**

During the period the Agency made no charitable or political contributions.

**Employees**

The Agency's intention is to be a fair employer offering staff training openings and career advancement against a continuing commitment to equal opportunities in respect of employment and access to services.

**CWM TAF CARE & REPAIR LIMITED**  
**BOARD OF MANAGEMENT'S REPORT**  
**YEAR ENDED 31 MARCH 2021**

**Corporate Governance**

Cwm Taf Care & Repair Limited is governed by a Board of Management and complies with the Community Housing Cymru Code of Governance. The Board comprises 7 Non- Executive Board members. The Board reviews its own performance formally each year in order to identify where additional experience may be needed. All members sign a Declaration confirming their compliance with the Agency's Disclosure Requirements and legal provisions. The Board is ultimately responsible for strategy and control of the Agency.

**Policy on Reserves**

The need for reserves has been reviewed by the Board of Management taking into account guidance from the Welsh Government and advice issued by Care & Repair Cymru. It has been agreed by the Board that reserves should be set aside equal to the costs of winding up the Agency in the event of its core funding from the Welsh Government, Rhondda Cynon Taf County Borough Council and Cwm Taf Health Board being withdrawn.

**Going Concern**

In line with corporate governance requirements the Board is confident that the Agency has adequate resources to continue in existence for the foreseeable future, and accordingly continue to adopt the going concern basis in preparing the financial statements.

**AUDITORS**

This is the final year of the contract with Bevan Buckland LLP and as part of best practice, external audit services are subject to a tender exercise. The successful tenderer will be appointed at the Annual General Meeting on 14<sup>th</sup> September 2021.

**ANNUAL MEETING**

The annual meeting of the agency will be held online this year at 4.30pm on 14<sup>th</sup> September 2021.

By order of the board



**C White**  
Secretary

Date: 7<sup>th</sup> September 2021

**CWM TAF CARE & REPAIR LIMITED**  
**STATEMENT OF BOARD OF MANAGEMENT'S REPORT RESPONSIBILITIES**

The Board is responsible for preparing the financial statements in accordance with applicable law and regulations.

Co-operative and Benefit Society legislation requires the Board to prepare financial statements for each financial year. Under that law, the Board have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under the Co-operative and Benefit Society legislation the Board must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and surplus or deficit of the Agency for that period.

In preparing these financial statements the Board is required to:

- select suitable accounting policies and then apply them consistently;
- 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 Agency will continue in business.

The Board is responsible for maintaining satisfactory systems of internal control and keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Agency and enable it to ensure that the financial statements comply with the Co-operative and Benefit Society Act 2014. The Board is also responsible for safeguarding the assets of the Agency and hence for taking steps for the prevention and detection of fraud and other irregularities.

The Board is responsible for the maintenance and integrity of the corporate and financial information included on the Agency's website.

In so far as the Board of Management is aware:

- There is no relevant audit information of which the Agency's auditor is unaware; and
- The Board has taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

# CWM TAF CARE & REPAIR LIMITED

## INTERNAL CONTROL STATEMENT

The Board is committed to achieving high standards of corporate governance and acknowledges its responsibility for ensuring that the Agency has in place a system of internal controls that are appropriate to the various business environments in which we operate. These controls are designed to give reasonable assurance with respect to:

- Reliability of financial information
- Administration and maintenance of proper accounting records; and
- Safeguarding of unauthorised use of assets.

It is the Board's responsibility to establish and maintain systems of internal financial control, providing reasonable assurance against material financial misstatement or loss. Key controls include:

- Clearly defined management and reporting structures.
- Formal policies and procedures including the Schedule of Delegated Authority, Financial Control Regulations and Anti-Fraud Policy.
- Effective recruitment and training programmes
- Audit and Performance Committee structure that has delegated power to scrutinise budget setting, quarterly management information and financial forecasting, examining any significant variances prior to findings and making relevant recommendations to Board. This allows Board to monitor the key business risks and objectives and assess delivery against the financial plan set for the year.
- Risk Management Framework with an annual review of Risk Register. Risk is monitored and reviewed as a standard agenda item by management team, Audit and Performance Committee and Board.
- Good working relationships with Welsh Government, Rhondda Cynon Taf County Borough Council, Merthyr Tydfil County Borough Council and Cwm Taf Health Board.
- Internal Audit and External Audit, with all reports being reviewed at Audit and Performance Committee prior to Board.

The Board has reviewed the effectiveness of the Agency's internal control for the year ended 31<sup>st</sup> March 2021.

By order of the Board of Management



Mr W Smith  
Chair

Date: 7<sup>th</sup> September 2021

**REPORT BY THE INDEPENDENT AUDITORS TO  
CWM TAF CARE & REPAIR LIMITED  
ON CORPORATE GOVERNANCE MATTERS**

In addition to our audit on the financial statements for the year ended 31st March 2021, we have reviewed the Board's statement of the Agency's compliance with the Welsh Government Circular 02/10, Internal Financial Control and Financial Reporting ("the Circular").

The objective of our review is to enable us to conclude on whether the Board has provided the disclosures required by the Circular and whether the statement is consistent with the information of which we are aware from our audit work on the financial statements.

We are not required to form an opinion on the effectiveness of the Agency's corporate governance procedures or its internal financial control.

**OPINION**

With respect to the Board's statement on internal financial control on page 7 of the accounts, in our opinion the Board of Management has provided the disclosures required by the Circular and the statement is consistent with the information of which we are aware from our audit work in the financial statements.

*Bevan Buckland .*

**Bevan Buckland LLP**

Chartered Accountants & Statutory Auditors  
Langdon House  
Langdon Road  
Swansea  
SA1 8QY

Date: 8<sup>th</sup> September 2021

**Independent Auditor's report to the members of Cwm Taf Care & Repair Limited  
registered under the Co-Operative and Community Benefit Societies Act 2014**

## **Opinion**

We have audited the financial statements of Cwm Taf Care & Repair Limited ("the Agency") for the year ended 31 March 2021 which comprise the statement of comprehensive income, statement of changes in reserves, the statement of financial position, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the Agency's affairs as at 31st March 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been properly prepared in accordance with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Requirements for Registered Social Landlords General Determination (Wales) 2015.

## **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 Agency 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 Boards' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Board have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Agency'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.

**Independent Auditor's report to the members of Cwm Taf Care & Repair Limited  
registered under the Co-Operative and Community Benefit Societies Act 2014 (continued)**

**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 Board 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.

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

In light of the knowledge and understanding of the Agency and its environment obtained in the course of the audit, we have not identified material misstatements in the Board of Management's report.

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 require us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- the Agency has not kept proper accounting records; or
- the financial statements are not in agreement with the books of account of the Agency; or
- we have not received all the information and explanations we need for our audit.

**Responsibilities of the board**

As explained more fully in the Statement of Responsibilities of the Board (set out on page 6), the Board is 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 Board 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 Board are responsible for assessing the Agency'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 Board either intend to liquidate the Agency or to cease operations, or have no realistic alternative but to do so.

**Independent Auditor's report to the members of Cwm Taf Care & Repair Limited  
registered under the Co-Operative and Community Benefit Societies Act 2014 (continued)**

**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.

We identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, and then, design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

We discussed our audit independence complying with the Revised Ethical Standard 2019 with the engagement team members whilst planning the audit and continually monitored our independence throughout the process.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- enquiring of management, including obtaining and reviewing supporting documentation, concerning the company's policies and procedures relating to:
  - identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- discussing among the engagement team how and where fraud might occur in the Financial Statements and any potential indicators of fraud.
- obtaining an understanding of the legal and regulatory frameworks that the company operates in, focusing on those laws and regulations that had a direct effect on the Financial Statements or that had a fundamental effect on the operations of the company, The key laws and regulations we considered in this context included the UK Companies Act and relevant tax legislation.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations;
- enquiring of management concerning actual and potential litigation and claims; performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC; and

**Independent Auditor's report to the members of Cwm Taf Care & Repair Limited  
registered under the Co-Operative and Community Benefit Societies Act 2014 (continued)**

- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments;
- assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and
- evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the Agency's members, as a body, in accordance with Part 7 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Agency'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 Agency and the Agency's members as a body, for our audit work, for this report, or for the opinions we have formed.



Bevan Buckland LLP  
Chartered Accountants & Statutory Auditors  
Langdon House  
Langdon Road  
Swansea  
SA1 8QY

Date: 8<sup>th</sup> September 2021

**CWM TAF CARE & REPAIR LIMITED**  
**Statement of Comprehensive Income**  
**Year ended 31 March 2021**

|  |           | 2021               | 2020           |
|--|-----------|--------------------|----------------|
|  | Note      | £                  | £              |
| <b>TURNOVER</b>  | <b>2</b>  | <b>1,567,154</b>   | 1,563,388      |
| Operating costs  |           | <b>(1,473,178)</b> | (1,509,942)    |
|  |           | <hr/>              | <hr/>          |
| <b>OPERATING SURPLUS</b>                                 | <b>3</b>  | <b>93,976</b>      | <b>53,446</b>  |
| Interest receivable                                      |           | <b>515</b>         | 0              |
|  |           | <hr/>              | <hr/>          |
| <b>SURPLUS FOR THE FINANCIAL YEAR</b>                    |           | <b>94,491</b>      | <b>53,446</b>  |
| <i>Other comprehensive income</i>                        |           |                    |                |
| Actuarial gains/(losses) in respect of pension schemes   | <b>12</b> | <b>(300,000)</b>   | 269,000        |
|  |           | <hr/>              | <hr/>          |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR</b> |           | <b>(205,509)</b>   | <b>322,446</b> |
|  |           | <hr/> <hr/>        | <hr/> <hr/>    |

All amounts relate to continuing operations.

There were no recognised gains or losses for the year other than those included in the Statement of Comprehensive Income.

The notes on pages 17 to 31 form part of these financial statements.

**CWM TAF CARE & REPAIR LIMITED**  
**Statement of Financial Position**  
**31 March 2021**

|  | Note      |                       | 2021                         |                  | 2020                  |
|--|-----------|-----------------------|------------------------------|------------------|-----------------------|
|  |           | £                     | £                            | £                | £                     |
| <b>FIXED ASSETS</b>  |           |                       |                              |                  |                       |
| Intangible fixed assets  | 6         |                       | -                            |                  | -                     |
| Tangible fixed assets  | 7         |                       | <b>290,540</b>               |                  | 286,207               |
| <b>CURRENT ASSETS</b>  |           |                       |                              |                  |                       |
| Stocks   | 8         | <b>32,079</b>         |                              | 36,795           |                       |
| Debtors  | 9         | <b>171,396</b>        |                              | 65,663           |                       |
| Cash at bank   |           | <b>613,249</b>        |                              | 663,538          |                       |
|  |           | <u><b>816,724</b></u> |                              | <u>765,996</u>   |                       |
| <b>CREDITORS: amounts falling due within one year</b>          | <b>10</b> | <b>(210,714)</b>      |                              | <b>(210,104)</b> |                       |
| <b>NET CURRENT ASSETS</b>                                      |           |                       | <u><b>606,010</b></u>        |                  | <u>555,892</u>        |
| <b>CREDITORS: amounts falling due after more than one year</b> | <b>11</b> |                       | <b>(17,130)</b>              |                  | <b>(17,130)</b>       |
| <b>PENSION – Defined benefit liability</b>                     | <b>12</b> |                       | <b>(508,319)</b>             |                  | <b>(248,360)</b>      |
| <b>NET ASSETS</b>  |           |                       | <u><u><b>371,101</b></u></u> |                  | <u><u>576,609</u></u> |
| <b>CAPITAL AND RESERVES</b>                                    |           |                       |                              |                  |                       |
| Called up share capital  | 14        |                       | <b>50</b>                    |                  | 49                    |
| Designated reserves  | 15        |                       | <b>193,678</b>               |                  | 182,785               |
| Restricted reserves  | 16        |                       | <b>41,928</b>                |                  | 42,781                |
| Revenue reserves   |           |                       | <b>135,445</b>               |                  | 350,994               |
| <b>SHAREHOLDERS' FUNDS</b>                                     |           |                       | <u><u><b>371,101</b></u></u> |                  | <u><u>576,609</u></u> |

The financial statements were approved by the Board and authorised for issue on 7<sup>th</sup> September 2021

Signed on behalf of the board of directors.

Chair 

Secretary 

Board Member 

**CWM TAF CARE & REPAIR LIMITED**  
**Statement of Cash Flows**  
**For the year ending 31 March 2021**

|  | Note  | 2021<br>£       | 2020<br>£ |
|--|-------|-----------------|-----------|
| <b>Operating surplus</b>                                     |       | <b>93,976</b>   | 53,446    |
| <b>Adjustments for non-cash items</b>                        |       |                 |           |
| Depreciation of fixed assets                                 | 7     | 19,067          | 17,174    |
| DB Accounting (Interest expense)                             | 12    | 5,785           | 13,000    |
| Interest received  |       |                 | -         |
| <b>Working capital movements</b>                             |       |                 |           |
| (Increase)/Decrease in stock                                 | 8     | 4,716           | (4,326)   |
| Increase in trade and other debtors                          | 9     | (105,733)       | (47,414)  |
| Increase in creditors  | 10/11 | 610             | 26,970    |
| (Decrease)/increase in provisions                            | 10/11 | -               | 4,578     |
| Share capital allotted & paid                                | 14    | -               | 7         |
| Pension deficit contributions paid                           | 12    | (45,825)        | (44,995)  |
| <b>Net cash generated from operating activities</b>          |       | <b>(27,404)</b> | 18,440    |
| Interest received  |       | 515             | -         |
| Purchase of fixed assets                                     | 7     | (23,400)        | (21,305)  |
| <b>Free cash generated /(expended)</b>                       |       | <b>(50,289)</b> | (2,865)   |
| <b>Net (decrease)/ increase in cash and cash equivalents</b> |       | <b>(50,289)</b> | (2,865)   |
| <b>Cash and cash equivalents at beginning of year</b>        |       | <b>663,538</b>  | 666,404   |
| <b>Cash and cash equivalents at end of the year</b>          |       | <b>613,249</b>  | 663,538   |

**CWM TAF CARE & REPAIR LIMITED**  
For the year ending 31 March 2021

**Analysis of changes in net debt**

|      | At 1 April 2020 | Cashflows | Other non-cash changes | At 31 March 2021 |
|------|-----------------|-----------|------------------------|------------------|
|      | £               | £         | £                      | £                |
| Cash | 663,538         | (50,289)  | -                      | 613,249          |

**Statement of Changes in Reserves**

|   | Revenue reserve | Restricted reserve | Designated reserve | Total          |
|---|-----------------|--------------------|--------------------|----------------|
|   | £               | £                  | £                  | £              |
| <b>At 1 April 2020</b>                  | <b>350,994</b>  | <b>42,781</b>      | <b>182,785</b>     | <b>576,560</b> |
| Transfers to                            | 11,038          | -                  | 21,931             | 32,969         |
| Transfers out                           | (21,931)        | -                  | (11,038)           | (32,969)       |
| Total comprehensive income for the year | (204,656)       | (853)              | -                  | (205,509)      |
| <b>At 31 March 2021</b>                 | <b>135,445</b>  | <b>41,928</b>      | <b>193,678</b>     | <b>371,051</b> |

**CWM TAF CARE & REPAIR LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2021**

**1 ACCOUNTING POLICIES**

**Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards including Financial Reporting Standard 102 (FRS102), except for the defined benefit pension plans – where plan assets are measured at fair value.

**Going concern**

The Agency's activities, its current financial position and factors likely to affect its future development are regularly considered by the Board. Business continuity was a strong focus for management and Board throughout 2020/21 as the Coronavirus pandemic and lockdowns grew in momentum. The Agency remained an essential service and in order to maintain continuity of service, the working environment was adapted to allow more agile and home working, and safe socially distanced working practices were introduced into the office for a small number of skeleton staff.

Services have been reshaped and budgets revisited in order to continue support to the health service, the local authority and the changing needs and environment of Clients. Additional funding was secured in the year, which along with reducing expenditure maintained the Agency in a strong financial position. This continues to be reflected in the future funding streams that have been confirmed and are shown in the 2021/22 budgets.

The future impact of Brexit remains unclear and the Board do not believe that it poses a going concern risk to the Agency.

On this basis and considering the ongoing situation with regard to Covid-19, the Board has a reasonable expectation that the Agency has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in preparing the annual report and the financial statements.

**Turnover**

Turnover includes revenue based grants received from the Welsh Government, Rhondda Cynon Taf County Borough Council, Merthyr Tydfil County Borough Council and fee income received from clients in respect of grants obtained on their behalf. Government grants are recognised using the accrual model and are classified either as a grant relating to revenue or a grant relating to assets.

Income from handyperson work is recognised when the works are completed, it is probable that the income will be received and the amount can be reliably measured and is not deferred.

**CWM TAF CARE & REPAIR LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2021**

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

Capital grants received are treated as deferred income and released in line with the depreciation of the related asset.

**Designated and restricted reserves**

The designated reserve includes an amount set aside by the Board equal to the estimated costs that would be incurred if the Agency was wound up in the event of its core funding being withdrawn from the Welsh Government, Rhondda Cynon Taf County Borough Council and Cwm Taf Health Board.

The restricted reserves represent the net book value of tangible fixed assets transferred into the Agency by Rhondda Care & Repair Limited and are restricted because of specific restrictions imposed by the donor.

**Intangible Assets**

Intangible assets consist of computer software that is used for administrative and operating purposes and is stated at historic cost less accumulated amortisation. Amortisation is provided on intangible assets on a straight-line basis over 5 years.

**Tangible fixed assets**

Tangible fixed assets are stated at cost less depreciation. Cost comprises the purchase price of the asset and expenditure directly attributable to the acquisition of the item.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

|                                   |                              |
|-----------------------------------|------------------------------|
| Freehold buildings                | 2 %                          |
| Fixtures and computer equipment   | 10 - 25 %                    |
| Leasehold Property                | Over the period of the lease |
| Freehold land is not depreciated. |                              |

A fixed asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal of an asset is determined as the difference between sale proceeds and the carrying value of the asset, and is credited or charged to the income statement.

The agency performs impairment testing where there are any indicators of impairment. Impairment is calculated as the difference between the carrying value and the recoverable value of the asset. Recoverable value is the higher of net realisable value and estimated value in use at the date the impairment loss is recognised. Value in use represents the present value of expected future discounted cash flows. If incurred, impairment is recognised immediately in the income statement.

**CWM TAF CARE & REPAIR LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2021**

**Stock**

Stock is valued at the lower of cost and net realisable value, using the first in first out method. Where necessary, provision is made for obsolescent, slow moving and defective stock.

**Deferred Income Policy**

Deferred income represents income received but not earned as at the year end. Deferred income consists of grant income and a capital grant.

**Financial assets and liabilities**

Financial assets and financial liabilities are recognised when the Agency becomes a party to the contractual provisions of the instrument.

**Debtors**

Short term debtors are measured at transaction price less any impairment.

**Creditors**

Short term creditors are measured at the transaction price.

**Provisions for liabilities**

Provisions are recognised when the Agency has a present obligation (legal or constructive) as a result of a past event. It is probable that the Agency will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short term, highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

**Pensions**

The Agency contributes to a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the Agency. The annual employer contributions payable are charged to the income and expenditure account.

The Agency also participates in the Social Housing Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 500 non-associated employers. The Scheme is a defined benefit scheme in the UK.

The liability recognised in the Statement of Financial Position in respect of the defined benefit pension plan is the present value of the defined benefit obligation at 31st March 2021 less the fair value of plan assets.

The defined benefit obligation is calculated annually by independent actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

**CWM TAF CARE & REPAIR LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2021**

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in the Statement of Comprehensive Income. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

**Taxation status**

The Agency has obtained charitable status under Section 485 (2) Corporation Tax Act 2010 and was therefore exempt from Corporation Tax on its primary activities.

**Significant management judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results in the future may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

**Significant management judgements**

The following are management judgements in applying the accounting policies of the Agency that have the most significant effect on the amounts recognised in the financial statements:

*Defined Benefit Pension Scheme*

The Agency has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the Statement of Financial Position. The assumptions reflect historical experience and current trends. The significant actuarial assumptions are detailed in Note 12.

**CWM TAF CARE & REPAIR LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2021**

**2 TURNOVER**

An analysis of turnover by class of business is given below:

|  | <b>2021</b>      | 2020      |
|--|------------------|-----------|
|  | <b>£</b>         | £         |
| Welsh Government                         | <b>674,249</b>   | 669,936   |
| Rhondda Cynon Taf County Borough Council | <b>269,573</b>   | 345,742   |
| Merthyr Tydfil County Borough Council    | <b>87,476</b>    | 101,575   |
| Fee income                               | <b>7,600</b>     | 18,555    |
| Handyperson                              | <b>176,606</b>   | 225,135   |
| Other                                    | <b>351,650</b>   | 202,445   |
|  | <b>1,567,154</b> | 1,563,388 |

All turnover arose within the United Kingdom.

**3 OPERATING SURPLUS**

The operating surplus is stated after charging:

|  | <b>2021</b>     | 2020   |
|--|-----------------|--------|
|  | <b>£</b>        | £      |
| Depreciation of tangible fixed assets: |                 |        |
| - Owned by the Agency                  | <b>19,067</b>   | 17,174 |
| Audit fees                             | <b>2,400</b>    | 2,400  |
| Other auditor remuneration             | <b>1,834</b>    | 1,114  |
| Operating leases                       | <b>22,139</b>   | 22,723 |
| Coronavirus job retention scheme       | <b>(43,201)</b> | -      |

**4 DIRECTORS' REMUNERATION**

The directors are defined as members of the Board of Management.

During the year members of the Board of Management received £96 (2020: £0) in benefits during either the year.

**CWM TAF CARE & REPAIR LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2021**

**5 STAFF COSTS**

Staff costs, including directors' emoluments, were as follows:

|                       | <b>2021</b>    | 2020           |
|-----------------------|----------------|----------------|
|                       | £              | £              |
| Wages and salaries    | <b>639,791</b> | 594,200        |
| Social security costs | <b>60,387</b>  | 54,453         |
| Other pension costs   | <b>40,985</b>  | 35,344         |
|                       | <b>741,163</b> | <b>683,997</b> |
|                       | <b>741,163</b> | <b>683,997</b> |

The average number of staff employed during the year was:

|                      | <b>2021</b> | 2020 |
|----------------------|-------------|------|
| Actual               | <b>26</b>   | 22   |
| Full time equivalent | <b>24</b>   | 20   |
|                      | <b>24</b>   | 20   |
|                      | <b>24</b>   | 20   |

**6 INTANGIBLE FIXED ASSETS**

|                         | <b>Computer software</b> |
|-------------------------|--------------------------|
|                         | £                        |
| <b>Cost</b>             |                          |
| At 1 April 2020         | 10,687                   |
| Additions               | -                        |
| Disposals               | -                        |
| <b>At 31 March 2021</b> | <b>10,687</b>            |
|                         | <b>10,687</b>            |
| <b>Depreciation</b>     |                          |
| At 1 April 2020         | 10,687                   |
| Charge for year         | -                        |
| Disposals               | -                        |
| <b>At 31 March 2021</b> | <b>10,687</b>            |
|                         | <b>10,687</b>            |
| <b>Net book value</b>   |                          |
| At 31 March 2021        | -                        |
| At 31 March 2020        | -                        |

**CWM TAF CARE & REPAIR LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2021**

**7 TANGIBLE FIXED ASSETS**

|                         | Freehold<br>Property<br>£ | Leasehold<br>Property<br>£ | Computer<br>Equipment<br>£ | Motor<br>Vehicles<br>£ | Fixtures &<br>Fittings<br>£ | Total<br>£ |
|-------------------------|---------------------------|----------------------------|----------------------------|------------------------|-----------------------------|------------|
| <b>Cost</b>             |                           |                            |                            |                        |                             |            |
| At 1 April 2020         | 325,368                   | 33,723                     | 59,944                     | 21,305                 | 48,929                      | 489,269    |
| Additions               | -                         | -                          | -                          | 23,400                 | -                           | 23,400     |
| Disposals               | -                         | -                          | -                          | -                      | -                           | -          |
| <b>At 31 March 2021</b> | 325,368                   | 33,723                     | 59,944                     | 44,705                 | 48,929                      | 512,669    |
| <b>Depreciation</b>     |                           |                            |                            |                        |                             |            |
| At 1 April 2020         | 63,685                    | 33,723                     | 54,922                     | 4,882                  | 45,850                      | 203,062    |
| Charge for year         | 6,223                     | -                          | 3,808                      | 7,764                  | 1,272                       | 19,067     |
| Disposals               | -                         | -                          | -                          | -                      | -                           | -          |
| <b>At 31 March 2021</b> | 69,908                    | 33,723                     | 58,730                     | 12,646                 | 47,122                      | 222,129    |
| <b>Net book Value</b>   |                           |                            |                            |                        |                             |            |
| <b>At 31 March 2021</b> | 255,460                   | -                          | 1,214                      | 32,059                 | 1,807                       | 290,540    |
| At 31 March 2020        | 261,683                   | -                          | 5,022                      | 16,423                 | 3,079                       | 286,207    |

Freehold land amounting to £14,213 is not depreciated (2019 - £14,213).

**8. STOCKS**

|                               | 2021   | 2020   |
|-------------------------------|--------|--------|
|                               | £      | £      |
| Raw materials and consumables | 32,079 | 36,795 |

**9. DEBTORS**

|                                    | 2021           | 2020          |
|------------------------------------|----------------|---------------|
|                                    | £              | £             |
| <b>Due within one year</b>         |                |               |
| Amounts owed by Parent association | 1              | 10,450        |
| Prepayments & accrued income       | 171,395        | 55,213        |
|                                    | <b>171,396</b> | <b>65,663</b> |

**CWM TAF CARE & REPAIR LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2021**

**10. CREDITORS - Amounts falling due within one year**

|                                    | <b>2021</b>    | 2020     |
|------------------------------------|----------------|----------|
|                                    | <b>£</b>       | <b>£</b> |
| Amounts owed to Parent association | <b>4,820</b>   | 79,247   |
| Other creditors and accruals       | <b>205,894</b> | 130,857  |
|                                    | <b>210,714</b> | 210,104  |
|                                    | <b>210,714</b> | 210,104  |

**11. CREDITORS – amounts falling due after more than one year**

|                 | <b>2021</b>   | 2020     |
|-----------------|---------------|----------|
|                 | <b>£</b>      | <b>£</b> |
| Deferred Income | <b>17,130</b> | 17,130   |
|                 | <b>17,130</b> | 17,130   |
|                 | <b>17,130</b> | 17,130   |

**12. PENSION – DEFINED BENEFIT LIABILITY**

The Agency participates in the Social Housing Pension Scheme (the Scheme), a multiemployer scheme which provides benefits to some 500 non-associated employers. The Scheme is a defined benefit scheme in the UK.

The Scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The last triennial valuation of the scheme for funding purposes was carried out as at 30 September 2017. This valuation revealed a deficit of £1,522m. A Recovery Plan has been put in place with the aim of removing this deficit by 30 September 2026.

The Scheme is classified as a 'last-man standing arrangement'. Therefore the Agency is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the Scheme. Participating employers are legally required to meet their share of the Scheme deficit on an annuity purchase basis on withdrawal from the Scheme.

**CWM TAF CARE & REPAIR LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2021**

For financial years ending on or before 31 March 2019, it had not been possible for the agency to obtain sufficient information to enable it to account for the Scheme as a defined benefit scheme, therefore the agency had accounted for the Scheme as a defined contribution scheme. For financial years ending on or after 31 March 2019, it is possible to obtain sufficient information to enable the company to account for the Scheme as a defined benefit scheme, under a full valuation basis.

The Social Housing Pension Scheme is accounted for under a valuation basis based on an actuarial valuation at 30 September each year which is rolled forward to the year end. The liabilities are compared, at the relevant accounting date, with the agency's fair share of the scheme's total assets to calculate the agency's net deficit or surplus.

**Net Defined Benefit Liability**

|  | 2021<br>£        | 2020<br>£        |
|--|------------------|------------------|
| <b>At 1 April</b>  | <b>(248,360)</b> | <b>(549,355)</b> |
| Employer contribution in year to DB scheme                   | 45,825           | 44,995           |
| Employer expenses in operating costs                         | 3,396            | 3,000            |
| <b>Total amount recognised in Statement of Cash flows</b>    | <b>49,221</b>    | <b>47,995</b>    |
| Interest expense   | (6,000)          | (13,000)         |
| Pension admin expenses                                       | (3,000)          | (3,000)          |
| <b>Total amount recognised in Operating costs</b>            | <b>(9,000)</b>   | <b>(16,000)</b>  |
| Actuarial gains/(losses) in respect of pension scheme        | (300,000)        | 269,000          |
| <b>Total amount recognised in Other Comprehensive income</b> | <b>(300,000)</b> | <b>269,000</b>   |
| <b>Net Defined benefit liability at 31 March</b>             | <b>(508,319)</b> | <b>(248,360)</b> |

**FAIR VALUE OF PLAN ASSETS, PRESENT VALUE OF DEFINED BENEFIT OBLIGATION, AND DEFINED BENEFIT ASSET (LIABILITY)**

|   | 31 March 2021<br>(£000s) | 31 March 2020<br>(£000s) |
|---|--------------------------|--------------------------|
| Fair value of plan assets                                 | 1,654                    | 1,442                    |
| Present value of defined benefit obligation               | 2,162                    | 1,690                    |
| Surplus (deficit) in plan                                 | (508)                    | (248)                    |
| Unrecognised surplus                                      | -                        | -                        |
| <b>Defined benefit asset (liability) to be recognised</b> | <b>(508)</b>             | <b>(248)</b>             |

**CWM TAF CARE & REPAIR LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2021**

**RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE DEFINED BENEFIT OBLIGATION**

|  | Period from<br>31 March 2020 to<br>31 March 2021<br>(£000s) |
|--|---|
| Defined benefit obligation at start of period                      | 1,690   |
| Current service cost   | -   |
| Expenses   | 3   |
| Interest expense   | 40  |
| Member contributions   | -   |
| Actuarial losses (gains) due to scheme experience                  | (32)  |
| Actuarial losses (gains) due to changes in demographic assumptions | 7   |
| Actuarial losses (gains) due to changes in financial assumptions   | 465   |
| Benefits paid and expenses   | (11)  |
| Liabilities acquired in a business combination                     | -   |
| Liabilities extinguished on settlements                            | -   |
| Losses (gains) on curtailments                                     | -   |
| Losses (gains) due to benefit changes                              | -   |
| Exchange rate changes  | -   |
| <b>Defined benefit obligation at end of period</b>                 | <b>2,162</b>  |

**RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE FAIR VALUE OF PLAN ASSETS**

|   | Period from<br>31 March 2020 to<br>31 March 2021<br>(£000s) |
|---|---|
| Fair value of plan assets at start of period  | 1,442   |
| Interest income   | 34  |
| Experience on plan assets (excluding amounts included in interest income) - gain (loss) | 140   |
| Employer contributions  | 49  |
| Member contributions  | -   |
| Benefits paid and expenses  | (11)  |
| <b>Fair value of plan assets at end of period</b>                                       | <b>1,654</b>  |

**CWM TAF CARE & REPAIR LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2021**

The actual return on plan assets (including any changes in share of assets) over the period from 31 March 2020 to 31 March 2021 was £174,000.

**DEFINED BENEFIT COSTS RECOGNISED IN STATEMENT OF COMPREHENSIVE INCOME (SOCl)**

|   | Period from<br>31 March 2020 to<br>31 March 2021<br>(£000s) |
|---|---|
| Current service cost  | -   |
| Expenses  | 3   |
| Net interest expense  | 6   |
| <b>Defined benefit costs recognised in Statement of Comprehensive Income (SoCI)</b> | <b>9</b>  |

**DEFINED BENEFIT COSTS RECOGNISED IN OTHER COMPREHENSIVE INCOME (OCI)**

|   | Period from<br>31 March 2020 to<br>31 March 2021<br>(£000s) |
|---|---|
| Experience on plan assets (excluding amounts included in net interest cost) - gain (loss)   | 140   |
| Experience gains and losses arising on the plan liabilities - gain (loss)   | 32  |
| Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)      | (7)   |
| Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)        | (465)   |
| Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)               | (300)   |
| Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost) - gain (loss) | -   |
| <b>Total amount recognised in Other Comprehensive Income - gain (loss)</b>  | <b>(300)</b>  |

**CWM TAF CARE & REPAIR LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2021**

**ASSETS**

|                               | 31 March 2021 | 31 March 2020 |
|-------------------------------|---------------|---------------|
|                               | (£000s)       | (£000s)       |
| Global Equity                 | 264           | 211           |
| Absolute Return               | 91            | 75            |
| Distressed Opportunities      | 48            | 28            |
| Credit Relative Value         | 52            | 39            |
| Alternative Risk Premia       | 62            | 101           |
| Fund of Hedge Funds           | -             | 1             |
| Emerging Markets Debt         | 67            | 44            |
| Risk Sharing                  | 60            | 49            |
| Insurance-Linked Securities   | 40            | 44            |
| Property                      | 34            | 32            |
| Infrastructure                | 110           | 107           |
| Private Debt                  | 39            | 29            |
| Opportunistic Illiquid Credit | 42            | 35            |
| High Yield                    | 50            | -             |
| Opportunistic Credit          | 45            | -             |
| Corporate Bond Fund           | 98            | 82            |
| Liquid Credit                 | 20            | 1             |
| Long Lease Property           | 32            | 25            |
| Secured Income                | 69            | 55            |
| Liability Driven Investment   | 421           | 478           |
| Net Current Assets            | 10            | 6             |
| <b>Total assets</b>           | <b>1,654</b>  | <b>1,442</b>  |

None of the fair values of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

**CWM TAF CARE & REPAIR LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2021**

**KEY ASSUMPTIONS**

|   | <b>31 March 2021</b>     | <b>31 March 2020</b>     |
|---|--------------------------|--------------------------|
|   | <b>% per annum</b>       | <b>% per annum</b>       |
| Discount Rate   | 2.21%                    | 2.35%                    |
| Inflation (RPI)   | 3.24%                    | 2.56%                    |
| Inflation (CPI)   | 2.87%                    | 1.56%                    |
| Salary Growth   | 3.87%                    | 2.56%                    |
| Allowance for commutation of pension for cash at retirement | 75% of maximum allowance | 75% of maximum allowance |

The mortality assumptions adopted at 31 March 2021 imply the following life expectancies:

|                         | <b>Life expectancy at age 65 (Years)</b> |
|-------------------------|--|
| Male retiring in 2020   | 21.6                                     |
| Female retiring in 2020 | 23.5                                     |
| Male retiring in 2040   | 22.9                                     |
| Female retiring in 2040 | 25.1                                     |

**13. OPERATING LEASES**

The Agency had annual commitments under operating leases as follows:

|                            | <b>Other</b>  |               | <b>Land &amp; Buildings</b> |              |
|----------------------------|---------------|---------------|-----------------------------|--------------|
|                            | <b>2021</b>   | <b>2020</b>   | <b>2021</b>                 | <b>2020</b>  |
|                            | <b>£</b>      | <b>£</b>      | <b>£</b>                    | <b>£</b>     |
| Leases expiring:           |               |               |                             |              |
| Within one year            | <b>10,319</b> | 10,229        | <b>4,042</b>                | 3841         |
| Between one and two years  | <b>1,180</b>  | 7,900         | <b>1</b>                    | 1            |
| Between two and five years | -             | 1,112         | <b>3</b>                    | 3            |
| After more than five years | -             | -             | <b>15</b>                   | 16           |
|                            | <b>11,499</b> | <b>19,241</b> | <b>4,061</b>                | <b>3,861</b> |

**CWM TAF CARE & REPAIR LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2021**

**14. SHARE CAPITAL**

| Ordinary shares of £1 each | Allotted, called up and<br>fully paid |
|----------------------------|---------------------------------------|
|                            | £                                     |
| At 1 April 2020            | 49                                    |
| Issued during the year     | 1                                     |
| Cancelled in the year      | -                                     |
| <b>At 31 March 2021</b>    | <b>50</b>                             |

**15. DESIGNATED RESERVES**

Designated reserves comprise **£188,113** (2020: £166,182) of amounts set aside for costs that would be incurred if the Agency was wound up, **£2,589** (2020: £2,589) in respect of a new equipment reserve and **£2,976** (2020: £2,976) in respect of enhancement works and **£nil** (2020: £11,038) for the funding of a specific administrative post.

**16. RESTRICTED RESERVE**

|  | 2021          | 2020   |
|--|---------------|--------|
|  | £             | £      |
| At 1 April                             | <b>42,781</b> | 43,633 |
| Amounts transferred to Revenue reserve | <b>(853)</b>  | (852)  |
| <b>At 31 March</b>                     | <b>41,928</b> | 42,781 |

**17. RELATED PARTY TRANSACTIONS**

At 31 March 2021 Cynon Taf Community Housing (2007) Limited (the "Association") had a controlling interest in the affairs of Cwm Taf Care & Repair Limited (The "Agency"). This was by virtue of the fact that the Association may appoint a majority of the organisation's Board of Management.

The Association charged the Agency £31,356 for management costs during the year (2020: £40,048).

**CWM TAF CARE & REPAIR LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2021**

In addition, the Agency incurred £41,124 in direct overhead/other costs apportioned and recharged by the Association (2020: £73,060). The Association incurred £458 (2020: £7,242) for recharges of other income and costs by the Agency.

There was a balance due to the Association of £4,820 (2020: £79,247) and due from the Association to the Agency of £1 (2020: £10,450) at 31<sup>st</sup> March 2021.

**18. LEGISLATIVE PROVISIONS**

The Agency is incorporated under the Co-operative and Community Benefit Societies Act 2014.

**19. CONTINGENT LIABILITY**

The Agency has been notified by The Pension Trust of its estimated employer debt on withdrawal of the pension scheme, based on the financial position of the scheme as at 30<sup>th</sup> September 2019. As of this date, the estimated employer debt for the Agency was £1,897,906. The Agency currently has no intention of withdrawing from the Plan.

**20. PARENT UNDERTAKINGS AND CONTROLLING PARTIES**

The Agency is controlled by Cynon Taf Community Housing (2007) Limited.