



**Cartrefi
Cymunedol
Cymru**

**Community
Housing
Cymru**



Annual Report and Accounts

2022–23

Registered Company number: 02380564 (England and Wales)

Registered Charity number: 1128527

Annual Report and Accounts 2022–23

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Report of the Trustees

Community Housing Cymru is the representative body for not-for-profit housing associations and community mutuals in Wales.

Our members provide almost 165,000 homes to 10% of the Welsh population. Working closely with local government, third sector organisations, and Welsh Government, they also provide a range of services to the communities that they support.

Community Housing

Cymru's role is to:

- represent our members;
- connect them with each other, as well as policy makers and other key sector stakeholders;
- provide the training and other events that they need to carry out and advance their business;
- work to influence the operating environment on their behalf, to secure stable and sufficient funding, alongside a policy framework that supports investment in new and existing homes and support services.

Our mission

For over 30 years, we have been working with our members to make Wales a country where good housing is a basic right for all. Together we have taken great strides towards

achieving this goal, but we know that housing associations and their tenants face new pressures and unprecedented challenges.

Charitable objectives

Our charitable objectives are to promote – the voluntary housing sector and the relief of financial hardship through the sector's provision of low cost social housing in particular, but not exclusively.

We do this by:

- providing services and events, education, training, information, advice and support to providers of such housing in Wales;
- encouraging and facilitating the provision, construction, improvement and management of such housing by housing associations in Wales.

In this, the phrase “voluntary housing sector” shall be interpreted in accordance with Charity Commission guidance and means charities and voluntary organisations (with housing related objectives).

“Charities” are organisations which are established for exclusively charitable purposes in accordance with the law of England and Wales.

“Voluntary organisations” are independent organisations which are

Our members provide almost **165k** homes to 10% of the Welsh population



REPORT OF THE TRUSTEES

→ established for purposes that add value to the community as a whole, or a significant section of the community, and which are not permitted by their constitution to make a profit for private distribution. Voluntary organisations do not include local government or other statutory authorities.

In shaping our objectives, trustees considered the Charity Commission's guidance on public benefit, including 'Public benefit: running a charity (PB2)'.

Achievements and performance

With and on behalf of our housing association members, we have worked hard over the past 12 months to move closer to a Wales where good housing is a basic right for all.

2022-23 was the final year of our four-year plan.

Our achievements include:

- Working with members, and taking into account tenant pressures, we secured a rent settlement at 6.5% for FY 2023-24. Alongside this, we also deepened understanding of housing associations' approach to affordable rent setting through open book modelling.
- By highlighting sector concerns, we helped achieve interim uplifts to the Standard Viability



CHC Annual Conference 2022

- Model and a commitment to a full review in February 2023.
- After securing a much needed six-month extension to the implementation date of the Renting Homes (Wales) Act 2016, we supported members to prepare



we secured
a rent
settlement at
6.5%
for FY
2023–24

for it, including providing shared space for Welsh Government officials and members. We also secured legislative amendments to the rent variation procedure.

- Our influencing work with the Senedd and Welsh Government

helped protect the Social Housing Grant from cuts due to inflationary pressure within the 2023–24 Welsh Government budget.

- We secured ministerial support for a social tariff as part of our work to mitigate the rising cost of living on housing association tenants.
- Our influencing work on the impact of Natural Resources Wales (NRW) phosphates guidance led to a focus on addressing development challenges within the First Minister’s River Summit Action Plan, Welsh Government deep dives, and NRW prioritisation of permit reviews within housing association development sites. This has happened at a time when home building has slowed across the country but demand for social housing remains high.
- We secured a commitment from Welsh Government to review the pressures on those landlords with a large care element to their provision. We also connected our care and support network members with Welsh Government, the National Commissioning Board and other partners to build understanding of housing associations and to contribute to commissioning and funding policy development.



REPORT OF THE TRUSTEES

-
- We worked in partnership to successfully advocate for increased budget awards to local authorities to fund social care so staff can be paid the real living wage, working with partners.

In addition:

- We have become a fully remote working organisation, with staff now based across north and south Wales, and in England.
- Our popular annual conference returned in November, along with our governance conference in March. Alongside this we have been enhancing our virtual event offer, including trialling Welsh interpretation.
- We have been engaging with our members to ensure the services we provide, and events we hold as part of our offer, continue to be effective and deliver great value.
- We have made some changes to our staffing and management structure, to simplify, add more resources into our member-facing services, and ensure it better meets the needs of a remote business.
- Further information on our achievements and impact is available to read on our website.

Financial Review

The charity has reported net income for the 2022–23 year of £65,675 compared to net income of £44,324 in the previous year. This is prior to the actuarial gains/(losses) on the defined benefit scheme.

Following the actuarial adjustment, the deficit for the year is £81,325 compared to a surplus of £542,324 in the previous reporting period.

Going Concern

Financial statements currently show that the charity has positive reserves of £104,571. The charity has a strong cash position at the year end with a balance of £1,888,837 although £1,561,471 is included as income in advance.

This still leaves the charity in a stable cash position. Therefore, the trustees are confident that the charity can continue as a going concern for the foreseeable future.

Reserves Policy

The trustees review the Reserves Policy each year. The Policy states that: “CHC holds sufficient reserves levels in cash and excluding the pensions liability recorded on the balance sheet sufficient to cover at least three months of contractual requirements



CHC Governance Conference 2023



in the unlikely event of the charity winding down. Main costs included salaries / redundancy payments and future operational commitments.

In the normal course of business CHC reserves, at the discretion of its trustees, can be made available to support areas of expenditure in line with furtherance of the organisation’s charitable objectives.”

Looking Forward

In 2023, we launched our new corporate plan (2023/24–2026/27) which sets out the actions we will take to support our members to sustain their communities while we continue to fight for the changes needed to achieve this vision.

Over the next four years, we will be focused on the actions that will support our members to make the biggest difference in their communities. By 2027, we want the sector to have bounded forward once more, and have achieved each of the goals set out below:

- Secure the tools, funding and policy that supports good quality housing association homes;
- Influence the policy environment so that housing associations can continue to provide homes that are affordable, and effectively support tenants facing financial hardship;
- Promote trust in housing associations and support them to build strong partnerships locally;
- Ensure that CHC is an agile and inclusive membership body and an exemplar employer.

Further information and clear actions linked to each of these goals are available to read in our corporate plan. →

REPORT OF THE TRUSTEES

→ **Structure, governance and management**

Community Housing Cymru is a charitable company limited by guarantee. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company, and is governed under its Articles of Association.

The Memorandum and Articles of Association of Community Housing Cymru were adopted by Special Resolution dated 20 March 2008. These were subsequently revised by Special Resolution on 1 December 2016, 6 November 2017, and 21 November 2019.

The directors, as charity trustees, have control of the charity and are collectively known as the Community Housing Cymru (CHC) Board.

The trustees have control of the charity and its funds, and when complete shall be not less than seven and not more than 12 individuals. Up to 10 people shall be elected by the trustees from amongst board members or staff members of Housing Associations. This is in accordance with procedures relating to methods of nomination and election determined by the trustees (which are incorporated into our Standing Orders) and up to four people can be independent

and appointed by a resolution of the trustees passed at a properly convened meeting of the trustees.

All trustees of the charity receive induction and training and no trustees receive remuneration for their work with the charity.

Reference and administrative details

Governing document

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

Registered Company number
02380564 (England and Wales)
Registered Charity number 1128527

Registered office

Office 26, 14 Neptune
Court, Vanguard Way,
Cardiff, South Glamorgan, CF24 5PJ

Auditors

Bevan Buckland LLP

Chartered Accountants and
Statutory Auditors
Ground Floor, Cardigan House,
Castle Court, Swansea Enterprise Park,
Swansea, SA7 9LA

Trustees



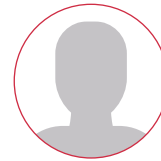
Andrew Martyn-Johns
(Chair)
Independent



Paula Kennedy
(Vice chair)
Melin Homes



Kyle Burgess
(Treasurer)
Cadwyn Housing
Association



Abdi Segulle
Taff Housing (resigned
September 2022)



Alan Brunt
Bron Afon
Housing
Association



Andrew Vye
Pobl Group



Debbie Green
Coastal Housing
Group



Kath Palmer
Cadwyn Housing
Association (resigned
August 2022)



Lesley Kirkpatrick
Independent



Natasha Peets
Independent



Sara Brock
Hafod Housing
Association



Scott Sanders
Linc Cymru

Company Secretary

Stuart Ropke (stepped down on 13/09/2022)

Katrina Michael (appointed on 13/09/2022)



REPORT OF THE TRUSTEES

→ **Statement of trustees' responsibilities**

The trustees (who are also the directors of Community Housing Cymru for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the charity SORP;
- Make judgements and estimates that are reasonable and prudent;

- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

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

**Approved by order of the board of trustees on 20 July 2023
and signed on its behalf by:**

R A Martyn-Johns – Trustee



Llys Wern,
Neath
Tai Tarian

Report of the Independent Auditors

Opinion

We have audited the financial statements of Community Housing Cymru (the ‘charitable company’) for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows 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 Financial Reporting Standard 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 charitable company’s affairs as at 31 March 2023 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, including Financial Reporting Standard

102 ‘The Financial Reporting Standard applicable in the UK and Republic of Ireland’; and

- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law.

Our responsibilities under those standards are further described in the Auditors’ responsibilities for the audit of the financial statements section of our report.

We are independent of the charitable company 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

In auditing the financial statements, we have concluded that the trustees’ use of the going concern basis of

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

→

REPORT OF THE INDEPENDENT AUDITORS

→ accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves.

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.



CHC staff get together



Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and

understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible →

REPORT OF THE INDEPENDENT AUDITORS

→ for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Extent to which the audit was considered capable of detecting irregularities, including fraud

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.



CHC One Big
Conference
2023



Identifying and assessing potential risks related to irregularities.

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:

- 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;
- the 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 charity 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 charity. The key laws and regulations we considered in this context included the UK Companies Act and relevant tax legislation.

Audit response to risks identified

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;

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REPORT OF THE INDEPENDENT AUDITORS

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- 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 operational rationale of any significant transactions that are unusual or outside the normal course of operations.

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 www.frc.org.uk/auditorsresponsibilities.

This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006.

Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



CHC Annual
Conference
2022

Henry Lloyd Davies (Senior Statutory Auditor) for and on behalf of Bevan Buckland LLP Chartered Accountants and Statutory Auditors

Ground Floor Cardigan House, Castle Court, Swansea Enterprise Park, Swansea, SA7 9LA

Date:



Catherine Love
Bron Afon
Community Housing

Financial Statements

for the year ended
31 March 2023
for Community
Housing Cymru



Abertillery, Ebbw Fach valley,
Monmouthshire
Tai Calon

Statement of Financial Activities

Statement of financial activities for the year ended 31 March 2023	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	540	-	540	7,543
Charitable activities	5	1,730,584	-	1,730,584	1,883,014
Investment income	4	3,403	-	3,403	1,164
Total		1,734,527	-	1,734,527	1,891,721
EXPENDITURE ON					
Charitable activities	6	1,664,986	3,326	1,668,312	1,847,397
NET INCOME/(EXPENDITURE)					
Other recognised gains/(losses)		69,541	(3,326)	66,215	44,324
Actuarial gains/(losses) on defined benefit schemes		(147,000)	-	(147,000)	498,000
Net movement in funds		(77,459)	(3,326)	(80,785)	542,324
RECONCILIATION OF FUNDS					
Total funds brought forward		154,313	31,583	185,896	(356,428)
TOTAL FUNDS CARRIED FORWARD		76,854	28,257	105,111	185,896

The notes form part of these financial statements.

Statement of Financial Position



Coleg Menai
ClwydAlyn

ACCOUNTS 2022-23

Statement of financial position 31 March 2023	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Intangible assets	13	6,612	-	6,612	-
Tangible assets	14	11,434	-	11,434	18,816
Investments	15	1	-	1	1
		18,047	-	18,047	18,817
CURRENT ASSETS					
Debtors	16	571,050	-	571,050	624,125
Cash at bank		1,860,580	28,257	1,888,837	1,765,126
		2,431,630	28,257	2,459,887	2,389,251
CREDITORS					
Amounts falling due within one year	17	(1,869,823)	-	(1,869,823)	(1,751,172)
NET CURRENT ASSETS		561,807	28,257	590,064	638,079
TOTAL ASSETS LESS CURRENT LIABILITIES		579,854	28,257	608,111	656,896
PENSION LIABILITY	20	(503,000)	-	(503,000)	(471,000)
NET ASSETS/(LIABILITIES)		76,854	28,257	105,111	185,896
FUNDS	19				
Unrestricted funds				76,854	154,313
Restricted funds				28,257	31,583
TOTAL FUNDS				105,111	185,896

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

The financial statements were approved by the Board of trustees and authorised for issue on 20 July 2023 and were signed on its behalf by:



R A Martyn-Johns
Trustee



P Kennedy
Trustee

Statement of Cash Flows

Statement of cash flows for the year ended 31 March 2023	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	131,134	180,787
Tangible assets		131,134	180,787
Cash flows from investing activities			
Purchase of intangible fixed assets		(9,918)	-
Purchase of tangible fixed assets		(908)	(7,780)
Sale of tangible fixed assets		-	100
Interest received		3,403	1,164
Net cash used in investing activities		(7,423)	(6,516)
Change in cash and cash equivalents in the reporting period		123,711	174,271
Cash and cash equivalents at the beginning of the reporting period		1,765,126	1,590,855
Cash and cash equivalents at the end of the reporting period		1,888,837	1,765,126

Notes to the Statement of Cash Flows

1. Reconciliation of net income to net cash flow from operating activities

	2023 £	2022 £
NET INCOME FOR THE REPORTING PERIOD (AS PER THE STATEMENT OF FINANCIAL ACTIVITIES)	66,215	44,324
Adjustments for:		
Depreciation charges	11,596	19,640
Loss on disposal of fixed assets	-	7,196
Interest received	(3,403)	(1,164)
Decrease in debtors	53,075	23,787
Increase in creditors	118,651	162,004
Difference between pension charge and cash contributions	(115,000)	(75,000)
Net cash provided by operations	131,134	180,787

2. Analysis of changes in net funds

NET CASH	At 1/4/22 £	Cash flow £	At 31/3/23 £
Cash at bank	1,765,126	123,711	1,888,837
	1,765,126	123,711	1,888,837
Total	1,765,126	123,711	1,888,837

Notes to the Financial Statements

1. Accounting policies

Basis of preparation

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Preparation of consolidated financial statements

The financial statements contain information about Community Housing Cymru as an individual company and do not contain consolidated financial information as the parent of the group.

The charity is exempt under Section 399(2A) of the Companies Act 2006 and Statutory Instrument - 2008/629 Regulation 19 from the requirements to prepare consolidated financial

statements. The trustees have reviewed the subsidiary (Community Housing Cymru – Policy & Research Limited) position at the year end and feel that the difference between the amount donated to the charity compared to the income in the subsidiary is deemed immaterial to warrant consolidation.

The total income in the subsidiary amounted to £540 with expenses of £1. The net assets of the subsidiary company at the year end is £539.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Affiliation fee income is accounted

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→ for on an accruals basis and is recognised in the period of membership.

Income from courses and conferences is recognised when the respective event occurs.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities, both costs directly attributable and indirect support costs.



Allocation and apportionment of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's activities. A note of these costs are detailed in note six.



Cwrt Canna
development,
Llangan
Newydd



Intangible fixed assets

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

- Computer software – three years straight line

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each

asset over its estimated useful life.

- Fixtures and fittings – 20% reducing balance
- Computer equipment – 25% straight line

Tangible fixed assets

Assets greater than £500 will be capitalised.

Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity, and which have not been designated for other purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes falling in future time periods.

Restricted funds are funds subject to specific restrictions imposed by donors, or which have been raised by the charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements. →

→ **Pension costs and other post-retirement benefits**

For defined benefit schemes the amounts charged to the Statement of Financial Activities are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested.

If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in the Statement of Financial Activities.

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the charity, in separate trustee-administered funds. Pension scheme assets are measured at fair value, and liabilities are measured on an actuarial basis using the projected unit method, and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations

are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability, net of the related deferred tax, is presented separately after other net assets on the face of the statement of financial position.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Investments

Investments are included in the accounts at market value. Where held as an ongoing investment they are included within Fixed Assets. Unrealised gains on investments held are included separately from Investment Income under 'Other Recognised Gains'.

The investment in the subsidiary is recorded at the value of the net assets on the date at which the subsidiary came into the group.

Deferred Income

Deferred income represents income received, but not earned as of the year end. Deferred income primarily consists of income for affiliation fees received in advance of the affiliation period.





 CHC Annual
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Legal Status of the charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

Debtors

Trade and other debtors are recognised at the settlement amount due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a

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→ present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial Instruments

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

Financial instruments are recognised in the charity’s statement of financial position when the charity becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially



measured at transaction price including transaction costs, and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted



Church Court,
Barry, Vale of
Glamorgan
Hafod



at a market rate of interest.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market, are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective

interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

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→ If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity. Or if some significant risks and rewards of ownership are retained, but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and loans from fellow group companies that

are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

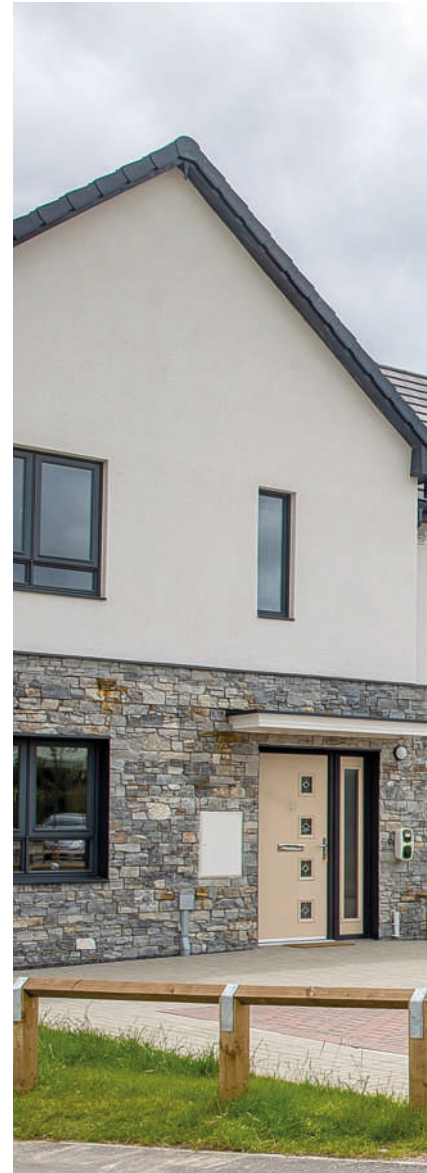
Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.





 Glan yr Ithon
development,
Llandrindod
Wells
Newydd

2. Critical accounting judgements and key sources of estimation uncertainty

Significant management judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, 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

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→ judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results 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 charity that have the most significant effect on the amounts recognised in the financial statements.

Provisions

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

These provisions require management's best estimate of the costs that will be incurred based on legislative and contractual requirements. In addition, the timing of the cash flows and the discount rates used to establish net present value of the obligations require management's judgement.



Defined benefit pension scheme

The charity has obligations to pay pension benefits to certain employees.

The cost of these benefits and the present value of the asset or liability depend upon 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 asset or liability in the balance sheet, as well as the appropriateness of the recognition of any asset. The assumptions reflect historical experience and current trends.



CHC Governance
Conference
2023

3. Donations and legacies

	2023 £	2022 £
Gift aid	540	7,543

4. Investment income

	2023 £	2022 £
Deposit account interest	3,403	1,164

5. Income from charitable activities

	Activity	2023 £	2022 £
Affiliation fees	Charitable activities	1,486,543	1,486,061
Training course fees	Charitable activities	14,350	143,625
Marketing income & conference fees	Charitable activities	114,310	111,473
Affinity contracts	Charitable activities	12,779	13,928
Sundry income	Charitable activities	20,218	79,493
Secondment income	Charitable activities	52,449	48,434
Directors & officers liability insurance	Charitable activities	29,935	-
		1,730,584	1,883,014

6. Charitable activities costs

	Direct costs £	Support costs (see note 7) £	Totals £
Charitable activities	1,564,348	103,964	1,668,312

7. Support costs

	Other £	Support costs £	Totals £
Charitable activities	87,964	16,000	103,964

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

	2023 Charitable activities £	2022 Total activities £
IT Costs	12,718	87,754
Consultancy & Professional fee	60,600	48,385
Bank charges	510	1,578
Audit fees	14,136	11,370
Interest on pension scheme liabilities	16,000	26,000
	103,964	175,087

8. Net income/(expenditure)

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

	2023 £	2022 £
Depreciation – owned assets	8,290	19,640
Deficit on disposal of fixed assets	-	7,196
Computer software amortisation	3,306	-
Audit fees	14,136	11,370

9. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

Travel expenses of £145 (2022 Nil) were reimbursed to trustees in the year.

10. Staff costs

	2023 £	2022 £
Wages and salaries	1,005,385	947,456
Social security costs	104,862	94,164
Other pension costs	53,717	54,244
	1,163,964	1,095,864

Secondment income of £52,449 was received in respect to staff costs included in the breakdown above.

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

	2023	2022
Central Services	5	4
Communications	3	3
Policy and member services	12	12
Events	2	3
	22	22

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	2022
£60,001 - £70,000	-	2
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
£100,001 - £110,000	1	1
£150,001 - £160,000	1	-
	3	4

Emoluments of highest paid member of staff was £157,150.

The costs for the highest paid employee include redundancy and termination costs incurred as a result of a board decision to restructure in the year.

During the year the total employee benefits received by key management personnel amounted to £383,275 (2022: £277,559). The Key management personnel of Community Housing Cymru is its Senior Management Group. This amount includes redundancy and termination costs mentioned above.

During the year, the aggregate compensation for loss of office of key management personnel was £86,515 (2022: £39,338).

11. Comparatives for the Statement of Financial Activities

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	7,543	-	7,543
Charitable activities			
Charitable activities	1,883,014	-	1,883,014
Investment income	1,164	-	1,164
Total	1,891,721	-	1,891,721
EXPENDITURE ON			
Charitable activities			
Charitable activities	1,843,761	3,636	1,847,397
NET INCOME/(EXPENDITURE)	47,960	(3,636)	44,324
Other recognised gains/(losses)			
Actuarial gains on defined benefit schemes	498,000	-	498,000
Net movement in funds	545,960	(3,636)	542,324
RECONCILIATION OF FUNDS			
Total funds brought forward	(391,647)	35,219	(356,428)
TOTAL FUNDS CARRIED FORWARD	154,313	31,583	185,896

12. Taxation

As a registered charity, there is no liability to tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992, insofar as these are applied to the charitable objects of the charity.

13. Intangible fixed assets

	Computer software £
COST	
Additions	9,918
AMORTISATION	
Charge for year	3,306
NET BOOK VALUE	
At 31 March 2023	6,612
At 31 March 2022	-

14. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2022	–	38,206	38,206
Additions	908	–	908
At 31 March 2023	908	38,206	39,114
DEPRECIATION			
At 1 April 2022	–	19,390	19,390
Charge for year	182	8,108	8,290
At 31 March 2023	182	27,498	27,680
NET BOOK VALUE			
At 31 March 2023	726	10,708	11,434
At 31 March 2022	–	18,816	18,816

15. Fixed asset investments

	Shares in group undertakings £
MARKET VALUE	
At 1 April 2022 and 31 March 2023	1
NET BOOK VALUE	
At 31 March 2023	1
At 31 March 2022	1

There were no investment assets outside the UK.

	Shares in group undertakings £
Cost or Valuation	
Community Housing Cymru – Policy & Research	1
	1

The shares in group undertakings are the charitable company's investment in the trading subsidiary, Community Housing Cymru – Policy and Research Limited, a company that generates funds for, and is operated by Community Housing Cymru. The investment represents the holding of 100% of the ordinary shares of £1 each.

16. Debtors: Amounts falling due within one year

	2023 £	2022 £
Trade debtors	447,835	504,941
Other debtors	123,215	119,184
	571,050	624,125

17. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	115,781	48,089
Social security and other taxes	21,411	22,546
Pension creditor	8,524	18,207
Other creditors	162,636	175,787
Income in advance	1,561,471	1,486,543
	1,869,823	1,751,172

18. Leasing agreements

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

	2023 £	2022 £
Within one year	5,388	–

19. Movement in funds

	At 1/4/22 £	Net movement in funds £	At 31/3/23 £
Unrestricted funds			
General Fund	154,313	(77,459)	76,854
Restricted funds			
Primary Fire Authority Scheme	31,583	(3,326)	28,257
TOTAL FUNDS	185,896	(80,785)	105,111

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General Fund	1,734,527	(1,664,986)	(147,000)	(77,459)
Restricted funds				
Primary Fire Authority Scheme	-	(3,326)	-	(3,326)
TOTAL FUNDS	1,734,527	(1,668,312)	(147,000)	(80,785)



ACCOUNTS 2022-23

→ Comparatives for movement in funds

	At 1/4/21 £	Net movement in funds £	Transfers between funds £	At 31/3/22 £
Unrestricted funds				
General Fund	(439,623)	545,960	47,976	154,313
Housing Futures Programme	36,000	-	(36,000)	-
IT/Digital Strategy	11,976	-	(11,976)	-
	(391,647)	545,960	-	154,313
Restricted funds				
Primary Fire Authority Scheme	35,219	(3,636)	-	31,583
TOTAL FUNDS	(356,428)	542,324	-	185,896

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General Fund	1,891,721	(1,843,761)	498,000	545,960
Restricted funds				
Primary Fire Authority Scheme	-	(3,636)	-	(3,636)
TOTAL FUNDS	1,891,721	(1,847,397)	498,000	542,324

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/4/21 £	Net movement in funds £	Transfers between funds £	At 31/3/22 £
Unrestricted funds				
General Fund	(439,623)	468,501	47,976	76,854
Housing Futures Programme	36,000	-	(36,000)	-
IT/Digital Strategy	11,976	-	(11,976)	-
	(391,647)	468,501	-	76,854
Restricted funds				
Primary Fire Authority Scheme	35,219	(6,962)	-	28,257
TOTAL FUNDS	(356,428)	461,539	-	105,111

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General Fund	3,626,248	(3,508,747)	351,000	468,501
Restricted funds				
Primary Fire Authority Scheme	-	(6,962)	-	(6,962)
TOTAL FUNDS	3,626,248	(3,515,709)	351,000	461,539



→ **Purpose of fund**

Primary Fire Authority Scheme – This restricted scheme has been set up to support the housing associations sector fire safety provision through assured advice from a single fire service.

20. Employee benefit obligations

The Pensions Trust – Social Housing Pension Scheme (SHPS)

SHPS is a multi-employer pension scheme, which provides benefits to non-associated participating employers. The scheme is classed as a defined benefit scheme in the UK. The scheme is classified as a ‘last man standing’ arrangement. Therefore each employer is 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.

The amounts recognised in the Statement of Financial Activities are as follows:

	Defined benefit pension plans 2023 £	Defined benefit pension plans 2022 £
Current service cost	-	-
Net interest from net defined benefit asset/liability	12,000	22,000
Past service cost	-	-
Expenses	4,000	4,000
	16,000	26,000
Actual return on plan assets	(1,385,000)	356,000

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans 2023 £	Defined benefit pension plans 2022 £
Opening defined benefit obligation	4,406,000	4,625,000
Interest cost	122,000	101,000
Expenses	4,000	4,000
Actuarial losses/(gains) from scheme experiences	(53,000)	242,000
Benefits paid	(89,000)	(103,000)
Remeasurements		
Actuarial (gains)/losses from changes in demographic assumptions	(8,000)	(72,000)
Actuarial (gains)/losses from changes in financial assumptions	(1,397,000)	(391,000)
	2,985,000	4,406,000



→ Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans 2023 £	Defined benefit pension plans 2022 £
Opening fair value of scheme assets	3,935,000	3,581,000
Contributions by employer	-	101,000
Interest income	131,000	79,000
Actual return on plan assets	110,000	-
Benefits paid	(89,000)	(103,000)
Return on plan assets (excluding interest income)	(1,605,000)	277,000
	2,482,000	3,935,000

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans 2023 £	Defined benefit pension plans 2022 £
Actuarial (gains)/losses from changes in demographic assumptions	8,000	72,000
Actuarial (gains)/losses from changes in financial assumptions	1,397,000	391,000
Return on plan assets (excluding interest income)	(1,605,000)	277,000
Actuarial gains/(losses)	53,000	(242,000)
	(147,000)	498,000

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans 2023 £	Defined benefit pension plans 2022 £
Global Equity	2%	19%
Absolute Return	1%	4%
Alternative risk premia	-	3%
Infrastructure	11%	7%
Liability Driven Investment	46%	28%
Corporate Bond Fund	-	7%
Emerging Markets Debt	1%	3%
Risk Sharing	7%	3%
Insurance linked Securities	3%	2%
Secured income	5%	4%
Other	24%	20%
	100%	100%

→

→ Principal actuarial assumptions at the Statement of Financial Position date (expressed as weighted averages):

	2023	2022
Discount rate	4.85%	2.79%
Inflation (RPI)	3.18%	3.49%
Inflation (CPI)	2.78%	3.15%
Salary Growth	3.78%	4.15%

21. Contingent liabilities

The charity has been notified by the Pensions Trust of the estimated employer debt on withdrawal from the Pension Plan, based on the financial position of the scheme as at 30 September 2022. As of this date, the employer debt for the charity was £1,824,102. The charity currently has no intention of withdrawing from the plan.

We have been notified by the trustee of the scheme that it has performed a review of the changes made to the scheme’s benefits over the years, and the result is that there is uncertainty surrounding some of these changes. The trustee has been advised to seek clarification from the court on these items. This process is ongoing and the matter is unlikely to be resolved before the end of 2024 at the earliest. It is recognised that this could potentially impact the value of scheme liabilities, but until court directions are received, it is not possible to calculate the impact of this issue, particularly on an individual employer basis, with any accuracy at this time. No adjustment has been made in these financial statements in respect of this potential issue.

22. Related party disclosures

Due to the nature of Community Housing Cymru's operations and its membership being drawn from a wide range of housing associations, it is inevitable that transactions will take place with organisations in which a member of Community Housing Cymru may have an interest. All transactions involving organisations in which a member may have an interest are conducted at arms length.

During the year the charity was gift-aided a donation of £540 (2022: £7,543) from its subsidiary, Community Housing Cymru Policy and Research Limited.

At the year end there was a balance owed to Community Housing Cymru of £14,087 (2022: £67,079) from its subsidiary company.

23. Ultimate controlling party

The trustees consider there to be no ultimate controlling party.

24. Share capital

The charitable company is limited by guarantee and as such has no share capital. In the event of the charitable company being wound up, the liability of each member is limited to £1.



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Registered under the Companies Act 1985

Registration Number: 2380564

Charity Registration Number: 1128527