

Report of the Trustees and
Financial Statements for the Year Ended 31 March 2020
for
Seren Ffestiniog Cyf
Trading as Grwp Seren

Dunn & Ellis Cyf
Chartered Accountants/Statutory Auditors
Chartered Accountants
Adeilad St David's Building
Stryd Lombard Street
Porthmadog
Gwynedd
LL49 9AP

Seren Ffestiniog Cyf
Trading as Grwp Seren

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for the Year Ended 31 March 2020

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Seren Ffestiniog Cyf
Trading as Grwp Seren

Report of the Trustees
for the Year Ended 31 March 2020

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

In line with the requirements of UK GAAP at the time, the incorporation of Gwesty Seren, a 100% owned subsidiary registered at Companies House under the reference 08077369 on the 21 May 2012, the 2013 figures were the inaugural consolidated financial statements of the Seren Group.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The company's objectives are:

To promote such general charitable purposes for the benefit of people with learning and other difficulties in Gwynedd and the surrounding area as the trustees see fit from time to time including, but not limited to the foregoing by: providing relief from financial hardship and/or economic disadvantage, advancing education and relieving unemployment; and in particular providing opportunities for the aforementioned persons to participate fully in the life of their community in ways which address and alleviate social and economic disadvantage; and

To develop their capacity and skills in such a way that they are better able to identify, and help meet, their needs and to participate more fully in society.

Report of the Trustees
for the Year Ended 31 March 2020

OBJECTIVES AND ACTIVITIES

Significant activities

Seren Ffestiniog Cyf

The charitable company's main activities were the provision of care services for its clients, both social and private. This includes day and domiciliary care.

Other activities which support the charitable company's aims included income from Noddfa and in September 2019 another Domiciliary Care Home tender in respect of Brynafon was won by Seren from Gwynedd Council with a 24/7 Care package. Charitable objective trading income was also received from its retail outlets colloquially known as Gainsborough, Cylch yr Efail, Gerddi Stiniog, Drill Hall Furniture store in Porthmadog and Harrods.

Training courses for its clients in cooperation with Coleg Meirion-Dwyfor (part of the Llandrillo Menai Group) carried on for the second year, proving a big success with Seren's clients, their families, and Social Care workers. This training consists of courses such as cooking, gardening, health & beauty, arts and crafts, general life skills and performing art.

In November 2019, a new role within the company was created, that of a Senior Team leader. Day care provisions as well as private care contracts were growing and there was a need to provide additional support to the new Care Manager, to expand the services and to adhere to the new RISC Care Regulations, which had recently come into force.

Our existing Finance Manager resigned in January 2020. However, the overall impact was negligible as the financial section was then overseen by the CEO, who had been in the Finance Manager role prior to her promotion. The recruitment of a replacement was undertaken with a successful replacement joining the management team in late 2020.

During the year, Seren sadly lost two of its most hard working, dedicated and influential members and supporters of the Board namely its Chairman and Business Consultant. Both men were involved with Seren from very much the beginning and their loss will be felt for a long time not only by the Board, but the Management Team, Staff and Clients.

Apart from its own responsibilities and its operation, in addition to this, the Company has continued its support of Gwesty Seren, its wholly owned trading subsidiary, for whom it provides the care services facilities etc for the guests, and thanks should be given for support from a number of public backers' as well local businesses and the local community.

Since opening in 2014, Gwesty Seren has seen significant growth in income since then. In asset terms the hotel is the most substantial capital asset within Seren's Group and despite profitability being a challenge, Seren's Board continues to provide financial support to Gwesty Seren especially as the aims and objectives of Gwesty are fully aligned with those of Seren.

During 2017/18 the revenue grant support for Gwesty from the Big Lottery Fund, came to an end. This pump priming grant funding had been available since the project was originally established during the refurbishment stage in 2013 and remained as a valuable income stream, albeit declining on an annual basis, over the first 5 year period. No significant Lottery revenue grants were received during 2019/20 towards the hotel project. However, in November 2019 Gwesty Seren was successful in attaining, from the County Council a grant of up to £45,000 payable over 12 months as a pilot, initially to provide a 'Meals on wheels' service to the elderly and the vulnerable of the Ffestiniog area, with the service beginning in April 2020.

Seren continues with its furniture, textiles and clothing reuse and recycling project that benefits many people, especially those on low incomes or benefits. It also has other ventures like the Cylch yr Efail Arts and Crafts workshop, retail shop and Gerddi Stiniog, a market garden operation. All of these generate income for the company and provides opportunities for Seren's core demographic to develop in themselves and in the local community. However, there is a slight issue within the textile section, in that the tonnage charge has been constantly reduced in recent times. By now, the textile banks need maintenance and the local authority is still invoicing a service charge to Seren for each tonne they collect off their sites. This service, that the company provides, and benefits its clients, will have to be looked at by the management and sub committees in depth during the year ahead.

A comprehensive review of the Company's Business and Marketing Plan for the next 5 years will be undertaken during next year.

Report of the Trustees
for the Year Ended 31 March 2020

OBJECTIVES AND ACTIVITIES

Gwesty Seren

Gwesty Seren since April 2014 offers holiday breaks for individuals with learning and other disabilities, their carer's and families in luxury accommodation in the heart of Snowdonia. The 10 bedroom 3* hotel offers short or long breaks that can be exciting, active, relaxing, quiet and totally different to meet our clientèle's individual needs.

The property has some of the best views within the area overlooking the beautiful Vale of Ffestiniog and Black Rock Sands, Morfa Bychan (near Porthmadog) on the Cambrian Coast. It is surrounded by the Cnicht, Moelwyn Bach and Moelwyn Mawr mountains, some of these stunning views have been photographed and are displayed around the hotel.

All of our bedrooms are decorated and finished to a very high level, whilst still being comfortable. They are all en-suite, and some are fitted with ceiling tracked hoists. Every bedroom has a television and a built in phone system connected to the reception desk, we also have night porters on the premises, so there will be assistance if required on a 24 hour basis.

The hotel also has a fully equipped games room, craft room, sensory room and a hydrotherapy pool.

Public benefit

The trustees confirm that they have complied with their duty as laid in section 17(5) of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission. Through the implementation of the above-mentioned objectives and aims, we respond to the needs of our service users as well as the wider community.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Seren, which is also now supported by its subsidiary, Gwesty Seren, continues to expand its main charitable aims by offering people with a whole range of disabilities unique and groundbreaking facilities, which within Seren, include the purpose built Cylch yr Efail, and with Gwesty, Seren can provide care services etc for its guests and make use of the refurbished facilities for its regular clients, courses etc.

The hotel itself now caters for people with all kinds of disabilities, as was originally designed and planned for, and it is the only one of its kind in Wales. During the year, Gwesty had started to see an increase of its use as a respite/holiday facility by the local authority and privately, which of course also meant that Seren would be responsible for the care requirements of these guests.

Back in 2018, Gwynedd Council announced that they would be releasing a short breaks tender worth £400,000 over a period of 3 years; however this did not materialise, with the Local Authority revising its timescale to the beginning of 2021 financial year now. When available this tender, if successful would provide a welcome and short term boost to Gwesty's post covid reopening, and provide Seren with an opportunity to tender for the care needs of those guests staying at Gwesty under the scheme.

The tireless work of the staff under the guidance of the trustees and the management function has once again enabled Seren Ffestiniog Cyf to expand its ability to provide care for those in need within our community.

Most of Seren's income is generated from care fees, and similar to those in previous years, 2019/20 was another challenging one, as was for most charities and social enterprises against a backdrop of public sector cuts in spending.

Consolidation had to be the main priority and the Company has been able to achieve this without too much turmoil or staff losses.

Care fees amounted to £1,189,572 for the year against £949,119 during 2018/19. The overall increase being due to additional work and contracts being secured as spot purchases during the year, and thanks to an additional care home tender that was won in September 2019.

Wages and pensions increase every year with Seren paying wages that are, on average, above the National Minimum wage. It has a comprehensive Care training programme for its staff, offering a mass amount of aspects in the care industry.

In October 2019 the company won the BS ISO 9001 Quality Standard award.

Report of the Trustees
for the Year Ended 31 March 2020

FINANCIAL REVIEW

Reserves policy

It is the view of the trustees that sufficient reserves should be maintained to enable Seren Ffestiniog Cyf's charitable activities to continue for at least six months even if all income streams should suddenly halt. This would in our view provide sufficient time for all those that rely on our services to find replacement support services should a worst case scenario occur. The trustees therefore consider £600,000 to be an appropriate level of reserve to cover its expenditure for six months.

The charitable company had a negative free reserve of £89,322 at the end of March 2020 (2019: deficit of £101,084). These figures being based on the charity's reserves rather than at the group level, and being defined as the charity's total unrestricted funds at the year end, less the net book value of its fixed assets and investments.

The trustees are confident that as we emerge from the coronavirus restrictions, their plans for the future will again start to yield surpluses, and thus they are confident that the free reserve figure will move closer to the target reserve level over time.

Report of the Trustees
for the Year Ended 31 March 2020

FUTURE PLANS

As the pandemic hit in March 2020, and as with the rest of the nation, the Company had no choice but to shut its doors to Day Care Services and private contracts, meaning both a loss of income, and some vulnerable members of our community going without some key services.

Gwynedd Council continued to pay the full care contract that had been agreed with Seren. However additional care services were required later in the spring at no additional fee. Seren has 4 tenancies and supports another 2 service users within their own home, and the care continued here, so as to maintain continuity during these difficult and challenging times for staff and clients.

As time went by, Day Services were reopened on a smaller scale, only re-opening for service users that were mentally struggling to deal with the new way of life. This is still the case in early 2021, although Day Service has been allowed to continue to open, again only to service users that are admitted from their social workers allowed to attend.

Other retail parts of Seren were re-opened following the government guidelines, again with shorter hours. The company quickly had to adapt to the new way of trading and providing this retail experience to its service users. The 'Firebreak' and other lock-downs have thereafter all had an impact on the retail shops and hospitality, especially during the much hyped festive season. However, the furniture departments' income did increase within this time. Work is ongoing to be able to trade if any further lock-downs ensue, such as our online catalogue and click and collect service.

Regarding Gwesty Seren, Covid -19 has had a big impact on turnover, as for most of the year the hotel was shut, and staff were placed on furlough, with the exception of providing facilities for "key Workers". However, the hotel has still been providing the 'meals on wheels' service during the pandemic, and numbers were high during the first lock-down. Further funds of £34,000 have been secured for the project for the second year. Respite care has also been ongoing in the hotel, with referrals coming from the local Council. With many of those being emergency situations, especially, due to the close working relationship between Seren and Gwesty, the turnaround for being able to offer a fully supported care plan whilst staying in the hotel totalled only a few hours. By being able to achieve such an integrated service already, this will, hopefully, strengthen the group's application for the short break tender that will be submitted to Gwynedd Council.

The hotel has truly shown its worth during this difficult time, being a place that vulnerable people can visit safely and resume some sort of normal life.

Work is being carried out by the sub committees to put a marketing strategy in place for the year ahead. Due to the fact that Gwesty was able to obtain various grants from both Gwynedd Council and the Welsh Government in support of lockdown means that no additional financial support was needed via Seren.

Seren's Board and Board members of Gwesty Seren receive updated financial information on a regular basis with the financial support provided by Seren since the hotel was purchased in 2013.

Both Boards have now agreed to consolidate the borrowing and put in place a commercial loan to be repaid over the longer term with terms set on a commercial basis with Seren taking a legal charge on the hotel.

It has also been agreed to look at Gwesty's assets to see whether or not it is possible to transfer any to Seren as part of loan repayment, and also to see whether or not Gwesty is owed moneys from Seren in relation to any facility fees outstanding.

Initial discussions with Solicitors have commenced and a further report on the situation will be outlined in next year's accounts.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

Report of the Trustees
for the Year Ended 31 March 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related party transactions and trustees' expenses and remuneration

During the year ended in March 2020, the trustees, in their capacity as such, give their time and expertise without any form of remuneration or other benefit in cash or kind. Per the notes to these financial statements, two of the trustees were remunerated in the year to March 2019, with this relating to their roles as the Managing Director and Care Manager. There were no expenses paid to the trustees in the year (2019: Nil).

The trustees consider its key management personnel for the charity to comprise the trustees, the managing director, and the other department heads, as together they are responsible for the day to day operations of the charity. The total employment benefits, which included employer national insurance and pension contributions, of the key management personnel were £154,244 (2019: £110,540). In the group context, the Hotel Manager and Deputy Manager would also be considered to be key management, and the total group cost for 2020 was £201,235. No employee received any benefits in excess of £60,000.

Recruitment and appointment of new trustees

Upon registration the upper limit on the number of charitable company members was 500, but the management committee can from time to time register an increase in the numbers, but no such election has been made to date.

The first members of the charitable company were the original subscribers to the company's Memorandum of Association.

The management committee may admit to membership:

- Any person who has attained the age of eighteen years and who is in agreement with the objectives of the charitable company, without discrimination between persons by reference to wealth, politics, race, religion, gender or disability.
- A member who is a corporate body or association shall by the resolution of its governing body appoint a deputy, who shall during the continuance of their appointment be entitled to exercise in any general meeting of the charitable company all such rights and powers as the body corporate or association would exercise if it were an individual person.

A copy of said resolution, signed by the governing body will be sent to the secretary.

Every application for membership will shall be considered but the management committee at its first meeting after the application was made or soon afterwards as is practicable.

Membership of the charitable company is free of charge.

Decision making

The charity board of trustees regular board meetings, and with a new management team in place, together with dedicated purpose sub committees being established to focus on three key areas, Finance, Staffing and Marketing, the key management of the charity are excellently informed and can move quickly as the current circumstances necessitate.

The charity board also hold monthly meetings with their counterparts on the Gwesty Seren board, this being so as to keep abreast of events in the subsidiary and the expected level of care provision resources required at the hotel at the present time.

Seren Ffestiniog Cyf
Trading as Grwp Seren

Report of the Trustees
for the Year Ended 31 March 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

After the initial induction, carried out by a selected and appropriate member of the management committee, every member shall be allocated to one of the following categories of membership at the absolute discretion of the management committee:

Supporting Members - are members that have an interest in the company mainly by having provided money, facilities or other practical direct assistance to the company.

Employee Members - are employees of the company. Employee members shall be subject to a six month probationary period.

Community Members - are members who live, work or have an interest within the community of Cyngor Tref Ffestiniog.

User Members - are members that use the services provided by the company.

Corporate Members - are members admitted under article 5(b) of the company's Articles of Association.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03596581 (Wales)

Registered Charity number

1108461

Registered office

Uned 1-2

Llwyn y Gell Industrial Estate

Blaenau Ffestiniog

Gwynedd

LL41 3NE

Trustees

Mr J E Ellis	Retired	
Mrs A M Ellis	Care & Business Manager	
Mr A L I Ellis	Solicitor	
Mr W A Evans	Retired	
Mrs L A W Jones	County Councillor	
Mr E M Jones Retired	Head Teacher	(resigned 7.7.20)
Mr E J Lewis	Production Technician	
Mr G C Price	Retired	(resigned 29.9.19)
Mrs G P Grabowski	Retired School Teacher	
Mrs M A Williams	Teacher	
Mrs E S Davies	Tutor	(appointed 5.11.19)
Mrs R E Lewis	Retired Teacher	(appointed 1.9.20)

Company Secretary

Mrs K K Madoc-Jones

Report of the Trustees
for the Year Ended 31 March 2020

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Dunn & Ellis Cyf
Chartered Accountants/Statutory Auditors
Adeilad St David's Building
Stryd Lombard Street
Porthmadog
Gwynedd
LL49 9AP

Bankers

HSBC Plc
62 Stryd Fawr
Porthmadog
Gwynedd
LL49 9LN

Unity Trust Plc
9 Brindley Place
Birmingham
B1 2HB

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Seren Ffestiniog Cyf 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).

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

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

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

In so far as the trustees are aware:

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

AUDITORS

The auditors, Dunn & Ellis Cyf, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Seren Ffestiniog Cyf
Trading as Grwp Seren

Report of the Trustees
for the Year Ended 31 March 2020

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 26 March 2021 and signed on its behalf by Mrs K K Madoc-Jones, the Company Secretary.

Report of the Independent Auditors to the Members and Trustees of Seren Ffestiniog Cyf

We have audited the financial statements of Seren Ffestiniog Cyf (the 'charitable parent company'), and its subsidiary as part of the consolidated group financial statements for the year ended 31 March 2020, which comprise the Consolidated and Charity Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated and Charity Cash Flow Statements and notes to the financial statements, including a summary of the subsidiary's financial position and 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).

In our opinion the financial statements:

- give a true and fair view of the state of the group and charitable parent company's affairs as at 31 March 2020 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 group and charitable parent 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

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group or charitable parent company'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.

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 group financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of these 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, 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.

Opinion 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 group and charitable parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

Report of the Independent Auditors to the Members and Trustees of Seren Ffestiniog Cyf

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the charitable parent company or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable parent company 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 group and charitable parent company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 group and charitable parent 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 group and/or charitable parent 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.

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 and trustees, 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.

Iorwerth Williams (Senior Statutory Auditor)
for and on behalf of:

Dunn & Ellis Cyf
Chartered Accountants & Statutory Auditors
Adeilad St David's Building
Stryd Lombard Street
Porthmadog
Gwynedd
LL49 9AP

Date: 30 March 2021

CONSOLIDATED Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2020

	Notes	Unrestricted funds £	Restricted funds £	31.3.20 Total funds £	31.3.19 Total funds as restated £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	15,804	-	15,804	35,699
Charitable activities	5				
Care in the community		1,189,572	-	1,189,572	949,119
Other trading activities	3	256,383	291,334	547,717	521,079
Investment income	4	88	-	88	46
Other income		17,298	1,039	18,337	10,135
Total		1,479,145	292,373	1,771,518	1,516,078
EXPENDITURE ON					
Raising funds	6	159,035	98,878	257,913	193,299
Charitable activities	7				
Care in the community		1,226,396	-	1,226,396	1,056,199
Gwesty Seren		-	261,333	261,333	269,915
Other		94,890	83,935	178,825	47,589
Total		1,480,321	444,146	1,924,467	1,567,002
NET INCOME/(EXPENDITURE)		(1,176)	(151,773)	(152,949)	(50,924)
Transfers between funds	25	(75,000)	75,000	-	-
Other recognised gains/(losses)					
Gains on revaluation of fixed assets		-	38,374	38,374	-
Net movement in funds		(76,176)	(38,399)	(114,575)	(50,924)
RECONCILIATION OF FUNDS					
Total funds brought forward					
As previously reported		643,161	741,019	1,384,180	1,432,810
Prior year adjustment	14	-	883	883	3,177
As restated		643,161	741,902	1,385,063	1,435,987
TOTAL FUNDS CARRIED FORWARD		566,985	703,503	1,270,488	1,385,063

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

CONSOLIDATED Balance Sheet
31 March 2020

	Notes	Unrestricted funds £	Restricted funds £	31.3.20 Total funds £	31.3.19 Total funds as restated £
FIXED ASSETS					
Tangible assets	15	655,545	975,252	1,630,797	1,756,058
CURRENT ASSETS					
Stocks	17	27,623	900	28,523	57,806
Debtors: amounts falling due within one year	18	137,530	9,581	147,111	169,473
Cash at bank and in hand		138,543	3,964	142,507	39,318
		303,696	14,445	318,141	266,597
CREDITORS					
Amounts falling due within one year	19	(182,253)	(72,732)	(254,985)	(203,601)
NET CURRENT ASSETS		121,443	(58,287)	63,156	62,996
TOTAL ASSETS LESS CURRENT LIABILITIES		776,988	916,965	1,693,953	1,819,054
CREDITORS					
Amounts falling due after more than one year	20	(210,003)	(202,431)	(412,434)	(431,454)
PROVISIONS FOR LIABILITIES	24	-	(11,031)	(11,031)	(2,537)
NET ASSETS		566,985	703,503	1,270,488	1,385,063
FUNDS	25				
Unrestricted funds:					
General fund				566,985	643,161
Restricted funds:					
Gwesty Seren				703,503	741,902
TOTAL FUNDS				1,270,488	1,385,063

The trustees have prepared group accounts in accordance with section 398 of Companies Act 2006 and section 138 of the Charities Act 2011. These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to the members of the company.

The financial statements were approved by the Board of Trustees on 26 March 2021 and were signed on its behalf by Mrs A M Ellis & Mr W A Evans, who were both Trustees.

CONSOLIDATED Cash Flow Statement
for the Year Ended 31 March 2020

	Notes	31.3.20 £	31.3.19 as restated £
Cash flows from operating activities			
Cash generated from operations	1	148,944	(66,088)
Interest paid		(25,110)	(25,218)
Interest element of hire purchase payments paid		(98)	(278)
Net cash provided by/(used in) operating activities		123,736	(91,584)
Cash flows from investing activities			
Interest received		88	46
Net cash provided by investing activities		88	46
Cash flows from financing activities			
Loan repayments in year		(18,176)	(18,016)
Capital repayments in year		(2,462)	(2,282)
Net cash used in financing activities		(20,638)	(20,298)
Change in cash and cash equivalents in the reporting period		103,186	(111,836)
Cash and cash equivalents at the beginning of the reporting period	2	39,318	151,154
Cash and cash equivalents at the end of the reporting period	2	142,504	39,318

Notes to the CONSOLIDATED Cash Flow Statement
for the Year Ended 31 March 2020

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.20	31.3.19 as restated
	£	£
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(152,949)	(50,924)
Adjustments for:		
Depreciation charges	30,966	41,764
Interest received	(88)	(46)
Interest paid	25,110	25,218
Interest element of hire purchase and finance lease rental payments	98	278
(Increase)/Decrease in provisions	(507)	(661)
Impairment loss	141,669	-
Decrease in stocks	29,283	6,225
Decrease/(increase) in debtors	22,362	(115,652)
Increase in creditors	53,000	27,710
Net cash provided by/(used in) operations	<u>149,042</u>	<u>(65,810)</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	31.3.20	31.3.19 as restated
	£	£
Cash in hand	666	126
Notice deposits (less than 3 months)	141,841	39,192
Overdrafts included in bank loans and overdrafts falling due within one year	(3)	-
Total cash and cash equivalents	<u>142,504</u>	<u>39,318</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.19 £	Cash flow £	At 31.3.20 £
Net cash			
Cash at bank and in hand	39,318	103,189	142,507
Bank overdraft	-	(3)	(3)
	<u>39,318</u>	<u>103,186</u>	<u>142,504</u>
Debt			
Finance leases	(2,462)	2,462	-
Debts falling due within 1 year	(34,094)	(841)	(34,935)
Debts falling due after 1 year	(431,454)	19,020	(412,434)
	<u>(468,010)</u>	<u>20,641</u>	<u>(447,369)</u>
Total	<u>(428,692)</u>	<u>123,827</u>	<u>(304,865)</u>

CHARITY Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2020

	Notes	31.3.20 Unrestricted funds £	31.3.19 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2	15,803	25,703
Charitable activities	5		
Provision of care in the community		1,189,572	949,119
Other trading activities	3	256,383	259,097
Investment income	4	88	46
Other income		16,099	5,229
Total		1,477,945	1,239,194
 EXPENDITURE ON			
Raising funds	6	158,597	108,976
Charitable activities	7		
Provision of care in the community		1,226,396	1,084,711
Other		94,890	33,478
Total		1,479,883	1,227,165
 NET INCOME/(EXPENDITURE)		(1,938)	12,029
 RECONCILIATION OF FUNDS			
Total funds brought forward	25	866,964	854,935
 TOTAL FUNDS CARRIED FORWARD		865,026	866,964

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

CHARITY Balance Sheet
31 March 2020

	Notes	31.3.20 Unrestricted funds £	31.3.19 Total funds £
FIXED ASSETS			
Tangible assets	15	655,545	744,245
Investments	16	298,803	223,803
		954,348	968,048
CURRENT ASSETS			
Stocks	17	27,623	55,290
Debtors: amounts falling due within one year	18	139,043	162,228
Cash at bank and in hand		138,543	33,519
		305,209	251,037
CREDITORS			
Amounts falling due within one year	19	(184,528)	(134,819)
NET CURRENT ASSETS		120,681	116,218
TOTAL ASSETS LESS CURRENT LIABILITIES		1,075,029	1,084,266
CREDITORS			
Amounts falling due after more than one year	20	(210,003)	(217,302)
NET ASSETS		865,026	866,964
FUNDS	25		
Unrestricted funds:			
General fund		865,026	866,964
TOTAL FUNDS		865,026	866,964

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 on 26 March 2021 and were signed on its behalf by Mrs A M Ellis & Mr W A Evans, who were both Trustees.

CHARITY Cash Flow Statement
for the Year Ended 31 March 2020

	Notes	31.3.20 £	31.3.19 £
Cash flows from operating activities			
Cash generated from operations	1	123,686	(95,351)
Interest paid		(9,735)	(9,096)
Interest element of hire purchase payments paid		(98)	(278)
Net cash provided by/(used in) operating activities		113,853	(104,725)
Cash flows from investing activities			
Interest received		88	46
Net cash provided by investing activities		88	46
Cash flows from financing activities			
Loan repayments in year		(6,458)	(6,741)
Capital repayments in year		(2,462)	(2,282)
Net cash used in financing activities		(8,920)	(9,023)
Change in cash and cash equivalents in the reporting period		105,021	(113,702)
Cash and cash equivalents at the beginning of the reporting period	2	33,519	147,221
Cash and cash equivalents at the end of the reporting period	2	138,540	33,519

Notes to the CHARITY Cash Flow Statement
for the Year Ended 31 March 2020

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

	31.3.20	31.3.19
	£	£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(1,938)	12,029
Adjustments for:		
Depreciation charges	19,159	27,653
Interest received	(88)	(46)
Interest paid	9,735	9,096
Interest element of hire purchase and finance lease rental payments	98	278
Property impairment	69,541	-
Decrease in stocks	27,667	6,225
Increase in debtors	(51,813)	(182,363)
Increase in creditors	<u>51,325</u>	<u>31,777</u>
Net cash provided by/(used in) operations	<u>123,784</u>	<u>(95,073)</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	31.3.20	31.3.19
	£	£
Cash in hand	578	78
Notice deposits (less than 3 months)	137,965	33,441
Overdrafts included in bank loans and overdrafts falling due within one year	<u>(3)</u>	<u>-</u>
Total cash and cash equivalents	<u>138,540</u>	<u>33,519</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.19	Cash flow	At 31.3.20
	£	£	£
Net cash			
Cash at bank and in hand	33,519	105,024	138,543
Bank overdraft	<u>-</u>	<u>(3)</u>	<u>(3)</u>
	<u>33,519</u>	<u>105,021</u>	<u>138,540</u>
Debt			
Finance leases	(2,462)	2,462	-
Debts falling due within 1 year	(6,991)	(841)	(7,832)
Debts falling due after 1 year	<u>(217,302)</u>	<u>7,299</u>	<u>(210,003)</u>
	<u>(226,755)</u>	<u>8,920</u>	<u>(217,835)</u>
Total	<u>(193,236)</u>	<u>113,941</u>	<u>(79,295)</u>

Notes to the Financial Statements
for the Year Ended 31 March 2020

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 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 and assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). The trustees, having reviewed the charity's position, are of a view that the charity is able to carry on its business as a going concern and thus these financial statements have been prepared on this basis.

The financial statements consolidate the results of the charity and its wholly owned subsidiary Gwesty Seren on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has also been presented herein.

The charitable company is limited by guarantee and should there be any assets whatsoever remaining upon any future winding up or dissolution, after satisfying all its debts and liabilities, they shall be paid to or distributed to another charitable institution which has similar objectives to those of the charity.

Preparation of consolidated financial statements

The financial statements contain consolidated information about Seren Ffestiniog Cyf and Gwesty Seren as of its incorporation on the 21st May 2012.

Income

Items of income are recognised and included in the accounts when all of the following criteria are met:

- The charity or its subsidiary have entitlement to the funds;
- Any performance condition attached to the item(s) of income have been met or are fully within the control of the charity or its subsidiary;
- There is sufficient certainty that receipt of the income is considered probable; and
- The amount can be measured reliably.

Primary purpose and other trading operations

Income from commercial trading operations is recognised at the fair value of the consideration received or receivable for sale of goods and/or services in the ordinary nature of the business. Where goods and/or services are to be provided for in a future period the income is deferred. Turnover represents goods sold and services provided to external customers, net of value added tax.

Other income & investment income

Other income is recognised in the year in which it is received or receivable.

Investment income is accounted for on the accruals basis.

Incoming resources from charitable activities

Incoming resources from charitable activities includes income for the use of the charity's resource and is recognised as earned. Income is deferred when fees have been received in advance.

Grants received

Income from government and other grants, whether 'capital' or 'revenue' in nature, are recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, and it is probable that the income will be received and the amount can be measured reliably.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

1. ACCOUNTING POLICIES - continued

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.

Raising funds

Cost of generating funds comprises those costs incurred in the commercial trading activities. These are recognised on an accruals basis as the liability is incurred.

Charitable activities

Charitable activities are recognised on an accruals basis and include expenditure in relation to the charity's projects and both direct and support costs relating to these activities. Expenditure is summarised under functional headings on a direct cost basis.

Governance costs

Governance costs are recognised on an accruals basis and include those costs incurred in the governance of the charity and its assets, and are primarily associated with meeting constitutional and statutory requirements but also includes other costs where appropriate.

Tangible fixed assets

Tangible fixed asset additions are capitalised if they cost more than £500 and can be used for more than one year. They are valued at cost or, if gifted, at their value on receipt.

Fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable or as otherwise required by relevant accounting standards.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of net realisable value and value in use are recognised as impairments. Impairments of re-valued assets, except those caused by a clear consumption of economic benefit, are recognised in the statement of total recognised gains and losses until carrying amount reaches depreciated historical cost. All other impairments are recognised in the statement of financial activity.

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

Seren Ffestiniog Cyf	Freehold Property and Improvements	2% on cost per annum
Gwesty Seren	Freehold Property and Improvements	1% on cost per annum
Seren Group	Group freehold land	This is not depreciated
Seren Group	Plant and Machinery	20% on the reducing balance basis
Seren Group	Fixtures and Fittings	20% on the reducing balance basis
Seren Group	Motor Vehicles	25% on the reducing balance basis
Seren Ffestiniog Cyf	Computer Equipment	26% on the reducing balance basis
Gwesty Seren	Computer Equipment	20% on the reducing balance basis

Related party exemption

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

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

1. ACCOUNTING POLICIES - continued

Stocks

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

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Taxation

Corporation Tax

Seren Ffestiniog Cyf, as a charitable company is exempt from tax on income and gains 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 object.

Gwesty Seren, as a subsidiary undertaking and a company limited by guarantee is liable to income and corporation tax on its income and gains.

Value Added Tax

Seren Ffestiniog Cyf is registered for VAT under the registration number 810 9554 35 and Gwesty Seren under the registration number 160 8833 02 and in line with accounting convention the financial statements are prepared on the basis that, where applicable, all necessary figures are disclosed net of VAT.

Irrecoverable VAT

In most circumstances irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Fund accounting

Unrestricted funds

The general funds are unrestricted and can be used in accordance with the charitable objectives at the discretion of the trustees; these are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided to set aside for a specific reason or purpose.

Non-charitable trading funds

These funds are unrestricted in nature, and are expendable for the furtherance of the objectives of the charity's group undertaking, Gwesty Seren without further specified purposes.

Restricted funds

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

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

Social investments

Fixed asset investments are recognised at costs and are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable or as otherwise required by relevant accounting standards.

Current asset investments are recognised when funds are transferred and the reconciled balance at the year end is carried on the balance sheet.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

1. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

The interest element of these obligations is charged to the Statement of Financial Activities over the relevant period. The capital element of the future payments is treated as a liability.

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

Pension costs and other post-retirement benefits

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

Other policies

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions

Creditors and provisions are recognised where the charity has a 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 usually recognised at their settlement amount after allowing for any trade discounts due.

Legal status of the charitable company

The charitable company 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.

2. DONATIONS AND LEGACIES

GROUP

	31.3.20	31.3.19 as restated
	£	£
Gifts	-	-
Donations	5,068	586
Grants	-	25,000
Noddfa income	7,616	10,113
No description	3,120	-
	<u>15,804</u>	<u>35,699</u>

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

	31.3.20	31.3.19 as restated
	£	£
General	-	15,000
Other grants	-	10,000
	<u>-</u>	<u>25,000</u>

There were no grants received in the year ended 31 March 2020 by either the Parent or the Subsidiary

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

2. DONATIONS AND LEGACIES - continued

The £10,000 received by Gwesty Seren during the year ended 31 March 2019 related entirely to revenue funding.

The £15,000 received by Seren Ffestiniog Cyf in the year ended 31 March 2019 related to a Department of Work & Pensions grant scheme.

There were no donations received from related parties in the year and in accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

CHARITY

	31.3.20	31.3.19
	£	£
Donations	5,067	590
Grants	-	15,000
Noddfa income	7,616	10,113
Bryn Afon income	<u>3,120</u>	<u>-</u>
	<u>15,803</u>	<u>25,703</u>

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

	31.3.20	31.3.19
	£	£
General	<u>-</u>	<u>15,000</u>

There were no grants received in the year ended 31 March 2020 by either the Charity.

The £15,000 received by Seren Ffestiniog Cyf in the year ended 31 March 2019 related to a Department of Work & Pensions grant scheme.

There were no donations received from related parties in the year and in accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

3. OTHER TRADING ACTIVITIES

GROUP

	31.3.20	31.3.19
	£	as restated £
Shop income	256,383	258,004
Hotel income	<u>291,334</u>	<u>263,075</u>
	<u>547,717</u>	<u>521,079</u>

The shop income relates entirely to the trading activities undertaken by the charitable parent company, net of any transactions with the subsidiary. This income is deemed to be intertwined with the charitable objectives due to its nature and scope.

The hotel income represents the third party turnover made by the subsidiary during the period noted. The wholly owned trading subsidiary, Gwesty Seren, is incorporated in the United Kingdom (company number 08077369) and the following is a summary of its trading results, gross of the intra-group trading:

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

3. OTHER TRADING ACTIVITIES - continued

GROUP

	31.3.20	31.3.19
	£	£
Turnover	315,278	291,587
Other income	9,821	24,078
Cost of sales and other expenditure	(467,072)	(369,981)
Taxation	507	661
	<u>507</u>	<u>661</u>
Net loss after taxation	<u>(141,466)</u>	<u>(53,655)</u>

The assets and liabilities of the subsidiary were:

Fixed assets	975,254	1,011,814
Net current liabilities	(355,566)	(277,025)
Non-current liabilities, deferred income and provisions	<u>(891,943)</u>	<u>(903,952)</u>
Net liabilities / Retained earnings	<u>(272,255)</u>	<u>(169,163)</u> *

* The subsidiary is limited by guarantee, with the charitable parent company as the sole member, hence it does not hold any share capital.

CHARITY

	31.3.20	31.3.19
	£	£
Shop income	<u>256,383</u>	<u>259,097</u>

4. INVESTMENT INCOME

GROUP & CHARITY

	31.3.20	31.3.19
	£	£
Deposit account interest	<u>88</u>	<u>46</u>

All of the group's investment income arises from money held in interest bearing deposit accounts.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

5. INCOME FROM CHARITABLE ACTIVITIES

GROUP & CHARITY

	31.3.20	31.3.19 as restated
	£	£
Care in the community	738,427	361,435
Service level agreement	426,835	385,917
Supporting people payments	-	133,764
Independent living fund	-	51,824
Private client fees	24,310	16,179
	<u>1,189,572</u>	<u>949,119</u>

6. RAISING FUNDS

GROUP

Raising donations and legacies

	31.3.20	31.3.19 as restated
	£	£
Staff costs	<u>14,647</u>	<u>12,251</u>

Other trading activities

	31.3.20	31.3.19 as restated
	£	£
Opening stock	57,807	64,031
Purchases	211,676	174,430
Closing stock	(28,523)	(57,807)
Bad debts	2,306	394
	<u>243,266</u>	<u>181,048</u>
Aggregate amounts	<u>257,913</u>	<u>193,299</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

6. RAISING FUNDS – continued

CHARITY

Raising donations and legacies

	31.3.20	31.3.19
	£	£
Staff costs	<u>14,647</u>	<u>12,251</u>

Other trading activities

	31.3.20	31.3.19
	£	£
Opening stock	55,291	61,515
Purchases	113,976	90,107
Closing stock	(27,623)	(55,291)
Bad debts	<u>2,306</u>	<u>394</u>
	<u>143,950</u>	<u>96,725</u>
Aggregate amounts	<u>158,597</u>	<u>108,976</u>

7. CHARITABLE ACTIVITIES COSTS

GROUP

	Direct Costs £	Support costs (see note 8) £	Totals £
Care in the community	1,201,856	24,540	1,226,396
Gwesty Seren	<u>236,552</u>	<u>24,781</u>	<u>261,333</u>
	<u>1,438,408</u>	<u>49,321</u>	<u>1,487,729</u>

CHARITY

	Direct Costs £	Support costs (see note 8) £	Totals £
Provision of care in the community	<u>1,201,856</u>	<u>24,540</u>	<u>1,226,396</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

8. SUPPORT COSTS

GROUP

	Management £	Finance £	Governance costs £	Totals £
Governance & support	-	-	6,190	6,190
Care in the community	9,168	15,372	-	24,540
Gwesty Seren	1,986	18,530	4,265	24,781
	<u>11,154</u>	<u>33,902</u>	<u>10,455</u>	<u>55,511</u>

CHARITY

	Management £	Finance £	Governance costs £	Totals £
Governance & support	-	-	6,190	6,190
Provision of care in the community	9,168	15,372	-	24,540
	<u>9,168</u>	<u>15,372</u>	<u>6,190</u>	<u>30,730</u>

9. NET INCOME/(EXPENDITURE)

GROUP

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

	31.3.20	31.3.19 as restated
	£	£
Depreciation - owned assets	30,967	41,765
Hire of plant and machinery	<u>6,034</u>	<u>19,023</u>

CHARITY

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

	31.3.20	31.3.19 as restated
	£	£
Depreciation - owned assets	19,159	27,654
Hire of plant and machinery	<u>4,492</u>	<u>5,287</u>

10. AUDITORS' REMUNERATION

GROUP

	31.3.20	31.3.19 as restated
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	6,700	6,090
Accountancy services	<u>3,755</u>	<u>3,670</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

10. AUDITORS' REMUNERATION – continued

CHARITY

	31.3.20	31.3.19
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	3,720	3,380
Accountancy services	<u>2,470</u>	<u>2,445</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

GROUP & CHARITY

	31.3.20	31.3.19 as restated
	£	£
Trustees' salaries	-	66,052
Trustees' social security	<u>-</u>	<u>6,792</u>
	<u>-</u>	<u>72,844</u>

There were no salaried trustees in the year to March 2020.

The only trustees to receive a salary from the charity in the comparative year, were the Managing Director, Mrs L. A. W. Jones, and Mrs A Ellis, the charity's Care & Business Manager. Both retired from their salaried roles at the end of March 2019.

Trustees' expenses

There were no trustees' expenses paid neither for the year ended 31 March 2020 nor for the year ended 31 March 2019.

12. STAFF COSTS

GROUP

	31.3.20	31.3.19 as restated
	£	£
Wages and salaries	1,144,846	1,015,712
Social security costs	74,704	69,738
Other pension costs	<u>19,539</u>	<u>14,856</u>
	<u>1,239,089</u>	<u>1,100,306</u>

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

	31.3.20	31.3.19 as restated
Salaried trustees	-	2
Seren Management	5	3
Gwesty Management	2	1
Other staff at Seren	53	45
Other staff at Gwesty	<u>12</u>	<u>14</u>
	<u>72</u>	<u>65</u>

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

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

12. STAFF COSTS – continued

CHARITY

	31.3.20	31.3.19
	£	£
Wages and salaries	982,522	857,407
Social security costs	65,291	61,189
Other pension costs	16,991	11,183
	<u>1,064,804</u>	<u>929,779</u>

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

	31.3.20	31.3.19
Salaried trustees	-	2
Management	5	3
Other staff	<u>53</u>	<u>45</u>
	<u>58</u>	<u>50</u>

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

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

2019 GROUP SoFA breakdown

	Unrestricted funds	Restricted funds	Total funds as restated £
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	25,699	10,000	35,699
Charitable activities			
Care in the community	949,119	-	949,119
Other trading activities	258,004	263,075	521,079
Investment income	46	-	46
Other income	5,229	4,906	10,135
Total	1,238,097	277,981	1,516,078
EXPENDITURE ON			
Raising funds	108,972	84,327	193,299
Charitable activities			
Care in the community	1,056,199	-	1,056,199
Gwesty Seren	-	269,915	269,915
Other	33,478	14,111	47,589
Total	1,198,649	368,353	1,567,002
NET INCOME/(EXPENDITURE)	39,448	(90,372)	(50,924)
Transfers between funds	(91,840)	91,840	-
Net movement in funds	(52,392)	1,468	(50,924)
RECONCILIATION OF FUNDS			
Total funds brought forward			
As previously reported	692,376	740,434	1,432,810
Prior year adjustment	3,177	-	3,177
As restated	695,553	740,434	1,435,987
TOTAL FUNDS CARRIED FORWARD	643,161	741,902	1,385,063

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

2019 CHARITY SoFA breakdown

	Unrestricted funds £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	25,703
Charitable activities	
Provision of care in the community	949,119
Other trading activities	259,097
Investment income	46
Other income	<u>5,229</u>
Total	1,239,194
 EXPENDITURE ON	
Raising funds	108,976
Charitable activities	
Provision of care in the community	1,084,711
Other	<u>33,478</u>
Total	1,227,165
 NET INCOME	12,029
 RECONCILIATION OF FUNDS	
Total funds brought forward	
As previously reported	851,758
Prior year adjustment	<u>3,177</u>
As restated	854,935
 TOTAL FUNDS CARRIED FORWARD	<u><u>866,964</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

14. PRIOR YEAR ADJUSTMENT

GROUP & CHARITY

2020 adjustment in Gwesty Seren:

An adjusting post balance sheet event took place while the financial statements were being prepared. This led to a valuation becoming available for land previously included and depreciated within the initial cost of the buildings. The adjustment to the balance sheet amounted to £12,625 being re-allocated within fixed assets and an adjustment of £884 was made to reverse the depreciation charged on the land in previous years.

2019 comparative adjustment in Seren ffestiniog Cyf:

The prior year adjustment figure of £ £3,177 relates to a re-statement for the acquisition of a motor vehicle in 2018 hitherto understood to be under a finance lease.

15. TANGIBLE FIXED ASSETS

GROUP

	Freehold property £	Recycling shed at cost £	Improvements to properties £	Plant and machinery £
COST OR VALUATION				
At 1 April 2019	967,924	97,228	971,996	41,861
Revaluations	47,375	-	-	-
Impairments	(66,916)	(7,899)	(66,854)	-
At 31 March 2020	948,383	89,329	905,142	41,861
DEPRECIATION				
At 1 April 2019	220,983	15,557	83,126	39,186
Charge for year	11,716	1,475	8,935	535
At 31 March 2020	232,699	17,032	92,061	39,721
NET BOOK VALUE				
At 31 March 2020	715,684	72,297	813,081	2,140
At 31 March 2019	746,941	81,671	888,870	2,675

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

15. TANGIBLE FIXED ASSETS - continued

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST OR VALUATION				
At 1 April 2019	47,642	53,230	34,462	2,214,343
Revaluations	-	-	-	47,375
Impairments	-	-	-	(141,669)
At 31 March 2020	47,642	53,230	34,462	2,120,049
DEPRECIATION				
At 1 April 2019	38,113	31,305	30,015	458,285
Charge for year	1,906	5,481	919	30,967
At 31 March 2020	40,019	36,786	30,934	489,252
NET BOOK VALUE				
At 31 March 2020	7,623	16,444	3,528	1,630,797
At 31 March 2019	9,529	21,925	4,447	1,756,058
CHARITY				
	Freehold property £	Recycling shed at cost £	Improvements to properties £	Plant and machinery £
COST				
At 1 April 2019	765,924	97,228	110,332	41,861
Impairments	(53,986)	(7,899)	(7,656)	-
Reclassification	-	-	-	-
At 31 March 2020	711,938	89,329	102,676	41,861
DEPRECIATION				
At 1 April 2019	207,726	15,557	31,177	39,186
Charge for year	10,084	1,475	1,430	535
At 31 March 2020	217,810	17,032	32,607	39,721
NET BOOK VALUE				
At 31 March 2020	494,128	72,297	70,069	2,140
At 31 March 2019	558,198	81,671	79,155	2,675

Seren Ffestiniog Cyf
Trading as Grwp Seren

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

15. TANGIBLE FIXED ASSETS - continued

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 April 2019	20,289	53,230	19,830	1,108,694
Impairments	-	-	-	(69,541)
Reclassification	-	-	-	-
At 31 March 2020	20,289	53,230	19,830	1,039,153
DEPRECIATION				
At 1 April 2019	20,165	31,305	19,333	364,449
Charge for year	25	5,481	129	19,159
At 31 March 2020	20,190	36,786	19,462	383,608
NET BOOK VALUE				
At 31 March 2020	99	16,444	368	655,545
At 31 March 2019	124	21,925	497	744,245

16. FIXED ASSET INVESTMENTS

CHARITY

	31.3.20	31.3.19
	£	£
Gwesty Seren Investment	298,803	223,803
		Loans & investments to/in group undertakings £
At 1 April 2019		223,803
New in year		75,000
At 31 March 2020		298,803

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Gwesty Seren

Registered office: Unit 2 Llwyn Gell Industrial Estate, Blaenau Ffestiniog, Gwynedd, Wales, LL41 3NE

Nature of business: Hotel

	31.3.20	31.3.19
	£	£
Aggregate capital and reserves	(272,255)	(169,163)
Loss for the year	(141,466)	(53,655)

The £298,803 (£223,803 at the end of March 2019) detailed as being owed by Gwesty Seren to its parent, Seren Ffestiniog Cyf.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

16. FIXED ASSET INVESTMENTS - continued

The investment being held as a programme related investment for its surplus funds, one which has been agreed by the board to advance the objectives of the charity through the support of the aligned services offered by its subsidiary.

The investment has, in the formative period of the subsidiary, been structured as a concessionary loan, and this treatment was extended due to the current Coronavirus restrictions. This means that the investment is recognised at cost, less any repayments or impairments.

17. STOCKS

GROUP

	31.3.20	31.3.19 as restated
	£	£
Harrods stock	15,130	46,513
Drill Hall stock	4,493	2,650
Gwesty Seren stock	900	2,516
Cylch yr Efail stock	3,500	2,627
Gainsborough stock	4,500	3,500
	<u>28,523</u>	<u>57,806</u>

CHARITY

	31.3.20	31.3.19
	£	£
Harrods stock	15,130	46,513
Drill Hall stock	4,493	2,650
Cylch yr Efail stock	3,500	2,627
Gainsborough stock	4,500	3,500
	<u>27,623</u>	<u>55,290</u>

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

GROUP

	31.3.20	31.3.19 as restated
	£	£
Trade debtors	131,927	158,237
VAT	1,937	2,934
Prepayments	13,247	8,302
	<u>147,111</u>	<u>169,473</u>

CHARITY

	31.3.20	31.3.19
	£	£
Trade debtors	123,859	152,992
VAT	1,937	2,934
Prepayments	13,247	6,302
	<u>139,043</u>	<u>162,228</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

GROUP

	31.3.20	31.3.19 as restated
	£	£
Bank loans and overdrafts (see note 21)	34,938	34,094
Hire purchase (see note 22)	-	2,462
Trade creditors	52,855	53,487
Credit card account	1,061	(514)
Social security and other taxes	18,611	19,373
VAT	4,939	4,941
Other creditors	85,046	79,998
Accrued expenses	20,215	9,760
Council overpayment	37,320	-
	<u>254,985</u>	<u>203,601</u>

CHARITY

	31.3.20	31.3.19
	£	£
Bank loans and overdrafts (see note 21)	7,835	6,991
Hire purchase (see note 22)	-	2,462
Trade creditors	36,356	34,460
Credit card account	1,061	(514)
Social security and other taxes	16,579	16,904
Other creditors	73,482	68,691
Accrued expenses	12,015	5,825
Council overpayment	37,200	-
	<u>184,528</u>	<u>134,819</u>

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

GROUP

	31.3.20	31.3.19 as restated
	£	£
Bank loans (see note 21)	<u>412,434</u>	<u>431,454</u>

CHARITY

	31.3.20	31.3.19
	£	£
Bank loans (see note 21)	<u>210,003</u>	<u>217,302</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

21. LOANS

GROUP

An analysis of the maturity of loans is given below:

	31.3.20	31.3.19
	£	as restated £
Amounts falling due within one year on demand:		
Bank overdraft	3	-
Unity Trust loan account	7,832	6,991
Gwesty Loan	27,103	27,103
	<u>34,938</u>	<u>34,094</u>
Amounts falling between one and two years:		
Unity Trust loan account - 1-2 years	7,595	7,299
Gwesty loan	27,103	27,103
	<u>34,698</u>	<u>34,402</u>
Amounts falling due between two and five years:		
Unity Trust loan account - 2-5 years	24,665	23,703
Gwesty loan	81,308	81,308
	<u>105,973</u>	<u>105,011</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Unity Trust loan	177,743	186,300
Gwesty Seren loan	94,020	105,741
	<u>271,763</u>	<u>292,041</u>

CHARITY

An analysis of the maturity of loans is given below:

	31.3.20	31.3.19
	£	£
Amounts falling due within one year on demand:		
Bank overdraft	3	-
Unity trust bank due in < 1 year	7,832	6,991
	<u>7,835</u>	<u>6,991</u>
Amounts falling between one and two years:		
Unity trust bank due in 1 - 2 years	7,595	7,299
Amounts falling due between two and five years:		
Unity trust bank due in 2 - 5 years	24,665	23,703
Amounts falling due in more than five years:		
Repayable by instalments:		
Unity trust bank due in > 5 years	177,743	186,300

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

22. LEASING AGREEMENTS

GROUP & CHARITY

Minimum lease payments under hire purchase fall due as follows:

	31.3.20	31.3.19 as restated
	£	£
Net obligations repayable:		
Within one year	<u><u>-</u></u>	<u><u>2,462</u></u>

23. SECURED DEBTS

GROUP

The following secured debts are included within creditors:

	31.3.20	31.3.19 as restated
	£	£
Bank loans	<u><u>447,369</u></u>	<u><u>465,548</u></u>

Seren Ffestiniog Cyf

HSBC Bank plc

Charge date: 01/06/2015

Charge code: 0359 6581 0007

Type: Legal mortgage

Details: A legal mortgage over the freehold property known as land and buildings lying to the north east side of Dorvil Street, Blaenau Ffestiniog - HM Land Registry Title number WA567730.

The agreement also contains a negative pledge.

Unity Trust Bank Plc

Charge date: 23/02/2015

Charge code: 0359 6581 0005

Type: Legal mortgage

Details: By way of legal mortgage, all estate, right, title and other interests of the company in the freehold property known as 17 Church Street, Blaenau Ffestiniog, LL41 3HB - HM Land Registry Title number WA629517.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

23. SECURED DEBTS - continued

Unity Trust Bank Plc

Charge date: 23/02/2015

Charge code: 0359 6581 0006

Type: Legal mortgage

Details: By way of legal mortgage, all estate, right, title and other interests of the company in the freehold property known as Units 1 & 2 Llwyngell Enterprise Park, Blaenau Ffestiniog, LL41 3HT - HM Land Registry Title number CYM378420.

Gwesty Seren

The Charity Bank Limited have as of the 12th July 2012 a legal charge over the freehold property known as Bryn Llewelyn, Llan Ffestiniog, Gwynedd, LL41 4NS.

The Big Lottery Fund also have as of the 9th August 2012 a legal charge over the freehold property known as Bryn Llewelyn, Llan Ffestiniog, Gwynedd, LL41 4NS.

The restrictions imposed by this legal charge as well as legal charge imposed by The Charity Bank Limited mean that no disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any other registered charge, not being a charge registered before the entry of these restrictions, is to be registered without a written consent signed by the proprietor for the time being of the charges dated 12th July 2012 and 9th August 2012 respectively in favour of The Charity Bank Limited and the Big Lottery Fund referred to in the Charges Register.

Both of these charges have been registered at Companies House and are detailed on the title document held by the Land Registry under title number CYM566060.

CHARITY

The following secured debts are included within creditors:

	31.3.20	31.3.19
	£	£
Bank loans	<u>217,835</u>	<u>224,293</u>

The following charges are currently shown as being active on the Companies House website:

Unity Trust Bank Plc

Charge date: 23/02/2015

Charge code: 0359 6581 0005

Type: Legal mortgage

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

23. SECURED DEBTS - continued

Details: By way of legal mortgage, all estate, right, title and other interests of the company in the freehold property known as 17 Church Street, Blaenau Ffestiniog, LL41 3HB - HM Land Registry Title number WA629517.

Unity Trust Bank Plc

Charge date: 23/02/2015

Charge code: 0359 6581 0006

Type: Legal mortgage

Details: By way of legal mortgage, all estate, right, title and other interests of the company in the freehold property known as Units 1 & 2 Llwyngell Enterprise Park, Blaenau Ffestiniog, LL41 3HT - HM Land Registry Title number CYM378420.

HSBC Bank plc

Charge date: 01/06/2015

Charge code: 0359 6581 0007

Type: Legal mortgage

Details: A legal mortgage over the freehold property known as land and buildings lying to the north east side of Dorvil Street, Blaenau Ffestiniog - HM Land Registry Title number WA567730.

The agreement also contains a negative pledge.

24. PROVISIONS FOR LIABILITIES

GROUP

	31.3.20	31.3.19
	£	as restated £
Gwesty Seren, the subsidiary's deferred tax provision	<u>11,031</u>	<u>2,537</u>

The abovementioned provision and movement in the year represents the timing differences between the depreciation and capital allowance claims that have not been reversed at the balance sheet date.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

25. MOVEMENT IN FUNDS

GROUP

	At 1.4.19 £	Prior year adjustment £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
Unrestricted funds					
General fund	643,161	-	(1,176)	(75,000)	566,985
Restricted funds					
Gwesty Seren	741,019	883	(113,399)	75,000	703,503
TOTAL FUNDS	<u>1,384,180</u>	<u>883</u>	<u>(114,575)</u>	<u>-</u>	<u>1,270,488</u>

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	1,479,145	(1,480,321)	-	(1,176)
Restricted funds				
Gwesty Seren	292,373	(444,146)	38,374	(113,399)
TOTAL FUNDS	<u>1,771,518</u>	<u>(1,924,467)</u>	<u>38,374</u>	<u>(114,575)</u>

Comparatives for movement in funds

	At 1.4.18 £	Prior year adjustment £	Net movement in funds £	Transfers between funds £	At 31.3.19 £
Unrestricted funds					
General fund	619,307	3,177	39,448	(18,771)	643,161
Charity Bank grant - outbuilding	8,640	-	-	(8,640)	-
Waverley improvement fund	8,179	-	-	(8,179)	-
Drill hall	56,250	-	-	(56,250)	-
	692,376	3,177	39,448	(91,840)	643,161
Restricted funds					
Gwesty Seren	740,434	-	(90,372)	91,840	741,902
TOTAL FUNDS	<u>1,432,810</u>	<u>3,177</u>	<u>(50,924)</u>	<u>-</u>	<u>1,385,063</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

25. MOVEMENT IN FUNDS - continued

2019 Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,238,097	(1,198,649)	39,448
Restricted funds			
Gwesty Seren	277,981	(368,353)	(90,372)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>1,516,078</u>	<u>(1,567,002)</u>	<u>(50,924)</u>

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

	At 1.4.18 £	Prior year adjustment £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
Unrestricted funds					
General fund	619,307	3,177	38,272	(93,771)	566,985
Charity Bank grant - outbuilding	8,640	-	-	(8,640)	-
Waverley improvement fund	8,179	-	-	(8,179)	-
Drill hall	56,250	-	-	(56,250)	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	692,376	3,177	38,272	(166,840)	566,985
Restricted funds					
Gwesty Seren	740,434	883	(203,771)	166,840	704,386
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>1,432,810</u>	<u>4,060</u>	<u>(165,499)</u>	<u>-</u>	<u>1,271,371</u>

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	2,717,242	(2,678,970)	-	38,272
Restricted funds				
Gwesty Seren	570,354	(812,499)	38,374	(203,771)
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>3,287,596</u>	<u>(3,491,469)</u>	<u>38,374</u>	<u>(165,499)</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

25. MOVEMENT IN FUNDS - continued

Transfers between funds

During the year a total of £75,000 was transferred from Seren Ffestiniog Cyf to Gwesty Seren (2019: £91,840) as an investment in the subsidiary.

The investment being held as a programme related investment for its surplus funds, one which has been agreed by the board to advance the objectives of the charity through the support of the aligned services offered by its subsidiary.

The investment has, in the formative period of the subsidiary, been structured as a concessionary loan, and this treatment was extended due to the current coronavirus restrictions. This means that the investment is recognised at cost, less any repayments or impairments.

CHARITY

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	866,964	(1,938)	865,026
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>866,964</u>	<u>(1,938)</u>	<u>865,026</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,477,945	(1,479,883)	(1,938)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>1,477,945</u>	<u>(1,479,883)</u>	<u>(1,938)</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

25. MOVEMENT IN FUNDS - continued

2019 Comparatives for movement in funds

	At 1.4.18 £	Prior year adjustment £	Net movement in funds £	At 31.3.19 £
Unrestricted funds				
General fund	851,758	3,177	12,029	866,964
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>851,758</u>	<u>3,177</u>	<u>12,029</u>	<u>866,964</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,239,194	(1,227,165)	12,029
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>1,239,194</u>	<u>(1,227,165)</u>	<u>12,029</u>

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

	At 1.4.18 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	851,758	10,091	861,849
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>851,758</u>	<u>10,091</u>	<u>861,849</u>

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 £	Movement in funds £
Unrestricted funds			
General fund	2,717,139	(2,707,048)	10,091
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>2,717,139</u>	<u>(2,707,048)</u>	<u>10,091</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

26. SUBSIDIARY UNDERTAKING DETAILS

Gwesty Seren is the charitable company's only subsidiary and is owned in its entirety by Seren Ffestiniog Cyf. Gwesty Seren is a private company, limited by guarantee, registered in England and Wales. The company's registered number is 08077369 and its registered office address is the same as the parent's, which can be found on the Company Information page.

A summary of its adjusted turnover and expenditure are included as the restricted fund on the face of the SoFA and in more detail within a note to these financial statements. The subsidiary's audit report for the year ended on 31 March 2020 was modified via an emphasis of matter paragraph included to draw attention to the 'going concern' disclosures made within the financial statements.

The Board of Seren ffestiniog Cyf have also confirmed their continued support for the subsidiary undertaking.

27. RELATED PARTY DISCLOSURES

The trustees have reviewed their requirements with regard related party disclosure, and deem the following to be the necessary group disclosure for the year:

Gwesty Seren

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

Key management costs and remuneration

The charity considers its key management personnel to comprise the trustees, which includes the remunerated trustees as well as, from 2020 onwards, the key management responsible for the day to day operations in both Seren Ffestiniog Cyf and Gwesty Seren. The total employment benefits of the key management personnel were £201,234 (2019: £110,540). No employee had any benefit in excess of £60,000.

There were no expenses paid to the trustees in this or the preceding year.

Madoc Construction

Transactions with Seren Ffestiniog Cyf:

The business is owned and operated by the company secretary's husband. During the year an amount totalling £5,226 was invoiced for work done (2019: £nil).

Transactions with Gwesty Seren:

The business is owned and operated by the company's secretary's husband. During the year an amount totalling £8,000 was invoiced for work done (2019: £896).

Dafydd Wyn Jones - Consultant / Spouse of a Trustee

No transactions in either the year ended in March 2020 or in March 2019.

Mr Jones, a stalwart supporter of Seren Ffestiniog Cyf, sadly passed away in late 2019 and the trustees wish to express their gratitude for his work over the years, and pass our sincerest condolences on to his family, including our own Mrs L. A. W. Jones.

27. ULTIMATE CONTROLLING PARTY

The ultimate controlling parties of the group are deemed to be Seren Ffestiniog Cyf's members.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

28. POST BALANCE SHEET EVENTS

COVID-19

For details regarding the impact of the coronavirus on the group, please refer back to the 'future plans' section of the Report of the Trustees.

Valuation of fixed assets

On 7 September 2020, Tom Parry & Co, Chartered Surveyors, were appointed to provide valuations for the land and buildings owned by the Seren Ffestiniog Cyf group. The valuation report revealed that their recoverable amounts was, in Seren Ffestiniog Cyf's case, lower than the carrying amount. The resulting impairment was deemed to be an adjusting event and the figures included in the financial statements are after allowing for this adjustment.

29. FINANCIAL INSTRUMENTS

The carrying value of the financial assets & liabilities include:

Group level financial assets that are debt instruments measured at amortised costs

	31.3.20	31.3.19 as restated
	£	£
Trade debtors	131,927	158,237
Cash at bank and in hand	<u>142,507</u>	<u>39,318</u>

Group level financial liabilities that are debt instruments measured at amortised costs

	31.3.20	31.3.19 as restated
	£	£
Bank loans and overdrafts (see note 21)	34,938	34,094
Hire purchase (see note 22)	-	2,462
Trade creditors	52,855	53,487
Other creditors	85,046	79,998
Accrued expenses	<u>20,215</u>	<u>9,760</u>