

Bevan::Buckland LLP

REGISTERED COMPANY NUMBER: 02546880 (England and Wales)
REGISTERED CHARITY NUMBER: 1000889

**REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2019
FOR**

PLATFFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

PLATFFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

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PLATFFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

The trustees are pleased to present their annual directors' report together with the strategic report and consolidated financial statements of the group for the year ending 31 March 2019 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Our vision

Good mental health and wellbeing for all.

Our mission

To have a positive and lasting impact in all that we do by:

- Working together to provide services that we can be proud of
- Ensuring that the voice of people using our services has a real and meaningful influence on our work
- Demonstrating outstanding practice in relation to staff mental health and wellbeing, learning and development
- Challenging the way we all think about, talk about and respond to mental health and wellbeing in all areas of our lives
- Using our profile, influence and voice to improve legislation, policy and practice
- Increasing the range and reach of our services through collaboration and targeted and sustainable business growth
- Spending our money where it will have the maximum impact

Our aspirations

We aspire to:

- Work with integrity and dignity
- Inspire and support people to exceed their expectations
- Develop a culture that is embracing and respectful of difference
- Communicate honestly and openly
- Be an organisation that is ambitious, creative and determined
- Create environments that are collaborative, supportive and empowering
- Be respected for our knowledge and expertise

What we do

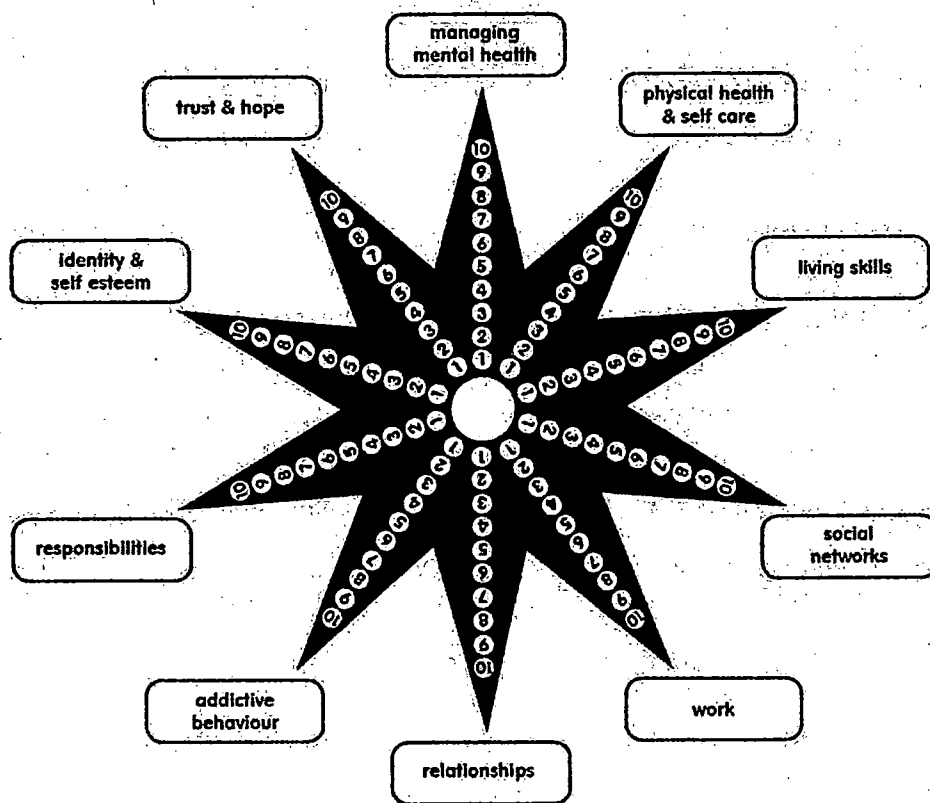
- We provide a range of services that support independence, health and wellbeing and promote recovery
- We lobby to improve mental health policy, practice and legislation
- We campaign to increase public understanding and awareness of mental health and wellbeing
- We continually evaluate and innovate in support of continued growth and development

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

Wellbeing and recovery

We believe that supporting personal recovery involves moving away from a focus on treating illness and towards promoting wellbeing. Through the delivery of support we will seek to give individuals:



- **Hope** – for the future and a meaningful life, based on the belief that people can get better, have periods of stability and comparative wellbeing;
- **Self identity** – developing a positive identity outside of being someone with mental health problems and promoting each person having a valued social role;
- **Meaning** – making sense of the individual experience of having a mental health problem so that it can be part of, but not the whole person and understanding through education, about the causes of mental health problems; and
- **Personal responsibility** – ensuring each person is responsible for their own well-being, which includes seeking help and support from others, doing things that help to keep a person well, recognising when things are going wrong and managing this.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

Significant Activities

Our Objects

The Charity was established to relieve the needs of people with mental health problems and other vulnerable or disadvantaged persons by:

- the provision of housing and other associated amenities designed or adapted to meet the disabilities and requirements of such persons;
- the provision of services which support the mental wellbeing of people experiencing, or at risk of experiencing mental ill-health; and
- the provision of services which support the wellbeing of other vulnerable or disadvantaged persons.

Our Aims

Gofal exists to ensure that good mental health and wellbeing is an opportunity for all. We offer a range of services that support independence, health and wellbeing and promote recovery. We lobby to improve mental health policy, practice and legislation. We campaign to increase public understanding and awareness of mental health and wellbeing and we continually evaluate and innovate in support of continued growth and development.

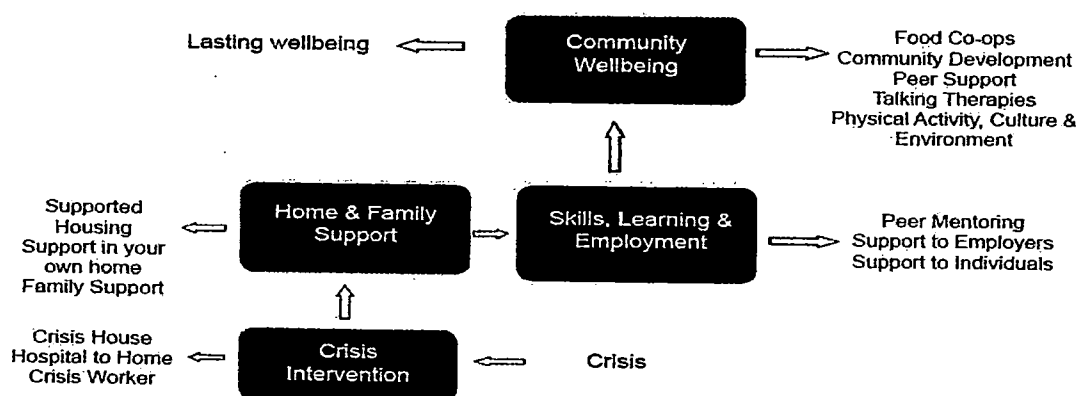
Public benefit - Ensuring our work delivers our objectives

We review our objectives and activities each year. This review looks at what we achieved and the outcome of our work in the previous 12 months. The review also helps us to ensure that we remain focused on our vision and mission and remain true to our aspirations. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

Our services and pathway model

Gofal now operates across Wales with the majority of projects and services clustered in South and West Wales. During 2018/19 we worked with over four thousand people

The pathway model describes the core service areas provided by Gofal that support people's mental health and wellbeing that are intrinsically linked to our legal purpose and aims. It has four strategic areas:



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Crisis Intervention

Our work is both preventative and responsive to potential and actual periods of personal crisis. We provide a range of services working closely with partners, providing a less stigmatising alternative for people who would otherwise be admitted to hospital. We also work to prevent repeat housing and homelessness crisis occurrences through our work on hospital wards and in homelessness departments.

Home and Family Support

We shape our services to be flexible and responsive to an individual's or family need in order for them to live independently. We deliver support in a variety of accommodation types, providing support for daily living skills, domiciliary and personal care with offering advice and support to an individual's wider support network which includes family and friends.

Young People

Gofal has been delivering services to Young People since April 2018, and during this time our projects have established a network of peer support groups across Wales and online for young people. Alongside the provision of peer support, the project provides access to training and resources for young people on a range of topics to promote awareness and self-management of mental health issues. Young people are involved in the development and delivery of the service and will be provided with the opportunity to train and volunteer as Recovery Champions for the project.

Skills, Learning and Employment

Meaningful occupation is viewed as a key component in regaining and maintaining positive mental wellbeing. Gofal supports individuals to build confidence and self-esteem and develop new and existing skills. Gofal assists individuals to secure suitable supportive volunteering, vocational, educational, and training and employment opportunities. In addition, we strive to reduce discrimination in the work place relating to mental health and wellbeing. We provide bespoke training to employers, enhancing standards of employment practice for all.

Community Wellbeing

Gofal works to develop emotionally resilient and supportive communities in which individuals can express themselves. Our efforts are creative and responsive to need, supporting recovery through engagement in physical activity, the natural environment and the arts. We also work towards creating safer communities, which are open to rehabilitation and passionate about engagement. We are increasing access to talking therapies, peer support groups and specialist training services across Wales to help build stronger and more resilient communities.

The four strategic areas of the pathway model are underpinned by Gofal's approach to service delivery and the use of the Recovery STAR. The Recovery STAR facilitates an individual to plan for the future.

Challenging Stigma and Discrimination

As part of the strategic review it was decided that the time was right to withdraw from Time to Change Wales and focus our resources into new areas of anti-stigma and discrimination work. Gofal officially left the campaign on 31/03/2018. We wish Mind Cymru and Hafal every success during Phase 3 of Time to Change Wales funding cycle.

Policy and Influence

As part of our strategic review we made the decision to step back from some of our policy work to focus on transformation and system change projects with the public sector. We continue to be an active member of the Wales Alliance for Mental Health and during the year we handed over secretariat of the Cross Party Groups on Mental Health and Eating Disorders to other third sector organisations.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

Relationship between the charity and other organisations

Gofal has existing established contractual and partnership relationships with the following organisations:

- **Local Authorities**
Rhondda Cynon Taff, Vale of Glamorgan, Torfaen, Blaenau Gwent, Caerphilly, Cardiff, Swansea, Merthyr Tydfil, Neath/Port Talbot, Bridgend and Newport.
- **Housing Associations**
United Welsh, Newydd, Rhondda Housing, Cynon Taff, Merthyr Tydfil, Linc , Coastal, Family Housing
- **Health Boards**
Cwm Taff HB, Hywel Dda, Aneurin Bevan, and Cardiff and Vale UHB.
- **Welsh Government**
Through the provision of Section 180 and Section 64 grant funding
- **Trusts**
- The Big Lottery Fund and Lloyds Foundation for England and Wales; the Vicars Relief Fund, Henry Smith Foundation and Wales Council for Voluntary Action, and the Heritage Lottery
- **Newlink Wales and Barod**
A strategic partnership with Newlink Wales and Barod to deliver the Out of Work Peer Support ESF programme in Cardiff & Vale and Cwm Taff.

Established relationships are also maintained with the following bodies:

- **Strategic Forums**
Local Authority and Health Board Strategic Mental Health Joint Planning Forums, Supporting People and Homelessness Forums across our areas of operation (with representation at area and national levels) and Cardiff & Vale Mental Health Development Forum, The Wales Alliance for Mental Health, The National Mental Health Partnership Board.
- **Voluntary Sector Organisations**
Cymorth Cymru, Shelter Cymru, TPAS Cymru, Bridgend Association of Voluntary Organisations, Interlink, Mental Health Action Cymru, Wales Alliance for Mental Health, West Wales Alliance for Mental Health, Torfaen Voluntary Alliance, GAVO, Voluntary Action Merthyr Tydfil, Neath Port Talbot CVS, Swansea CVS, Barod (Merthyr), Glamorgan Voluntary Services , and C3CS.

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STRATEGIC REPORT

Gofal has gone through a period of acquisition and organic growth and today the charity activity has a turnover of £7.1m. The Charity also has a wholly owned subsidiary which continues to operate one social business, App UK, a cleaning company. Post year end trading ceased within our other social business, PS Properties and Interiors Limited, further details below.

A full strategic review of the charity initiated in 2017/18 was completed during 2018/19 resulting in a refreshed strategic direction, new name and brand. The new strategy and name were launched internally in March 2019. The formal external launch of the new strategy, name and brand took place in July 2019 – outside of this reporting period. A review and restructure of senior leadership and central support services has also been completed. Our new strategy focuses on three key objectives

- **Public Sector Transformation and System Change** – it is broadly accepted that health, social care and wider public services need to transform in order to meet growing and changing demand. We know that all too often services that are meant to help do the opposite, they can reward people for being sick and punish people for recovering. We will work with our colleagues in the public, third and private sectors to pilot new ways of delivering public services that are person centred and deliver sustainable wellbeing.
- **Projects and Services** – we will continue to run projects and services grouped into the following areas:
 - Early intervention, crisis and home
 - Meaningful and purposeful day
 - Counselling, holistic therapies and workplace wellbeing
- **Convening, Campaigning and Communicating** – we will be an active member of a growing international social movement working to achieve a paradigm shift in the way we understand and respond to emotional distress. We will bring people together to share, learn, inspire and organise. We will actively support the work of others that we admire.

The review resulted in the significant decision to change our name from Gofal, (meaning 'care' or 'caution' in Welsh), since this no longer reflected the ambition of the Charity, and in July 2019 we became Plattform for Change

The new strapline for Plattform will be "for mental health and social change". This reflects in clear, accessible language that as well as continuing our work in mental health, we now have an additional focus on system change. This is the result of our strategic consultation that ran 2016-2019. This concluded that our individual mental health projects and support are very effective and have significant outcomes for the people we work with. However, there is a larger systemic problem in the way that social, health and public systems are constructed, disparate silos focussing on illness rather than recovery and constraining the people working within them. This can often result in people the very system is meant to support, becoming worse off once they are part of the system, or falling between the cracks of the support systems meant to aid recovery. We are part of a growing social movement aiming to transform the way public services are delivered, the way communities and individuals are enabled to have autonomy and agency over their own lives, growth and recovery. We believe in a world where sustainable wellbeing is an opportunity for all and believe that our public and helping services need to be designed to enable this. Our new brand, language, campaigns and website will reflect these values and ambitions.

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Strategic Aims

1. Demonstrating our impact and developing our practice

- During 2018/19 we supported over four thousand people, of those people 89% reported feeling better able to self-manage their mental health, 83% reported improvements in addictive behaviour, 87% reported an increased sense of hope and aspiration for the future, 70% of those using our crisis house were able to avoid hospital admission and return home.
- During 2018 /19 our crisis service worked with 746 people with 100% of referrals being accepted and supported within 48 hours. Of these 92% reported an improvement to their mental health and wellbeing since accessing the service and 92% felt more able to manage their tenancies independently.
- Within our Young People's project a total of 702 young people accessed training and/or peer support around mental health awareness, coping with emotions and strategies for daily wellbeing. Feedback of training shows an 82% increase in knowledge and awareness of mental health issues.
- Our Dementia project Dial worked with over 125 people engaged with either one-to-one support or group work. 92% of one-to-one beneficiaries have reported increase in physical activity, 96% of one-to-one beneficiaries have reported a direct benefit to their confidence as a result of the support and 89% of carers have reported the DIAL project was of direct benefit to them.

2. Ensuring that people with direct experience of mental health problems have a voice and influence at every level of the organisation

- The charity is governed by a Board with strong representation from people with direct personal experience including our Chair. Our peer mentoring service puts people with direct experience at the heart of our support delivery. We aim to ensure a safe and supportive work environment where staff feel comfortable talking about their own mental health.
- In 2018 we made the decision to end our involvement in Time to Change. We are focusing on other areas of stigma and discrimination.

4. Organisational growth

- In partnership with Newlink, our ESF funded Out of Work Peer Support Programme has been a great success and has been extended for a further two years. We have also been successful in a bid to the WCVA Active Inclusion Fund, developing a project to help support people into work. Our bespoke Repatriation Project with Hywell Dda has now commenced offering a genuine alternative to statutory and private sector provision. The project is piloting a new approach to statutory and third sector integrated packages of support enabling people with long histories of institutional care to live independently in communities of their choice. The project has been supported by the Welsh Government Invest to Save scheme. Our first wellness centre, trading as Breathe was launched in October 2018 and is trading successfully. Breathe will operate on a commercial model and will offer a range of talking therapies, training and other wellbeing services, with paid for services funding free access to people unable to pay. All surplus profit will be invested in further developing our charitable activities.

5. Independence and financial strength

- Our trading subsidiary, Cardiff Cleaning Services Limited, is continuing to establish itself within it's respective market, and the trading figures demonstrate a steadily improving trading position for that Company. The priority remains to achieve greater scale over the next three years by a combination of acquisition and organic growth, and to generate sufficient profit to provide a surplus for the benefit of the Charity.
- Breathe, our first wellness centre, opened in October 2018, offering counselling and training to organisations and individuals.
- Our zero based budgeting and reforecasting system is now fully operational, allowing live access to financial data for all budget holders, and significantly strengthening our forecasting function.

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Strategic Aims

6. A workforce able to deliver

- In line with our strategic review, a restructure of the executive team was commenced during the year ended 31 March 2018 and has continued in to the current financial year.
- Mobile working has been rolled out across the organisation and well received. Mobile working offers staff the opportunity to work in a more flexible, efficient and autonomous manner using technology to help people stay connected and work as effectively and efficiently as possible.
- The phased implementation of the new HR system is ongoing, with payroll, recruitment and training modules being added. The new system provides managers with live access to HR data.
- All staff have appropriate access to the new HR system in order to be able to access and update their own relevant individual HR data.

Objectives

The following aims and next steps are contained within our current strategic plan and therefore may be subject to change.

Strategic Aim	Next Steps 2019/20
Public sector transformation and system change	<p>Establish three transformation pilot sites trialling our asset based, trauma informed, healing focused approach to systems change</p> <p>Establish evaluation partnership with university</p> <p>Begin internal transformation project underpinned by asset based, trauma informed, healing focused philosophy</p>
Project and Services	<p>Appoint new Head of Services Team</p> <p>Implement new operational database and impact measurement systems</p> <p>Rollout out workforce development plan in line with new strategy</p> <p>Begin process of contract reviews to ensure all work is in line with vision, values and philosophy.</p> <p>Continue to grow projects and services in line with strategy – Crisis and Home, Meaningful and Purposeful Life, Therapies and Workplace Wellbeing</p>
Convening, Campaigning and Communicating	<p>Hold two Platform – System Change events in collaboration with partners</p> <p>Support A Disorder for Everyone to bring their work to Wales</p> <p>Support Compassionate Mental Health to offer bursary places at the Compassionate Gatherings</p>

The Board receives regular reports on the progress, reviewing quarterly milestones against the strategic plan, which are then used to measure success and evaluate activity against the strategic aims.

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Financial Review

The Consolidated Statement of Financial Activities (SOFA) set out on page 20, shows the financial results for Gofal and those of its trading subsidiaries; Gofal Enterprises Limited (GEL), Cardiff Cleaning Services Ltd (APP UK) and PS Properties & Interiors Ltd (PSP). The individual Charity SOFA is set out on page 21.

Income

Group income has remained consistent with the previous financial year at £8.6m, (Charity £7.1m), with the principal sources being as follows, with further detail included at notes 2 to 5;

- Income from charitable activities amounting to £6.9m;
- Trading subsidiary turnover of £1.5m;
- Legacies and Donations received totalling £75k;
- Trading and Other income of £109k.

Within income from Charitable Activities, funding from local authorities totalling £3.5m remains our greatest source, and includes income from supporting people, social services contracts, and housing advice services via contracts with local authorities.

ESF Funding has increased by £211k to £864k, and this relates to the Out of Work Peer Support Programme which commenced in August 2016 and has now been extended to August 2020

Other principal sources of funding include £341k from Welsh Government, (including Section 180 and Section 64 funding), rental income £1.3m and local health boards £0.6m. Although no one service commissioner has excessive influence, trustees are aware that we are heavily reliant on the funding from these sources and the need to diversify income has continued to be a key driver in determining business development activity and investments from reserves over the last few financial years.

Expenditure

Resources expended also remain consistent with the previous financial period at £8.9m with spending on direct charitable activities amounting to £7.2m, within which supporting people costs of £3.3m continue to be the largest area of spend. Note 7 to the accounts illustrates a matrix of the main areas of expenditure for each of our service groups.

Net movement in funds

The net movement in total funds reflects an operating surplus of £17k in respect of the Charity, and a deficit attributable to the trading group of £359k, resulting in a Consolidated Group deficit of £342k. Included within this deficit are exceptional write offs arising from the cessation of trading within PS Properties and Interiors Limited, (refer below and note 26), and a provision of £172k against the balance owed to the Charity by Gofal Enterprises Limited.

The total funds balance as at the 31 March 2019 for the Charity was £1.25m, (Consolidated £852k). There are no funds in deficit during or at the year end.

Trading subsidiary

Gofal has one wholly owned trading subsidiary, Gofal Enterprises Limited (GEL), which during the financial year operated two trading subsidiaries; Cardiff Cleaning Services Limited (trading as APP UK), and PS Properties and Interiors Limited. The ambition for the trading subsidiary group being the delivery of significant, independent, long term income to support the charity in its income diversification strategy.

Whilst market conditions remain both challenging and extremely competitive within the cleaning industry, the recruitment of an experienced Managing Director has enabled APP UK to consolidate and enhance market position, strengthen branding and embed more robust, operational management systems. The core operating structure has been streamlined and the company is investing further in staff development and training with specific emphasis on providing a direct pathway to employment from within the Charity. Strategic activity is now focussed on positioning the company for future organic and acquisitional growth.

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Financial Review (continued...)

Shortly after the year end, due to particularly difficult trading conditions, and following independent professional advice, the Directors took the difficult decision to cease trading within PS Properties and Interiors Limited. As a result the Statement of Financial Activities for Platform reflects necessary debt write offs and impairments amounting to £347k, please see note 27 for further details.

Both external investors, (The Development Bank of Wales and WCVA), remain supportive of the ongoing strategy to develop GEL for the purpose of delivering long term financial stability for Platform.

Reserves policy

The trustees of Gofal recognise that the charity serves many beneficiaries with an ongoing need and as such the organisation's reserve policy has been set with the long term viability of the charity as a crucial factor and within the context of increasing political uncertainty and the short term nature of funding contracts.

With this in mind, the principles that the trustees have determined for holding reserves are:-

- to ensure that any immediate cash flow difficulties from a major funding source can be covered on a short term basis
- to ensure that operations can continue and the organisation can meet its contractual commitments despite the lack of security with funding sources
- to ensure that the organisation is making best use of available resources and remains flexible enough to take advantage of development opportunities
- to ensure that the organisation is able to seek new and independent sources of funding

Total funds

Trustees have determined that the total of fixed assets, designated reserves and general reserves should not fall below the total outstanding commitments of the organisation. The total commitments figure is reviewed on an annual basis as part of the reserve level review.

General funds

Trustees have also stated that the level of free reserves is determined using three distinct tiers, each of equal importance, in recognition of the basic principles set above:

Reserve principal	Level	Appropriate investment	Calculated by:	Determined level : £
Cash flow difficulties	One	Cash / Liquid Assets	With reference to organisation size	200,000
Funding uncertainties	Two	Medium to Long Term	Project specific costs factored with a security weighting and risk assessment re loss of business / replacement with new source of funding	112,384
Development opportunities	Three	Medium to Long Term	Reference to strategic plan	100,000
New funding sources	Three	Medium to Long Term	Reference to strategic plan	50,000
Total			Current determined level	462,384

Note 20 to the financial statements provides the details of reserves currently held by the charity:

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General funds

The intention of the trustees is to maintain the level of general funds to a specific three tier calculation currently determined at £462k, as above. The Free Reserves figure of £540k therefore remains £78k ahead of the determined level for the Charity. The three year financial strategy alongside the new strategic plan looks to bring reserves into line in each of the companies within the group.

Designated funds

The movement on the designated funds during the year are shown in note 20 to the accounts, Movement in Funds. Approximately £181k of non-capital expenditure has been expended from designated reserves during the year as follows:-

Business Development Reserve

During the year £100k has been released to cover the initial and ongoing investment in both Breathe and Gel. A reserve of £40k is being maintained to support a new business development role and to reflect further anticipated investment in income raising opportunities including Breathe and Gel.

Furniture and Maintenance Fund

£50k has been transferred to general funds to cover maintenance, redecoration and refurbishment of premises, and £53k maintained in respect of further investment.

IT Development Fund

A fund of £50k has been maintained to support the implementation of a dedicated IT and Compliance manager role, and the anticipated costs of upgrading the operating systems software.

Other designated fund balances are held as follows:

Freehold Property and Fixed Asset Reserve

This reserve of £284k reflects the equity retained in the two freehold properties and tangible fixed assets.

Workforce Restructure and Development Reserve

Following on from the Strategic Review, this fund was created to contribute towards the costs of the staff restructure and the onward training and development of the workforce. £55k has been released from the reserve to date.

Office Relocation Reserve

This fund recognises the anticipated expenditure arising from a strategic review of office space across the organisation generally, combined with the phased introduction of remote working. During the year £50k was released to reflect these costs.

Marketing Reserve

A fund of £45k has been created to contribute towards the costs of resourcing the recently established marketing and communications department.

Transformation Reserve

A fund of £74k has been created to contribute towards the costs of resourcing the Transformation and Research function in line with the Charity's amended strategy.

Restricted funds

The movements on restricted funds during the year are shown in note 20 to the accounts, Movement in Funds. Approximately £278k of non-capital expenditure has been expended from restricted funds during the year as follows:-

Big Lottery

Of the £140k received from Big Lottery during the year, £131k related to DIAL, (a project which supports people and their carers in coping with Dementia), and the remaining £9k was allocated to the Heritage Lottery project.

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Henry Smith Foundation

£6k is held in restricted funds to fund future development of a specific project focussing on addressing eating disorders in Wales in collaboration with Beat UK, (a leading national eating disorder charity).

WCVA

£15k is held in restricted funds from the WCVA and carried forward in relation to supporting volunteering opportunities within Gofal.

Other Restricted Funds

In respect of other miscellaneous restricted funds; £56k is held as follows; £34k relating to the Mental Health Crisis Fund and £22k for various other service user related and small grants.

Investment Performance Review

The trustees have reviewed the charity's overall financial position and considered its financial commitments when reviewing the amount of funds to be made available for short, medium and long term investment. Gofal follows a conservative investment policy.

The objectives are to achieve a balanced return between income and capital, adopting a medium risk approach and complying with the Trustee Investment Acts.

Investments were brought forward with a market value of £241k at the beginning of the financial year. There were no new deposits or withdrawals made during the year, and the closing market value was £242k, reflecting an unrealised gain on investments of £1k. The portfolio is managed by Brewin Dolphin on behalf of Gofal trustees. Note 16 to the financial statements provides the details of the investments held by Gofal.

The balance of group reserves is held in a combination of current and interest bearing accounts and treasury market deposits with Barclays Bank plc. All treasury balances are reviewed on a daily basis to ensure the balances are held in the highest possible interest bearing account and the amounts of interest maximised.

Investment income and bank interest totalled £4k for the year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Gofal Cymru, trading as Gofal, is a charitable company limited by guarantee and governed by its Memorandum and Articles of Association (last amended 26 November 2018). Members of the Board of Trustees are also directors of the charity for the purposes of company law. The trustees who served during the year under review are listed on page 16. It is with sadness that we report the passing away of Stewart Greenwell during the financial year, a longstanding, highly valued member of the Board of Trustees and a former Chairman.

Organisational structure

The Board of Trustees has overall responsibility for the strategic leadership, governance and appropriate management control of Gofal. The Board meets a minimum of eight times a year. The board occasionally delegates tasks to sub-groups of the Board but does not delegate any responsibilities. The Board is made up of trustees as voting members and attended by relevant Gofal staff.

Terms of reference are approved by the Board and reviewed annually.

Day to day leadership and management of Gofal is delegated by the board to the Chief Executive Officer and Executive Team. With the notable exception of trustees, the charity does not significantly rely on the services of unpaid volunteers or donations from the general public.

On 30 April 2010, Gofal set up a wholly owned subsidiary for the purpose of trading. The board of Gofal Enterprises Limited, (company number 7240073), reports to the board of Gofal. Gofal Enterprises Limited has one wholly owned trading subsidiary, Cardiff Cleaning Services Limited (company number 06136290), and was the controlling party of PS Properties and Interiors Limited (company number 10114253).

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Executive Team – Key Management Personnel

The Executive Team is responsible for the day to day running of Gofal under authority delegated to it by the Board of Trustees. The executive team participates at Board discussions about strategic direction supported by financial forecasts. It proposes the annual operating budget to the Board of Trustees for approval and monitors financial performance accordingly. The members of the executive team are listed on page (16). The Board is responsible for the setting, review and monitoring of the executive team. The Board ensures that salaries reflect the knowledge, skills and behaviours required for performance of the individuals in post. Salaries are benchmarked against the voluntary sector and local job markets.

Recruitment, induction and training of Trustees

New trustees join at the invitation of the board and are chosen with a view to ensuring that the board contains an appropriate balance of skill, knowledge and experience relevant to the governance requirements of the organisation. Trustee vacancies are advertised as necessary. A sub-group of the Board of Trustees meet annually to review the composition of the Board and to act on any up-coming vacancies. New Trustee members are invited to spend time with members of the executive team and to visit services in different areas to learn more about Gofal. Additional training and updates are offered on a regular basis and presentations about services are a standard feature on the Board agenda.

Risk management

The risk management framework sets out the process that we use to identify and manage the principle risks and uncertainties facing the charity and its trading subsidiary. The Board reviews the strategic risk on an annual basis. During this review the Board consider:

- The most significant strategic risks to which Gofal is exposed
- The potential likelihood and impact of those risks occurring
- Absolute risks for each area of risk with no controls
- Existing internal controls and adjusted risk levels
- Mitigating actions and additional internal controls to reduce each risk to a level that the Board considers to be acceptable

Risk	Mitigation
External environment and competition; continued public sector cuts, welfare reform specifically Local Housing Allowance, threats to supporting people funding, increasingly competitive tendering environment	Annual budget setting process and robust financial planning and monitoring processes Disciplined tender writing processes Strong external relationships / partnerships Improved key performance measure reporting following implementation of new systems Refocus of strategy and underlying business model towards a more balanced mix of earned and contracted revenue.
Group governance and strategic leadership; governance and leadership practice and behaviour become unfit for purpose and not robust enough to successfully lead a growing, increasingly diverse group of charities/companies	Strong active Trustees with cross sector experience Governance framework and competencies Governance and leadership culture-Thinking Environment Restructure of executive team in response to new strategy – leading to the future Review of current governance including Gofal Enterprise Ltd in progress to ensure fit for purpose and future
Brand, reputation, culture, values & stakeholder experience; we need to maintain a strong cultural identity, with lived values and consistent high quality as the organisation grows and to demonstrate the impact of our work	Marketing and Communications Department established, Strategic review of brand and values completed and rebrand launched July 2019.

PLATFFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

Risk management

<p>A workforce to deliver; we are unable to recruit and retain the workforce we need to deliver on behalf of service users and commissioners</p>	<p>Restructure and strengthening of executive team and central office function</p> <p>Introduction of Compassionate Leadership, ACE & Trauma informed leadership and development programmes</p> <p>Use of appraisal and supervision to identify development roles for staff members</p> <p>Improved HR information, and development of cascade to provide key performance indicators</p> <p>Greater autonomy and responsibility with introduction of mobile working across the organisation</p> <p>Embedding Thinking Environment principles across organisation.</p>
<p>Independent Revenue generation through trading; risk that the trading subsidiary does not deliver the levels of independent income contained in the business plan</p>	<p>Strong GEL Board and executive team with extensive commercial experience.</p> <p>Review of performance against five year business plan</p> <p>Annual budget setting process and robust financial planning and monitoring processes</p> <p>Investment appetite – social and commercial</p> <p>Development of clear and streamlined performance reporting frameworks to/from the trading subsidiary</p> <p>Breathe opened in September 2018 with plans for significant growth and geographical duplication</p>
<p>Income, cost control and efficiencies; the changing nature of contracting, potential rent loss, failure to achieve effective ways of working will lead to increased costs</p>	<p>Qualified and experienced finance team</p> <p>Quarterly management reporting to Board</p> <p>Cyclical programme of cost efficiency reviews in place</p> <p>Reserve and investment policies in place</p> <p>Annual budget setting process</p> <p>Continuing to invest in core systems for HR, payroll and finance to drive further cost control and efficiency savings</p>

Related parties

See notes 23, 24 and 25 of the financial statements for details of related party transactions. Trustees are required to complete a conflict of interest/related parties disclosure form on an annual basis.

PLATFFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity number
1000889

Registered company number
02546880

Board of Trustees

David Davies	-	Chairman
Debbie Green	-	Vice Chairman
Huw Davies	-	Treasurer
Stewart Davison		
Neil Hapgood		
Christopher Loughran		
Stewart Greenwell	-	(resigned 25 March 2019)

Company Secretary
Jon Dix

Key Management Personnel

Ewan Hilton – Chief Executive Officer
Jon Dix – Director of Finance
Jules Weston – Director Marketing and Communications (appointed 07/05/18)
Louise Evans – Director of Services (left role 08/06/18)
Liz Mander – Deputy Director of Services (appointed 01/12/18)
Matthew Cole – Managing Director - GEL

Principal and Registered Office

Second Floor, 2 Derwen House, Bridgend, CF31 1BN

Solicitors

David Prosser & Co Solicitors, 3 Court Road, Bridgend, CF31 1BL
Geldards LLP, Dumfries House, Dumfries Place, Cardiff, CF10 3ZF

Auditors

Bevan Buckland LLP, Langdon House, Langdon Road, SA1 Waterfront, Swansea, SA1 8QY

Bankers

Barclays Bank plc, 3 Windsor Place, Cardiff, CF10 3BX

Investment Manager

Brewin Dolphin Ltd, 2nd Floor, 5 Callaghan Square, Cardiff, CF10 5BT

PLATFFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Platform for Change Group and the parent charitable company and its trading subsidiaries for the purposes of company law) are responsible for preparing the Group Report of the Trustees and the group 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 consolidated financial statements for each financial year which give a true and fair view of the state of affairs of the group and parent charitable company and of the incoming resources and application of resources, including the income and expenditure, of the group and parent 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 group and parent 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:

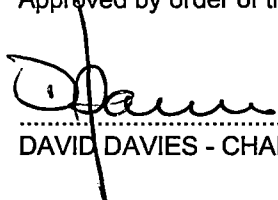
- there is no relevant audit information of which the Group's and parent charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

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

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 on02/09/19..... and signed on its behalf by:


.....
DAVID DAVIES - CHAIR

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PLATFFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

Opinion

We have audited the financial statements of Platfform for Change (formerly known as Gofal Cymru) Group (and the 'parent charitable company') for the year ended 31 March 2019 which comprise the Consolidated Statement of Financial Activities, the Parent Charitable Company Statement of Financial Activities, the Consolidated Balance Sheet, the Parent Charitable Company Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 parent 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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PLATFFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

Matters on which we are required to report by exception

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

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

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 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's and parent 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.

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.


Alison Vickers (Senior Statutory Auditor)
for and on behalf of Bevan Buckland LLP
Chartered Accountants
And Statutory Auditors
Langdon House
Langdon Road
SA1 Swansea Waterfront
Swansea
SA1 8QY

Date: 9/9/2019

PLATFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (Incorporating the income & expenditure account) FOR THE YEAR ENDED 31 MARCH 2019

		Unrestricted funds £	Designated £	Restricted funds £	2019 Total funds £	2018 Total funds £
	Notes					
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	33,103	-	41,865	74,968	75,474
Charitable activities	5					
Support for mental health and wellbeing		6,650,472	-	239,999	6,890,472	7,200,728
Other trading activities	3	1,624,325	-	-	1,624,325	1,367,466
Other income		11,242			11,242	-
Investment income	4	<u>7,458</u>	<u>-</u>	<u>-</u>	<u>7,458</u>	<u>6,386</u>
Total		8,326,600	-	281,865	8,608,465	8,650,055
EXPENDITURE ON						
Raising funds	6	1,777	-	-	1,777	2,149
Charitable activities	7					
Support for mental health and wellbeing		6,952,457	-	278,217	7,230,674	7,394,276
Trading company costs		<u>1,721,891</u>	<u>-</u>	<u>-</u>	<u>1,721,891</u>	<u>1,533,415</u>
Total		8,676,124	-	278,217	8,954,341	8,929,840
Net gains/(losses) on investments		4,140	-	-	4,140	(2,121)
Taxation		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET INCOME/(EXPENDITURE)		(345,384)	-	3,647	(341,737)	(281,906)
Transfers between funds	20	<u>181,000</u>	<u>(181,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds		(164,384)	(181,000)	3,647	(341,737)	(281,906)
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>307,840</u>	<u>812,886</u>	<u>72,932</u>	<u>1,193,659</u>	<u>1,475,564</u>
TOTAL FUNDS CARRIED FORWARD		<u>143,456</u>	<u>631,886</u>	<u>76,579</u>	<u>851,921</u>	<u>1,193,659</u>

The consolidated statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended are derived from continuing activities.

PLATFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

CHARITY STATEMENT OF FINANCIAL ACTIVITIES (Incorporating the income & expenditure account) FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Unrestricted funds £	Designated £	Restricted funds £	2019 Total funds £	2018 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	33,103	-	41,865	74,968	75,474
Charitable activities	5					
Support for mental health and wellbeing		6,650,472	-	239,999	6,890,472	7,200,728
Other trading activities	3	90,797	-	-	90,797	36,109
Other income		11,242			11,242	-
Investment income	4	<u>7,458</u>	<u>-</u>	<u>-</u>	<u>7,458</u>	<u>6,386</u>
Total		6,793,072	-	281,865	7,074,937	7,318,698
EXPENDITURE ON						
Raising funds	6	1,777	-	-	1,777	2,149
Charitable activities	7					
Support for mental health and wellbeing		<u>6,781,639</u>	<u>-</u>	<u>278,217</u>	<u>7,059,856</u>	<u>7,308,786</u>
Total		6,783,416	-	278,217	7,061,633	7,310,935
Net gains/(losses) on investments		<u>4,140</u>	<u>-</u>	<u>-</u>	<u>4,140</u>	<u>(2,121)</u>
NET INCOME		13,796	-	3,647	17,443	5,642
Extraordinary items	27	(347,053)	-	-	(347,053)	-
Transfers between funds	20	<u>181,000</u>	<u>(181,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
		<u>(166,053)</u>	<u>(181,000)</u>		<u>(347,053)</u>	
Net movement in funds		(152,257)	(181,000)	3,647	(329,609)	5,642
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>692,021</u>	<u>812,886</u>	<u>72,932</u>	<u>1,577,840</u>	<u>1,572,197</u>
TOTAL FUNDS CARRIED FORWARD		<u>539,765</u>	<u>631,886</u>	<u>76,579</u>	<u>1,248,230</u>	<u>1,577,840</u>

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended are derived from continuing activities.

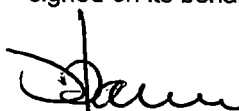
PLATFFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

CONSOLIDATED BALANCE SHEET AT 31 MARCH 2019

					2019	2018
	Notes	Unrestricted funds £	Designated £	Restricted funds £	Total funds £	Total funds £
FIXED ASSETS						
Intangible assets	14	150,000	-	-	150,000	241,322
Tangible assets	15	246,758	631,886	-	878,643	813,274
Investments	16	<u>242,260</u>	<u>-</u>	<u>-</u>	<u>242,260</u>	<u>241,597</u>
		639,018	631,886	-	1,270,903	1,296,193
CURRENT ASSETS						
Debtors	17	883,912	-	-	883,912	1,177,765
Cash at bank and in hand		<u>616,770</u>	<u>-</u>	<u>76,579</u>	<u>693,349</u>	<u>532,044</u>
		1,500,682	-	76,579	1,577,261	1,709,810
CREDITORS						
Amounts falling due within one year	18	(1,244,508)	-	-	(1,244,508)	(1,574,098)
NET CURRENT ASSETS		<u>256,174</u>	<u>-</u>	<u>76,579</u>	<u>332,753</u>	<u>135,711</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		895,192	631,886	76,579	1,603,656	1,431,904
CREDITORS						
Amounts falling due after more than one year	19	(751,736)	-	-	(751,736)	(238,246)
Provisions for liabilities		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET ASSETS		<u>143,456</u>	<u>631,886</u>	<u>76,579</u>	<u>851,920</u>	<u>1,193,658</u>
FUNDS	20					
Unrestricted funds					143,456	307,840
Designated funds					631,886	812,886
Restricted funds					<u>76,579</u>	<u>72,932</u>
TOTAL FUNDS					<u>851,920</u>	<u>1,193,658</u>

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

The financial statements were approved by the Board of Trustees on 02/09/19 and were signed on its behalf by:



 Trustee
 DAVID DAVIES - CHAIR

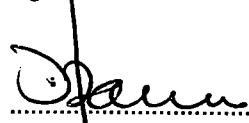
PLATFFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

CHARITY BALANCE SHEET AT 31 MARCH 2019

	Notes	Unrestricted funds £	Designated £	Restricted funds £	2019 Total funds £	2018 Total funds £
FIXED ASSETS						
Tangible assets	15	244,118	631,886	-	876,004	808,772
Investments	16	<u>242,260</u>	<u>-</u>	<u>-</u>	<u>242,260</u>	<u>241,597</u>
		486,378	631,886	-	1,118,264	1,050,369
CURRENT ASSETS						
Debtors	17	770,121	-	-	770,121	1,194,110
Cash at bank and in hand		<u>613,338</u>	<u>-</u>	<u>76,579</u>	<u>689,917</u>	<u>511,697</u>
		1,383,459	-	76,579	1,460,038	1,416,408
CREDITORS						
Amounts falling due within one year	18	(837,628)	-	-	(837,628)	(1,178,336)
NET CURRENT ASSETS		<u>545,831</u>	<u>-</u>	<u>76,579</u>	<u>622,411</u>	<u>527,471</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,032,209	631,886	76,579	1,740,675	1,577,840
CREDITORS						
Amounts falling due after more than one year	19	(492,444)	-	-	(492,444)	-
NET ASSETS		<u>539,765</u>	<u>631,886</u>	<u>76,579</u>	<u>1,248,230</u>	<u>1,577,840</u>
FUNDS	20					
Unrestricted funds					539,765	692,022
Designated funds					631,886	812,886
Restricted funds					<u>76,579</u>	<u>72,932</u>
TOTAL FUNDS					<u>1,248,230</u>	<u>1,577,840</u>

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

The financial statements were approved by the Board of Trustees on 02/09/19 and were signed on its behalf by:



 Trustee
 DAVID DAVIES - CHAIR

PLATFFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	2018 £
Cash flows from operating activities:			
Cash generated from operations	1	25,265	121,657
Interest paid		<u>(39,107)</u>	<u>(32,524)</u>
Net cash provided by (used in) operating activities		<u>(13,842)</u>	<u>89,133</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(149,984)	(43,170)
Purchase of fixed asset investments		(2,733)	(34,921)
Sale of fixed asset investments		6,210	29,922
Dividends, Interest and rents from investments		<u>2,040</u>	<u>6,386</u>
Net cash provided by (used in) investing activities		<u>(144,467)</u>	<u>(41,783)</u>
Cash flows from financing activities:			
Repayments of borrowings (net of interest paid)		(255,842)	(31,066)
Cash inflows from new borrowing		<u>536,000</u>	<u>50,000</u>
Net cash provided by (used in) financing activities		<u>280,158</u>	<u>18,934</u>
Change in cash and cash equivalents in the reporting period		<u>121,849</u>	<u>66,284</u>
Cash and cash equivalents at the beginning of the reporting period	2	<u>502,671</u>	<u>436,387</u>
Cash and cash equivalents at the end of the reporting period	2	<u>624,519</u>	<u>502,671</u>

PLATFFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2019

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

	2019 £	2018 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(323,486)	(281,906)
Adjustments for:		
Losses/(gain) on investments	(4,140)	2,121
Depreciation charges	69,815	75,037
Amortisation charges	91,322	27,999
Dividends, Interest and rents from investments	(2,040)	(6,386)
Losses/(gain) on sale of fixed assets	14,802	7,926
Interest charges	39,107	32,524
Decrease / (increase) in debtors	275,602	(116,293)
Increase / (decrease) in creditors	<u>(135,717)</u>	<u>380,635</u>
Net cash provided by (used in) operating activities	<u>25,265</u>	<u>121,657</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2019 £	2018 £
Cash in hand	693,349	532,044
Overdraft facilities	<u>(68,830)</u>	<u>(29,373)</u>
Total cash and cash equivalents	<u>624,519</u>	<u>502,671</u>

PLATFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES

Legal form

Platform for change (FORMERLY known as Gofal Cymru) is a private charitable company, limited by guarantee, incorporated in England and Wales. The registered office is 2nd Floor Derwen House, 2 Court Road, Bridgend, CF31 1BN.

Basis of preparing the financial statements

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

The accounts are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

No separate cash flow statement has been presented for the Charity itself as the Charity has taken advantage of the exemptions in paragraph 1.12 of FRS 102.

Basis of consolidation

The consolidated financial statements for the group incorporate the financial statements of the Charity and its subsidiary undertakings, all of which are prepared to 31 March 2019. The results of the subsidiary undertakings are consolidated on a line by line basis within the consolidated Statement of Financial Activities.

Going concern

At the time of approving the accounts, the trustees have reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

Income

All income is recognised in the Statement of Financial Activities once the charity is legally entitled to the funds after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably.

Cash donations are recognised upon receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of any amount. Income tax recoverable in relation to donations received under the Gift Aid scheme or deeds of covenant are recognised at the time of the donation.

Income from 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. Capital grants are released to the Statement of Financial Activities in the year of receipt. Fixed assets relating to capital grants are capitalised, and depreciation charged is offset against the grant income, in a restricted fund.

Rental, recharge and trading income is recognised in the period to which the service is provided. Any rents received in advance are deferred and recognised in future periods

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.

Turnover is the amount derived from ordinary activities and stated after trade discount and net of VAT.

PLATFFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2019

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.

Costs of raising funds comprise the costs in relation to generating income such as fundraising activities.

Expenditure on charitable activities includes all costs relating to the furtherance of the charity's objectives as stated in the trustee's report.

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. The basis for calculating the allocation of support costs was as a percentage of total staff time attributable to each activity. These costs have been allocated to expenditure on charitable activities

Governance costs include items such as external audit and legal costs relating to the governance of the charity, as well as costs associated with the charity's strategic management. These costs have been allocated to expenditure on charitable activities

Grants payable to individual service users are recognised at the time of the grant being provided.

Employee benefits

The cost of unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Intangible fixed assets

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Goodwill – 10% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible fixed assets

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

Freehold & Leasehold Property – 2% on cost

Project furniture & fittings – 20% on cost

Office equipment – 33% on cost

Plant & machinery – 20% on cost

PC equipment – 25% on cost

PLATFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES - continued

Taxation

As a registered charity, Platform for change (formerly known as Gofal Cymru) is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purpose only.

Of the subsidiaries, PS Properties and Interiors Ltd, Cardiff Cleaning Services Ltd and Gofal Enterprises Ltd, had no corporation tax charges for the period.

Investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/expenditure for the year. Transactions costs are expensed as incurred.

Investments in subsidiary undertakings are measured at cost less provision for impairment.

Cash & Cash equivalent

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term liquid investments with original maturities of 3 months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Operating Leases

The group classifies the lease of a photocopier and premises as operating leases. Rental charges are charged on a straight line basis over the term of the lease.

Pensions

The Charity operates a defined contribution scheme for the benefit of its employees. The assets of the scheme are held separately from those of the Charity. Contributions payable are charged to the profit and loss account in the year they are payable and are charged against both restricted and unrestricted funds.

Fund accounting

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

Designated funds comprise unrestricted funds which the trustees have deemed as allocated for a specific purpose.

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.

The amount of funds held in each of these funds categories can be found further on in the notes to the consolidated financial statements.

PLATFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES - continued

Critical accounting estimates and judgements

In application of the Charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical accounting estimates and judgements are listed below:

Useful economic lives of tangible assets

The annual depreciation charges for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See following notes for the useful economic lives for each class of assets.

Amounts recoverable on trade debtors

During the year and at the balance sheet date the trustees quantify the amounts recoverable on each trade debtor balance and provide for any amounts deemed as irrecoverable. The amount provided for may differ from actual amounts written off once the debts go bad.

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 balance sheet 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 at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

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.

PLATFFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES - continued

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares 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 and equity instruments are classified according to the substance of the contractual arrangements entered into, an equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

Derecognition of financial liabilities

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

Debtors

Trade and other debtors are recognised at the settlement amount 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 company 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 normally recognised at their settlement amount after allowing for any trade discounts due.

Legacies

Legacies are recognised on a case by case basis following the granting of probate and when the administrator/executor for the estate has communicated in writing the amount and of the legacy. In the event that the legacy is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value for the legacy being reliably measurable with a degree of reasonable accuracy and the title to the asset being transferred to the Charitable Company.

PLATFFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2019

2. DONATIONS AND LEGACIES

Group & Charity

	2019	2018
	£	£
Legacies	-	20,000
Donations	<u>74,968</u>	<u>55,474</u>
	<u>74,968</u>	<u>75,474</u>

3. OTHER TRADING ACTIVITIES

Group

	2019	2018
	£	£
Training courses	17,040	19,620
Breathe counselling	43,086	-
Commercial rent	30,671	16,489
Trading subsidiaries	<u>1,533,528</u>	<u>1,331,357</u>
	<u>1,624,325</u>	<u>1,367,466</u>

Charity

	2019	2018
	£	£
Training courses	17,040	19,620
Breathe counselling	43,086	-
Commercial rent	<u>30,671</u>	<u>16,489</u>
	<u>90,797</u>	<u>36,109</u>

4. INVESTMENT INCOME

Group & Charity

	2019	2018
	£	£
Common Investment Funds	5,418	5,581
Deposit account interest	<u>2,040</u>	<u>805</u>
	<u>7,458</u>	<u>6,386</u>

PLATFFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2019

5. INCOME FROM CHARITABLE ACTIVITIES Group & Charity

	Activity	2019 £	2018 £
Rent	Support for mental health and wellbeing	1,310,903	1,461,803
Health boards	Support for mental health and wellbeing	608,507	437,993
Sundries	Support for mental health and wellbeing	-	26,038
Welsh Government	Support for mental health and wellbeing	341,098	280,518
Jobcentre Plus	Support for mental health and wellbeing	-	12,273
Trusts	Support for mental health and wellbeing	-	5,520
Local authorities	Support for mental health and wellbeing	3,509,981	3,935,225
Big Lottery	Support for mental health and wellbeing	139,828	320,018
ESF Funding	Support for mental health and wellbeing	864,136	653,280
ILM	Support for mental health and wellbeing	89,575	-
ICF	Support for mental health and wellbeing	10,596	-
Individual Personal Contracts	Support for mental health and wellbeing	15,848	62,896
WCVA	Support for mental health and wellbeing	-	5,164
		<u>6,890,472</u>	<u>7,200,728</u>

6. RAISING FUNDS Group & Charity

	2019 £	2018 £
Portfolio management	1,777	2,149
Other	-	-
	<u>-</u>	<u>-</u>

PLATFFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

7. CHARITABLE ACTIVITIES COSTS

Charity

	Direct costs	Grant funding of activities (See note 8)	Support costs (below)	Totals
	£	£	£	£
Support for mental health and wellbeing	<u>6,245,827</u>	<u>41,865</u>	<u>772,164</u>	<u>7,059,856</u>

	Support costs	Supporting People Services	HSA & S180	Employ- ment services	TSS & FS	CYP	Dementia	Contracts	Other	2019	2018
	£	£	£	£	£	£	£	£	£	£	£
Salaries	511,073	1,362,896	321,272	359,499	1,559,943	31,882	111,961	182,755	122,926	4,564,207	4,899,962
Staffing costs	29,806	27,136	8,134	2,962	52,658	3,230	2,749	15,095	4,173	145,944	155,619
Travel	23,787	29,382	12,045	12,725	89,103	1,680	5,271	17,053	8,549	199,595	193,980
Volunteer costs	-	170	-	59,157	-	1,291	257	-	114	60,988	11,493
Housing association costs	-	814,245	-	-	-	-	-	-	-	814,245	845,861
Service user costs	493	41,574	109	17,287	760	36	5,351	-	1,629	67,239	9,001
Office costs	6,789	16,135	2,588	5,384	14,842	2,660	238	3,196	3,710	55,542	52,536
Telephone & IT	11,870	52,098	16,576	16,076	90,314	7,675	4,240	13,148	9,988	221,985	241,349
Professional expenses	128,191	9,204	4,526	3,433	15,677	561	1,859	2,261	44,772	210,485	79,687
Insurance	3,643	13,045	4,369	3,934	15,823	791	1,362	3,408	1,894	48,269	33,681
Marketing & advertising	1,627	3,177	1,039	709	2,573	34,962	5,675	1,080	10,759	61,601	135,440
Partner costs	1,200	-	-	199,273	-	20,100	-	-	-	220,573	227,207
Property cost	29,217	105,460	11,746	7,285	70,862	3,545	6,434	6,506	21,539	262,595	246,496
Repairs & renewals	946	21,699	90	726	1,023	-	-	-	955	25,439	39,594
Depreciation and FA costs	4,419	45,909	634	2,594	10,243	911	5,611	2,343	6,850	79,515	122,526
Finance costs	16,741	450	218	85	677	46	87	65	330	18,699	12,562
Other costs	2,360	151	45	-	398	94	234	135	(481)	2,937	1,792
Total	772,164	2,542,731	383,393	691,128	1,924,897	109,462	151,330	247,046	237,705	7,059,856	7,308,786

PLATFFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

7. CHARITABLE ACTIVITIES COSTS
Group

	Direct costs	Grant funding of activities (See note 8)	Support costs (below)	Totals
	£	£	£	£
Support for mental health and wellbeing	<u>6,245,827</u>	<u>41,865</u>	<u>942,982</u>	<u>7,230,674</u>

	Support costs	Supporting People Services	HSA & S180	Employ- ment services	TSS & FS	CYP	Dementia	Contracts	Other	2019	2018
	£	£	£	£	£	£	£	£	£	£	£
Salaries	590,569	1,362,896	321,272	359,499	1,559,943	31,882	111,961	182,755	122,926	4,643,703	4,959,953
Staffing costs	29,806	27,136	8,134	2,962	52,658	3,230	2,749	15,095	4,173	145,944	155,619
Travel	23,787	29,382	12,045	12,725	89,103	1,680	5,271	17,053	8,549	199,595	193,980
Volunteer costs	-	170	-	59,157	-	1,291	257	-	114	60,988	11,493
Housing association costs	-	814,245	-	-	-	-	-	-	-	814,245	845,861
Service user costs	493	41,574	109	17,287	760	36	5,351	-	1,629	67,239	9,001
Office costs	6,789	16,135	2,588	5,384	14,842	2,660	238	3,196	3,710	55,542	52,536
Telephone & IT	11,870	52,098	16,576	16,076	90,314	7,675	4,240	13,148	9,988	221,985	241,349
Professional expenses	128,191	9,204	4,526	3,433	15,677	561	1,859	2,261	44,772	210,485	79,687
Insurance	3,643	13,045	4,369	3,934	15,823	791	1,362	3,408	1,894	48,269	33,681
Marketing & advertising	1,627	3,177	1,039	709	2,573	34,962	5,675	1,080	10,759	61,601	135,440
Partner costs	1,200	-	-	199,273	-	20,100	-	-	-	220,573	227,207
Property cost	29,217	105,460	11,746	7,285	70,862	3,545	6,434	6,506	21,539	262,595	246,496
Repairs & renewals	946	21,699	90	726	1,023	-	-	-	955	25,439	39,594
Depreciation and FA costs	95,741	45,909	634	2,594	10,243	911	5,611	2,343	6,850	170,837	148,025
Finance costs	16,741	450	218	85	677	46	87	65	330	18,699	12,562
Other costs	2,360	151	45	-	398	94	234	135	(481)	2,937	1,792
Total	942,982	2,542,731	383,393	691,128	1,924,897	109,462	151,330	247,046	237,705	7,230,674	7,394,276
Trading company costs	-	-	-	-	-	-	-	-	-	1,721,891	1,533,415
Total	942,982	2,542,731	383,393	691,128	1,924,897	109,462	151,330	247,046	237,705	8,952,565	8,927,691

PLATFFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2019

8. GRANTS PAYABLE

Group & Charity

	2019	2018
	£	£
Service user grants paid to individuals	<u>41,865</u>	<u>42,412</u>

9. SUPPORT COSTS

	Support costs
	£
Group	<u>942,982</u>
Charity	<u>772,164</u>

10. NET INCOME/(EXPENDITURE)

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

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Auditors remuneration – audit	7,375	11,650	7,375	7,150
Auditors remuneration – other services	9,370	2,600	1,800	2,600
Depreciation - owned assets	69,815	75,037	67,952	71,449
Amortisation	91,322	27,999	-	2,500
Operating leases - equipment	46,274	39,793	25,569	20,593
Operating leases - property	<u>72,525</u>	<u>106,193</u>	<u>72,525</u>	<u>106,193</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

Group & Charity

Trustees' remuneration

There were no trustees' remuneration or other benefits for the year ended 31 March 2019 nor for the year ended 31 March 2018.

Trustees' expenses

During the year 2 Trustees (2018: 2) received reimbursement of travelling expenses of £159 (2018: £256), this excludes total travel expenses waived of £953 (2018: £859).

12. STAFF COSTS, COSTS OF KEY MANAGEMENT PERSONNEL & STAFF NUMBERS

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Wages & Salaries	4,634,417	4,938,192	3,831,569	3,995,080
Agency costs	723,401	671,284	243,961	380,500
Social security costs	324,076	313,030	293,391	306,150
Pension costs	<u>211,022</u>	<u>236,583</u>	<u>195,286</u>	<u>218,233</u>
	<u>5,892,916</u>	<u>6,159,088</u>	<u>4,564,207</u>	<u>4,899,962</u>

As the group take on new contracts, agency staff are employed until new employees are hired.

Included in the above wages costs are redundancy costs of £64,431 excluding PILON (2018: £64,133).

PLATFFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2019

12. STAFF COSTS, COSTS OF KEY MANAGEMENT PERSONNEL & STAFF NUMBERS - continued

GROUP & CHARITY

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

	2019	2018
£60,001 - £70,000	1	1
£70,001 - £80,000	<u>1</u>	<u>1</u>

The total amount of employers pension contributions paid in respect of the above employees for the year was as follows:

	2019 £	2018 £
Employers Contributions	<u>12,622</u>	<u>9,015</u>

Key management personnel - GROUP

The total amount of employee benefits received by the Group's key management personnel for services to the Group totalled £447,882 (2018: £444,549).

Key management personnel - CHARITY

The total amount of employee benefits received by the Charity's key management personnel for services to the Charity totalled £329,110 (2018: £325,876).

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

	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
Head office	15	24	15	23
Projects	<u>283</u>	<u>285</u>	<u>194</u>	<u>195</u>
	<u>298</u>	<u>309</u>	<u>209</u>	<u>218</u>

PLATFFFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2019

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES – GROUP

	Unrestricted funds £	Designated £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	13,447	-	62,028	75,474
Charitable activities				
Support for mental health and wellbeing	6,875,546	-	325,182	7,200,728
Other trading activities	1,367,466	-	-	1,367,466
Investment income	<u>6,386</u>	<u>-</u>	<u>-</u>	<u>6,386</u>
Total	8,262,845	-	387,210	8,650,055
EXPENDITURE ON				
Raising funds	2,149	-	-	2,149
Charitable activities				
Support for mental health and wellbeing	7,032,431	-	361,845	7,394,276
Trading company costs	<u>799,931</u>	<u>-</u>	<u>-</u>	<u>1,533,415</u>
Total	8,567,995	-	361,845	8,929,840
Net gains/(losses) on investments	(2,121)	-	-	(2,121)
Taxation	-	-	-	-
NET INCOME/(EXPENDITURE)	(307,271)	-	-	(281,906)
Transfers between funds	<u>(65,383)</u>	<u>65,383</u>	<u>-</u>	<u>-</u>
Net movement in funds	(372,654)	65,383	25,365	(281,906)
RECONCILIATION OF FUNDS				
Total funds brought forward	<u>680,494</u>	<u>747,503</u>	<u>47,567</u>	<u>1,475,564</u>
TOTAL FUNDS CARRIED FORWARD	<u>307,840</u>	<u>812,886</u>	<u>72,932</u>	<u>1,193,659</u>

PLATFFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2019

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - CHARITY

	Unrestricted funds £	Designated £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	13,447	-	62,028	75,474
Charitable activities				
Support for mental health and wellbeing	6,875,546	-	325,182	7,200,728
Other trading activities	36,109	-	-	36,109
Investment income	<u>6,386</u>	<u>-</u>	<u>-</u>	<u>6,386</u>
Total	6,931,488	-	387,210	7,318,698
EXPENDITURE ON				
Raising funds	2,149	-	-	2,149
Charitable activities				
Support for mental health and wellbeing	<u>6,946,941</u>	<u>-</u>	<u>361,845</u>	<u>7,308,786</u>
Total	6,949,090	-	361,845	7,310,935
Net gains/(losses) on investments	<u>(2,121)</u>	<u>-</u>	<u>-</u>	<u>(2,121)</u>
NET INCOME/(EXPENDITURE)	(19,723)	-	25,365	5,642
Transfers between funds	<u>(65,383)</u>	<u>65,383</u>	<u>-</u>	<u>-</u>
Net movement in funds	(85,106)	65,383	25,365	5,642
RECONCILIATION OF FUNDS				
Total funds brought forward	<u>777,127</u>	<u>747,503</u>	<u>47,567</u>	<u>1,572,198</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>692,021</u></u>	<u><u>812,886</u></u>	<u><u>72,932</u></u>	<u><u>1,577,840</u></u>

PLATFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2019

14. INTANGIBLE FIXED ASSETS

Group	Goodwill £
COST	
At 1 April 2018	581,135
Impairment	<u>-</u>
At 31 March 2019	<u>581,135</u>
AMORTISATION	
At 1 April 2018	339,813
Charge for year	<u>91,322</u>
At 31 March 2019	<u>431,135</u>
NET BOOK VALUE	
At 31 March 2019	<u>150,000</u>
At 31 March 2018	<u>241,322</u>

15. TANGIBLE FIXED ASSETS GROUP

	Freehold property £	Long leasehold £	Office equipment £	Project fixtures and fittings £	Totals £
COST					
At 1 April 2018	299,913	490,000	199,420	243,528	1,232,861
Additions	18,000	-	79,413	52,571	149,984
Adjustments	-	10,000	111,410	(39,333)	82,077
Disposals	<u>-</u>	<u>-</u>	<u>(57,163)</u>	<u>(104,574)</u>	<u>(161,737)</u>
At 31 March 2019	<u>317,913</u>	<u>500,000</u>	<u>333,080</u>	<u>152,192</u>	<u>1,303,185</u>
DEPRECIATION					
At 1 April 2018	47,985	29,796	169,251	172,553	419,585
Charge for year	7,295	9,796	33,964	18,760	69,815
Adjustments	-	-	91,208	(36,372)	54,836
Eliminated on disposal	<u>-</u>	<u>-</u>	<u>(42,930)</u>	<u>(76,764)</u>	<u>(119,694)</u>
At 31 March 2019	<u>55,280</u>	<u>39,592</u>	<u>251,493</u>	<u>78,177</u>	<u>424,542</u>
NET BOOK VALUE					
At 31 March 2019	<u>262,633</u>	<u>460,408</u>	<u>81,587</u>	<u>74,015</u>	<u>878,643</u>
At 31 March 2018	<u>251,928</u>	<u>460,204</u>	<u>30,169</u>	<u>70,974</u>	<u>813,276</u>

PLATFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2019

15. TANGIBLE FIXED ASSETS – Continued CHARITY

	Freehold property £	Long leasehold £	Office equipment £	Project fixtures and fittings £	Totals £
COST					
At 1 April 2018	299,913	490,000	182,475	230,445	1,202,833
Additions	18,000	-	79,413	52,571	149,984
Adjustments	-	10,000	111,410	(39,333)	82,077
Disposals	-	-	(52,615)	(91,491)	(144,106)
At 31 March 2019	<u>317,913</u>	<u>500,000</u>	<u>320,683</u>	<u>152,192</u>	<u>1,290,788</u>
DEPRECIATION					
At 1 April 2018	47,985	29,796	156,808	159,471	394,060
Charge for year	7,295	9,796	32,101	18,760	67,952
Adjustments	-	-	91,208	(36,372)	54,836
Eliminated on disposal	-	-	(38,383)	(63,682)	(102,065)
At 31 March 2019	<u>55,281</u>	<u>39,592</u>	<u>241,734</u>	<u>78,177</u>	<u>414,784</u>
NET BOOK VALUE					
At 31 March 2019	<u>262,632</u>	<u>460,408</u>	<u>78,949</u>	<u>74,015</u>	<u>876,004</u>
At 31 March 2018	<u>251,928</u>	<u>460,204</u>	<u>25,667</u>	<u>70,974</u>	<u>808,773</u>

16. FIXED ASSET INVESTMENTS GROUP & CHARITY

	Listed investments £
MARKET VALUE	
At 1 April 2018	241,597
Additions	2,733
Disposals	(6,210)
Revaluations	<u>4,140</u>
At 31 March 2019	<u>242,260</u>
NET BOOK VALUE	
At 31 March 2019	<u>242,260</u>
At 31 March 2018	<u>241,597</u>

There were no investment assets outside the UK.

The above related to investments listed on a recognised stock exchange which are managed by Brewin Dolphin.

PLATFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2019

17. DEBTORS:

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	600,046	927,036	420,570	687,617
Prepayments & accrued income	266,551	222,084	266,551	222,084
Other debtors	17,315	28,646	7,123	7,123
	<u>883,912</u>	<u>1,177,765</u>	<u>694,243</u>	<u>916,823</u>
Amounts falling due in more than one year:				
Amounts owed by group undertakings	-	-	75,878	277,287
	<u>883,912</u>	<u>1,177,765</u>	<u>770,121</u>	<u>1,194,110</u>

The loans due to intergroup companies currently have no fixed repayment date and no interest has been accrued during the year (2019 and 2018 no interest accrued).

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Bank loans and overdrafts	118,881	303,567	28,032	273,869
Trade creditors	365,210	302,012	210,353	172,992
Amounts owed to group undertakings	-	-	45,702	6,416
Taxation and social security	175,471	111,753	77,249	80,536
Accrued expenses, grants in advance & deferred income	449,555	611,652	449,555	611,652
Other creditors	<u>135,392</u>	<u>245,114</u>	<u>26,738</u>	<u>32,871</u>
	<u>1,244,508</u>	<u>1,574,098</u>	<u>837,628</u>	<u>1,178,336</u>

Contained in grant repayments and deferred income above is grant income received in advance of the period to which it relates, details of the movement in the year are listed below:

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Brought forward balance	396,858	158,662	396,858	158,662
Grant income received	6,890,472	7,619,996	6,890,472	7,619,996
Grant income released	<u>(6,982,161)</u>	<u>(7,381,800)</u>	<u>(6,982,161)</u>	<u>(7,381,800)</u>
	<u>305,169</u>	<u>396,858</u>	<u>305,169</u>	<u>396,858</u>

PLATFFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2019

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

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Bank loans	492,444	-	492,444	-
Other loans	<u>259,292</u>	<u>238,246</u>	<u>-</u>	<u>-</u>
	<u>751,736</u>	<u>238,246</u>	<u>492,444</u>	<u>-</u>

The company's bankers - Barclays has a first legal charge over the leasehold property Beaufort House, Beaufort Road and freehold property Pen y Lan Road, Cardiff, both dated 12/10/2018.

Also included within other loans above is £259,292 secured on the group companies assets. Funding was provided by Finance Wales and Social Invest Cymru, the loans will be repaid over a five year period.

PLATFFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2019

20. MOVEMENT IN FUNDS - GROUP

	At 1.4.18 £	Net movement in funds £	Transfers between funds £	At 31.3.19 £
Unrestricted funds				
General fund	307,840	(345,384)	181,000	143,456
Freehold property & fixed asset reserve	284,120	-	-	284,120
Furniture and maintenance fund	103,766	-	(50,000)	53,766
IT development fund	50,000	-	-	50,000
Transformation reserve	-	-	74,000	74,000
Business development fund	140,000	-	(100,000)	40,000
Workforce restructure, training and development reserve	115,000	-	(55,000)	60,000
Office relocation reserve	75,000	-	(50,000)	25,000
Marketing reserve	45,000	-	-	45,000
	<u>1,120,726</u>	<u>(345,384)</u>	<u>-</u>	<u>775,342</u>
Restricted funds				
Big Lottery	-	-	-	-
Henry Smith Foundation	5,782	-	-	5,782
WCVA	14,655	-	-	14,655
ICF	-	-	-	-
Other small funds	<u>52,495</u>	<u>3,647</u>	<u>-</u>	<u>56,142</u>
	<u>72,932</u>	<u>3,647</u>	<u>-</u>	<u>76,579</u>
TOTAL FUNDS	<u>1,193,658</u>	<u>(341,737)</u>	<u>-</u>	<u>851,921</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	8,326,600	(8,676,124)	4,140	(345,384)
Restricted funds				
Big Lottery	139,828	(139,828)	-	-
Henry Smith Foundation	-	-	-	-
WCVA	89,575	(89,575)	-	-
ICF	10,596	(10,596)	-	-
Other small funds	<u>41,865</u>	<u>(38,218)</u>	<u>-</u>	<u>3,647</u>
	<u>281,865</u>	<u>(278,217)</u>	<u>-</u>	<u>3,647</u>
TOTAL FUNDS	<u>8,608,465</u>	<u>(8,954,341)</u>	<u>4,140</u>	<u>(341,737)</u>

A description of the funds held and the transfers between funds can be found within the Trustees Report.

PLATFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2019

20. MOVEMENT IN FUNDS - CHARITY

	At 1.4.18 £	Net movement in funds £	Transfers between funds £	At 31.3.19 £
Unrestricted funds				
General fund	692,021	(333,256)	181,000	539,765
Freehold property & fixed asset reserve	284,120	-	-	284,120
Furniture and maintenance fund	103,766	-	(50,000)	53,766
IT development fund	50,000	-	-	50,000
Transformation reserve	-	-	74,000	74,000
Business development fund	140,000	-	(100,000)	40,000
Workforce restructure, training and development reserve	115,000	-	(55,000)	60,000
Office relocation reserve	75,000	-	(50,000)	25,000
Marketing reserve	45,000	-	-	45,000
	<u>1,504,907</u>	<u>(333,256)</u>	<u>-</u>	<u>1,171,651</u>
Restricted funds				
Big Lottery	-	-	-	-
Henry Smith Foundation	5,782	-	-	5,782
WCVA	14,655	-	-	14,655
ICF	-	-	-	-
Other small funds	<u>52,495</u>	<u>3,647</u>	<u>-</u>	<u>56,142</u>
	<u>72,932</u>	<u>3,647</u>	<u>-</u>	<u>76,579</u>
TOTAL FUNDS	<u><u>1,577,839</u></u>	<u><u>(329,609)</u></u>	<u><u>-</u></u>	<u><u>1,248,230</u></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	6,793,072	*(7,130,468)	4,140	(333,256)
Restricted funds				
Big Lottery	139,828	(139,828)	-	-
Henry Smith Foundation	-	-	-	-
WCVA	89,575	(89,575)	-	-
ICF	10,596	(10,596)	-	-
Other small funds	<u>41,865</u>	<u>(38,218)</u>	<u>-</u>	<u>3,647</u>
	<u>281,865</u>	<u>(278,217)</u>	<u>-</u>	<u>3,647</u>
TOTAL FUNDS	<u><u>7,074,937</u></u>	<u><u>(7,408,686)</u></u>	<u><u>4,140</u></u>	<u><u>(329,609)</u></u>

* includes £347,053 of extraordinary items as detailed further on Note 27

A description of the funds held and the transfers between funds can be found within the Trustees Report.

PLATFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2019

20. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds – Group

	At 1.4.17 £	Net movement in funds £	Transfers between funds £	At 31.3.18 £
Unrestricted funds				
General fund	680,494	(307,271)	(65,383)	307,840
Freehold property & fixed asset reserve	-	-	284,120	284,120
Property Reserve	257,925	-	(257,925)	-
Furniture and maintenance fund	203,766	-	(100,000)	103,766
IT development fund	10,000	-	40,000	50,000
Capital spend	175,812	-	(175,812)	-
Business development fund	100,000	-	40,000	140,000
Workforce restructure, training and development reserve	-	-	115,000	115,000
Office relocation reserve	-	-	75,000	75,000
Marketing reserve	-	-	45,000	45,000
	<u>1,427,997</u>	<u>(307,271)</u>	-	<u>1,120,726</u>
Restricted funds				
Big Lottery	-	-	-	-
Henry Smith Foundation	5,782	-	-	5,782
WCVA	9,491	5,164	-	14,655
Other small funds	<u>32,294</u>	<u>20,201</u>	-	<u>52,495</u>
	<u>47,567</u>	<u>25,365</u>	-	<u>72,932</u>
TOTAL FUNDS	<u><u>1,475,564</u></u>	<u><u>(281,906)</u></u>	-	<u><u>1,193,658</u></u>

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	8,262,845	(8,567,995)	(2,121)	(307,271)
Restricted funds				
Big Lottery	320,018	(320,018)	-	-
Henry Smith Foundation	-	-	-	-
WCVA	5,164	-	-	5,164
Other small funds	<u>62,028</u>	<u>(41,827)</u>	-	<u>20,201</u>
	<u>387,210</u>	<u>(361,845)</u>	-	<u>25,365</u>
TOTAL FUNDS	<u><u>8,650,055</u></u>	<u><u>(8,929,840)</u></u>	<u><u>(2,121)</u></u>	<u><u>(281,906)</u></u>

PLATFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2019

20. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds – Charity

	At 1.4.17 £	Net movement in funds £	Transfers between funds £	At 31.3.18 £
Unrestricted funds				
General fund	777,127	(19,723)	(65,383)	692,021
Freehold property & fixed asset reserve	-	-	284,120	284,120
Property Reserve	257,925	-	(257,925)	-
Furniture and maintenance fund	203,766	-	(100,000)	103,766
IT development fund	10,000	-	40,000	50,000
Capital spend	175,812	-	(175,812)	-
Business development fund	100,000	-	40,000	140,000
Workforce restructure, training and development reserve	-	-	115,000	115,000
Office relocation reserve	-	-	75,000	75,000
Marketing reserve	-	-	45,000	45,000
	<u>1,524,630</u>	<u>(19,723)</u>	<u>-</u>	<u>1,504,907</u>
Restricted funds				
Big Lottery	-	-	-	-
Henry Smith Foundation	5,782	-	-	5,782
WCVA	9,491	5,164	-	14,655
Other small funds	<u>32,294</u>	<u>20,201</u>	<u>-</u>	<u>52,495</u>
	<u>47,567</u>	<u>25,365</u>	<u>-</u>	<u>72,932</u>
TOTAL FUNDS	<u><u>1,572,197</u></u>	<u><u>5,642</u></u>	<u><u>-</u></u>	<u><u>1,577,839</u></u>

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	6,931,488	(6,949,090)	(2,121)	(19,723)
Restricted funds				
Big Lottery	320,018	(320,018)	-	-
Henry Smith Foundation	-	-	-	-
WCVA	5,164	-	-	5,164
Other small funds	<u>62,028</u>	<u>(41,827)</u>	<u>-</u>	<u>20,201</u>
	<u>387,210</u>	<u>(361,845)</u>	<u>-</u>	<u>25,365</u>
TOTAL FUNDS	<u><u>7,318,698</u></u>	<u><u>(7,310,935)</u></u>	<u><u>(2,121)</u></u>	<u><u>5,642</u></u>

PLATFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2019

21. OPERATING LEASES

	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
<i>Land & Buildings:</i>				
Under 1 year	41,500	56,868	41,500	56,868
Between 2-5 years	26,975	58,625	26,975	58,625
More than 5 years	216,000	216,000	216,000	216,000
<i>Other:</i>				
Under 1 year	13,883	28,520	13,883	9,320
Between 2-5 years	15,736	50,159	15,736	11,671
More than 5 years	-	-	-	-
	<u>314,094</u>	<u>406,566</u>	<u>314,094</u>	<u>352,484</u>

22. PENSIONS

Group

The cost of contributions made in the year by the group to the scheme amounted to £211,022 (2018: £236,583). At the year end, there were outstanding contributions of £23,439 (2018: £29,041).

Charity

The cost of contributions made in the year by the group to the scheme amounted to £195,286 (2018: £218,233). At the year end, there were outstanding contributions of £23,439 (2018: £29,041).

23. ULTIMATE CONTROLLING PARTY

The Group and Charity are ultimately controlled by the Trustees of the Charity as listed in the Trustees report.

24. CHARITY RELATED PARTY TRANSACTIONS

	Gofal Enterprises Ltd £	Cardiff Cleaning £	PS Properties & Interiors Ltd £
Purchases	-	37,671	61,876
Recharges to subsidiaries for staff time	38,007	-	79,160
Amounts owed to Platform for Change	148,979	-	-
Amounts owed by Platform for Change	<u>-</u>	<u>3,702</u>	<u>-</u>

The loans due to intergroup companies currently have no fixed repayment date and no interest has been accrued during the year (2019 and 2018 no interest accrued).

Loans provided to PS Properties & Interiors Ltd totalling £175,053 were written off during the year due to PS Properties & Interiors Ltd entering voluntary liquidation post year end. A further amount of £172,000 was provided on loans provided to Gofal Enterprises Ltd.

During the year the Charity rented properties from Coastal Housing for provision of care services and PS Properties & Interiors Ltd provided refurbishment services to several Coastal Housing properties. During the year PS Properties & Interiors Ltd also provided refurbishment services to Kin & Ilk Pontcanna Ltd properties. All transactions took place at arm's length.

PLATFFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2019

25. SUBSIDIARIES

Gofal Enterpries Ltd

The Charity controls Gofal Enterpries Ltd, its wholly owned subsidiary. The company is registered in England and Wales, company number 07240073. All surpluses made are gifted to the Charity. The financial statements have been consolidated on a line by line basis in the Statement of Financial Activities. A summary of the results are shown below:

	2019 £	2018 £
Turnover	23,352	561
Sales to Group companies	33,000	50,018
Admin & other expenses	(53,022)	(88,594)
Impairment of investment	(100,000)	(152,669)
Intercompany purchases & recharges	<u>(40,322)</u>	<u>(70,899)</u>
Net (loss) / profit	<u>(136,993)</u>	<u>(261,583)</u>

The aggregate of the assets, liabilities and funds below:

Current assets	150,000	250,978
Creditors due within 1 year	(75,281)	(308,190)
Creditors due after 1 year	<u>(507,170)</u>	<u>(238,246)</u>

Reserves

	<u>(432,451)</u>	<u>(295,458)</u>
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PS Properties & Interiors Ltd

The Charity controls PS Properties & Interiors Ltd, its wholly owned subsidiary. The company is registered in England and Wales, company number 10114253. All surpluses made are gifted to the Charity. The financial statements have been consolidated on a line by line basis in the Statement of Financial Activities. This company entered voluntary liquidation on 13th June 2019, therefore the accounts have been prepared on a break-up basis. A summary of the results are shown below:

	2019 £	2018 £
Turnover	471,096	327,745
Sales to Group companies	61,876	-
Admin & other expenses	(633,418)	(318,217)
Intercompany purchases & recharges	<u>(112,160)</u>	<u>(41,761)</u>
Net (loss) / profit	<u>(212,606)</u>	<u>(32,233)</u>

The aggregate of the assets, liabilities and funds below:

Current assets	57,837	115,144
Creditors due within 1 year	(322,469)	(167,170)
Creditors due after 1 year	<u>-</u>	<u>-</u>

Reserves

	<u>(264,632)</u>	<u>(52,026)</u>
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PLATFORM FOR CHANGE (FORMERLY KNOWN AS GOFAL CYMRU)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2019

25. SUBSIDIARIES

Cardiff Cleaning Services Ltd

The Charity controls Cardiff Cleaning Services Ltd, its wholly owned subsidiary. The company is registered in England and Wales, company number 06136290. All surpluses made are gifted to the Charity. The financial statements have been consolidated on a line by line basis in the Statement of Financial Activities. A summary of the results are shown below:

	2019 £	2018 £
Turnover	1,039,080	1,003,051
Sales to Group companies	37,671	32,463
Admin & other expenses	(1,095,011)	(1,129,575)
Intercompany purchases & recharges	-	(28,223)
Taxation	-	1,382
Net (loss) / profit	<u>(18,260)</u>	<u>(120,902)</u>
The aggregate of the assets, liabilities and funds below:		
Fixed assets	2,639	4,502
Current assets	181,085	199,641
Creditors due within 1 year	(230,004)	(232,163)
Deferred tax liability	-	-
Reserves	<u>(46,280)</u>	<u>(28,020)</u>

26. Post balance sheet events

Subsequent to 31st March 2019, one of the trading subsidiary companies of Platform for Change, PS Properties & Interiors Ltd, was placed into voluntary liquidation. As a result, the balances owed to the Charity by PS Properties & Interiors Ltd have been reduced to £nil as at 31/03/2019 and deemed irrecoverable, see note 27 below for details of the provision.

27. Extraordinary Items - Charity

During the year, the charity undertook an impairment review of the amounts owed to the Charity by group companies as at 31/03/2019. As a result, an amount of £175,053 was provided against the balance owed by PS Properties & Interiors Ltd and an amount of £172,000 was provided against the balance owed by Gofal Enterprises Ltd. At 31/03/2019 the balances owed to the Charity by the subsidiary companies were as follows:

	2019 £
PS Properties & Interiors Ltd	-
Cardiff Cleaning Services Ltd	-
Gofal Enterprises Ltd	<u>75,878</u>
	<u>75,878</u>