



Bro Myrddin

Housing Association

**Annual Report and
Financial Statements
2021/22**

Content

Chair's Message	3
Chief Executive Introduction	4
We Are Bro Myrddin	5
Corporate Priorities	13
Sustainability Statement	32
Governance	48
Auditors Reports	60
Financial Statements	64

Registered Office:

Plas Myrddin, Merlin Street,
Carmarthen,
SA31 1RU

Registration

The Association is registered;

I. as a charitable association under the Co-operative and Community
Benefit Societies Act 2014 with Registration Number 23055R; and
II. with the Welsh Government with Registration Number L069.

01 Message from the Chair

2021/2022 saw Bro Myrddin enter it's 42nd year in business and another year marked by the continuing pandemic. We ended the year, however, with hope and optimism as life returned to a semblance of normality with restrictions removed and society growing in confidence at going about daily lives.

Having been involved in this vital and incredibly rewarding sector for over 30 years, and with Bro Myrddin since 2014, I am saddened to enter my 4th and final year as Chair of the Board. I am incredibly proud of what we do and what we have achieved, whether that be the invaluable services we provide our people or the gold standard organisation of which we are all privileged to be a part.



To see how our people **continue to pull together to support each other and our communities is always inspiring** and on behalf of all on the Board of Management, I would like to thank each and every one of our staff for the resilience and commitment demonstrated throughout this and previous years.

Due to the evolving needs of our residents and communities, our care services and staff were transferred to a partner care provider in November 2021, as we were no longer able to act as both landlord and care provider. Care Homes faced some of the most challenging of times during recent years. So, **I would also like to give a big thank you to our care homes heroes who made sacrifices in their own lives to protect and support our most vulnerable residents, getting them safely through the tough times.**

Unfortunately, challenges remain ahead of us but our purpose and cause has never been more relevant and at the forefront of society's thoughts. **We stand ready and determined to play our part in the recovery of our people, our communities, our great nation and our planet.**

Lesley Penn
Chair, Board of Management

02 Chief Executive's Introduction

It gives me pleasure to present to you our Annual Report for 2021/22 demonstrating another successful year for the Association, in spite of the continuing and ever changing challenges from the global pandemic.

2021/2022 saw us move seamlessly from relative freedoms to more lockdowns and back again and I am incredibly proud of the way our staff embraced and adapted to these changes with energy, commitment and passion.



Despite the challenging operating environment this past year, we are yet again blessed with an array of stories and performance measures that are testament to the hard work and commitment of everyone involved with Bro Myrddin. I welcome you to read just a small selection of these here, within our 2021/2022 Annual Report.

As we gradually emerge out of the full grasp of the pandemic, **we are ever more motivated in our determination to deliver for our people. Caring, Listening and Delivering** for them as a provider of;

- social, affordable, safe and efficient homes and services for our residents, and
- safe, secure and rewarding place to work for our staff.

We are **incredibly proud of the not for profit, community based and focused Housing Association** that we are, **and our Neighbourhood Coaching approach to housing management**, which was established autumn 2021, will take that ethos even further.

We are as committed as ever to deliver our vision of **being there for our people** and we fully understand the role we have in making a stronger, fairer and more equal Wales. For our people, our planet. For now, and for our future.

We know now is the **time for action to save our planet** and this is an exciting time as we begin our carbon zero journey. As we enter 2022/2023, **we embark on our inaugural decarbonisation projects, having secured £0.4m funding through the Optimised Retrofit programme, accessing the ECO Government Scheme for full electric central heating upgrades and a number of insulation initiatives.**

I invite you to read our 2022 Corporate Business Plan to learn more about our pledges over the coming 5 years, as we play our role in the recovery and enhancement of our people, our communities, our great nation and our planet.

Hilary Jones
Chief Executive

03 We are Bro Myrddin

We are driven by a desire to continue to be regarded as an Association that Care, Listen and Deliver in providing;

- Social and affordable homes, supported living and housing related services to our Residents, and
- Safe, secure and a rewarding environment to work for our Staff.

As a not for profit business, registered with charitable rules, our financial surpluses are reinvested in our homes, services and people.



Our Vision is to be there for our people (our Residents and Staff).



Our Mission is to enrich our people's lives by providing good quality and sustainable homes and services in our communities through an organisation that people are proud to be associated with.



Our Properties provide warm and secure homes to up to around 3,500 people throughout the South West Wales counties of Carmarthenshire and Pembrokeshire.

Our Housing Stock Profile Consists of



425 Flats

of 1, 2 and 3 bedrooms



474 Houses

of up to 10 bedrooms



97 Bungalows

of up to 10 bedrooms



2 Supported Living Schemes

providing 8 independent bed spaces

Our housing services profile is



928

General needs



68

Sheltered accommodation



8

Supported housing units



2

Shared ownership



22

Homebuy investments

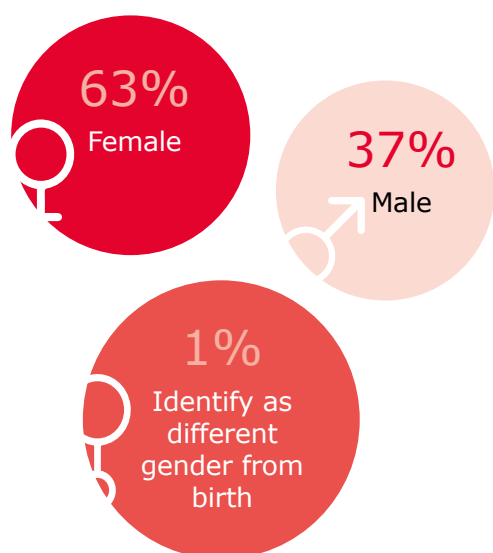
Our Resident Groups help shape our services. We have a number of engagement and involvement channels for our residents, these include Resident Forum, Resident Scrutiny Group, Resident Readers Panels as well as seeking engagement and views through online surveys, text surveys, welfare calls, social media platforms, online live chat function and our resident newsletter SGWRS.

Our **Resident Forum** plays an integral role in shaping current and future services, policies and strategies. New ideas and/or call for ideas are discussed by the Forum who broadly meet every quarter either on site or online, depending on each individual's preference. 6 meetings were held during 2021/22 (0 in 2020/21 and 3 in 2019/20).

Our **Resident Scrutiny Panel** provide an invaluable additional level of internal probity. They monitor performance and identify areas that need further attention, providing recommendations for improvements where necessary. 4 meetings were held during 2021/22 (0 in 2020/21 and 9 in 2019/20). During the year the panel reviewed the 2021 Corporate Business Plan and have substantially completed a review in to the Association's Communications.

Our **Resident Readers Panels** are individual residents that prefer to be involved on a 121 basis. They play a vital role reviewing strategies, policies and procedures that help shape our current and future services. During the year readers panels reviewed our Starting Well Policy and The Resident Involvement Strategy.

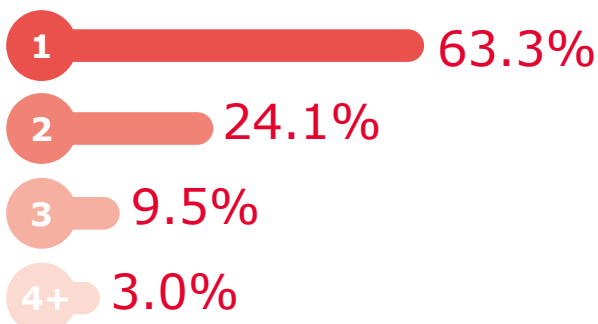
Gender



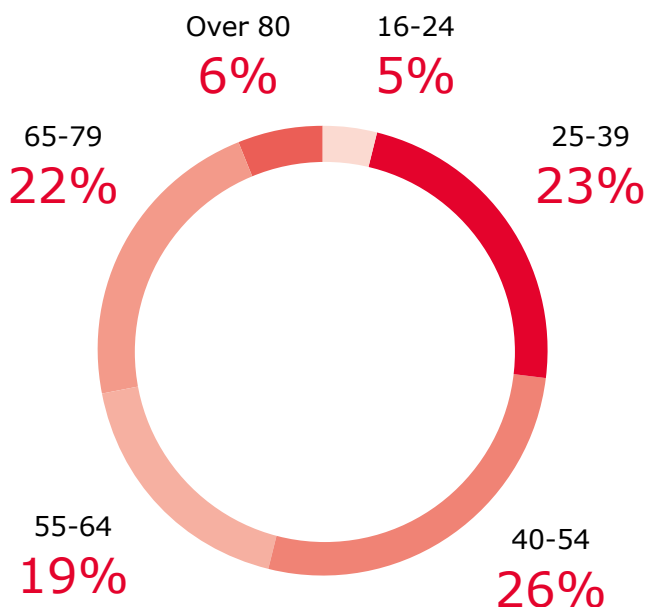
43.3% Residents

Registered Impairment

No. of impairments
Registered by Resident



Age Profile



Impairments

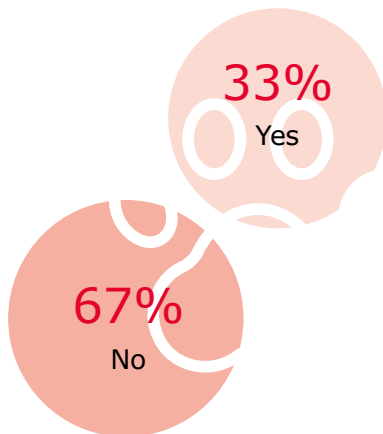
1.2%	Deaf BSL User
7.4%	Dyslexia / Specific
30.4%	Mental & Emotional distress
15.7%	Other health condition
9.3%	Hard of hearing
6.5%	Learning difficulties
23.9%	Physical impairment
5.6%	Sight loss/ Partial Sight

Household Size

48%	1 person
21%	2 people
14%	3 people
9%	4 people
4%	5 people
2%	6 people
2%	7+ people



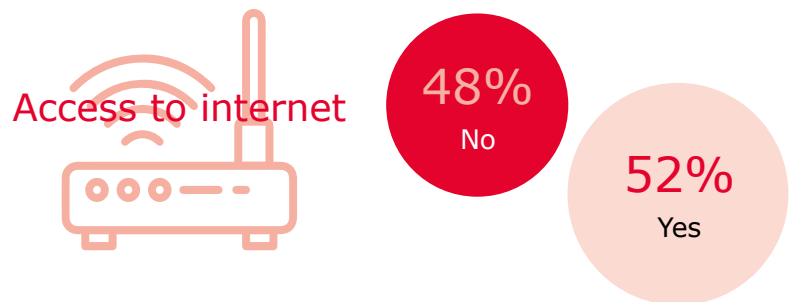
Pets



Sexual Orientation

1%	Bisexual	2%	Other
83%	Heterosexual	9%	Prefer not to say
2%	Homosexual	5%	No answer

Access to internet



Ethnicity

0.3%	African
0.3%	Asian
92.3%	British
0.3%	Caribbean
0.9%	Gypsy/Traveller
0.4%	Irish
0.1%	Prefer not to say
5.3%	Other

Religion

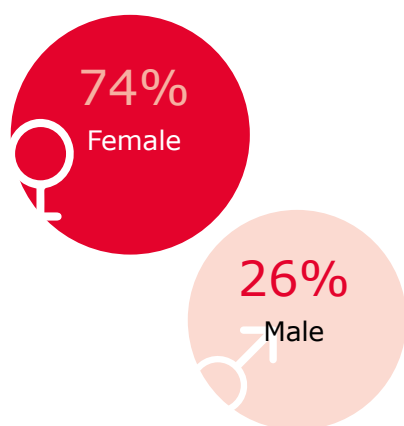
Buddhism	0.7%
Christianity	41.4%
Hinduism	0.2%
Islamism	0.1%
No religion	43.7%
Other	2.0%
Prefer not to say	8.0%
Sikhism	0.1%
No answer	3.8%

Ein Staff

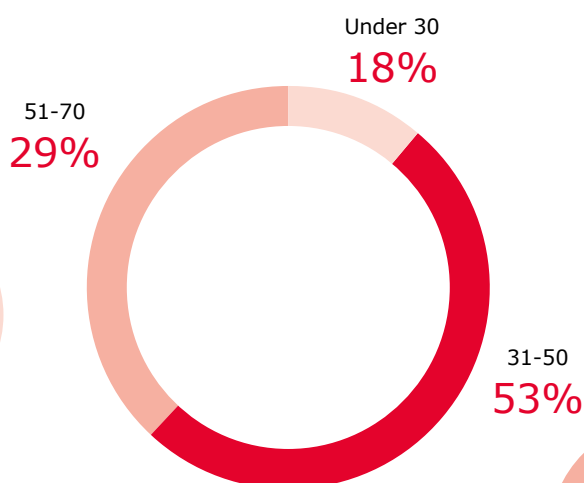
Our committed and caring staff continued to work tirelessly during what was a continuing challenging time globally, listening, caring and delivering for our People.

They are representative of our communities, 79% of the 34 (as at 31/03/2021) individuals who work at the Association live within our communities.

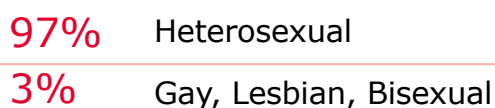
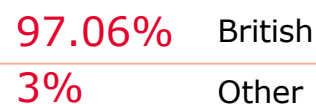
Gender



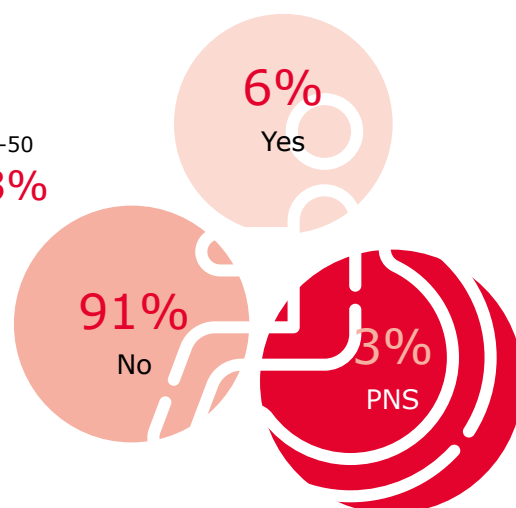
Age Group



Ethnicity



Sexual Orientation



Disability

As well as their unequivocal commitment for the Association, many of our staff found the time to raise funds for various charities. During the year, our staff raised a sum of £3,000 for charities close to them and the Association;

£1,400	Cancer Research Society
£900	Mind Cymru
£700	Alzheimers Society



Our Executive Management



Director of Corporate Resources

Rhodri Jones

Chief Executive

Hilary Jones

Director of Operations

Tracy Rees

Our Advisors

External Auditors

BevanBuckland LLP
Chartered accountants, tax and financial planners

Bevan Buckland LLP
Cardigan House,
Castle Court,
Swansea Enterprise Park
Swansea, SA7 9LA

Internal Auditors

tiaa

TIAA Ltd
Artillery House,
Fort Fareham,
Newgate Lane,
Fareham, PO14 1AH

Principal Bankers

BARCLAYS

Barclays Bank PLC,
Corporate Banking Centre,
1st Floor,
1 Callaghan Square,
Cardiff, CF10 5BT

Principal Solicitors and Legal Advisors

Devonshires
solicitors

Devonshires Solicitors LLP
30 Finsbury Circus,
London, EC2M 7DT

H | J

Hugh James LLP
Two Central Square,
Cardiff, CF10 1FS

DARWIN
GRAY

Darwin Gray LLP,
10 Churchill Way,
Cardiff, CF10 2HE

worknest

Worknest Law,
Woodhouse,
Church Lane, Aldford
Chester, CH3 6JD

Our Role in The Well-being of Future Generations

In Wales we are doing things differently.

We have a law, called the Well-being of Future Generations Act, that helps certain Public Bodies work together to improve our environment, our economy, our society and our culture.

Bro Myrddin is not a public body and is not covered by the act, however we are passionate about the role we play in supporting public bodies within our communities to meet their objectives. Put simply, we love playing our part to create a Wales that we all want to live in, now and in the future.

The Act aims to ensure that future generations have at least the same quality of life as we do now, seeking better decision-making by ensuring 'sustainable development principles' are adopted:



Collaboration

Acting in collaboration with any other person (or different parts of the body itself) that could help the body to meet its well-being objectives.



Integration

Considering how the public body's well-being objectives may impact upon each of the well-being goals, on their other objectives, or on the objectives of other public bodies.



Involvement

The importance of involving people with an interest in achieving the well-being goals, and ensuring that those people reflect the diversity of the area which the body serves.



Long-term

The importance of balancing short-term needs with the need to safeguard the long-term needs.



Prevention

How acting to prevent problems occurring or getting worse may help public bodies meet their objectives.

The Act contains seven well-being goals which show the kind of Wales we want to see. Together they provide a shared vision to work towards. For people, for our planet. For now, and for our future

1. A prosperous Wales

We directly employ over 30 individuals and support a great deal more from the average £10m we spend each year investing in our current homes and services, building new homes and supporting our people and the business.

As a not for profit organisation we are continually mindful of the need to safeguard value for money in all that we do, we use our resources efficiently and proportionately, looking to invest primarily within our communities and where not possible, contained within Wales, again where at all possible.

2. A resilient Wales

Having recently established our neighbourhood coaching approach to housing management, **we promote greater resilience for our people and communities by empowering individuals to achieve success for themselves,** albeit with support where necessary.

Embarking on our inaugural decarbonisation projects, we're incredibly excited to formally start our climate change journey in 2022/23, maximising our people's homes' energy efficiency, driving down costs.

3. A healthier Wales

Poor housing is unequivocally linked with a wide range of health conditions. **The World Health Organisation's Housing and health guidelines provide evidence-based major health risks associated with poor housing conditions, all of which we exist to, as well as being passionate about, removing such barriers;**

- Inadequate living space,
- Low and high indoor temperatures,
- Injury hazards in the home, and
- Accessibility of housing for people with functional impairment.

4. A more equal Wales

An energy efficient, social and affordable quality home is the right of all individuals and provides the foundations for people to be able to fulfil their potential, no matter their background or circumstances.

By our very nature we are an inclusive organisation, working in partnership with our Local Authorities there are no barriers to our homes and services. **Equality and inclusivity is one of our golden-threads and is evident throughout our work and our practices, our people reflect our communities.**

5. A Wales of more cohesive communities

We are incredibly proud of the not for profit, community based and focused Housing Association that we are and we are passionate about creating homes and communities that are attractive, safe and people are proud to be associated with.

We regard ourselves as placemakers and work tirelessly alongside partner agencies to create a sense of community for now and the future. We have established a Community Fund for our people and communities to access much needed resources to deliver projects and initiatives that lead to lasting legacies for our people and communities.

6. A Wales of vibrant culture and thriving Welsh language

Our culture has a pivotal link to our success and our over 40 years of success is evidence of the thriving adult centric, common purpose culture we're proud to boast. Our people are at the heart of all decisions and we work hard to make each and every one part of them to shape our vision as well as our current and future services.

41% of staff and 44% of Board members are fluent Welsh speakers. The Association's business languages is English but a vast majority of the non-fluent Welsh speakers understand and encourage Welsh, making it ever present throughout our offices, sites and discussions.

7. A globally responsible Wales

As we go about our business improving on social, environmental, economic and cultural well-being of our people, communities and nation, we do so with complete regard for our global impact and wellbeing.

Our supply chains are ethical, fair and as sustainable as possible, sourcing goods and supplies from only well-regarded reputable sources, for example our gardening maintenance contractor uses battery powered equipment.

We make decisions on services based on long-term benefits to all involved, as evidenced by the shift of Care Homes to Independent Living.

We ensure we structure our business and make financial decisions in a way that maximises long-term Value for Money.

The following section(s) on our corporate priorities details some of the activity and outcomes that supports and evidences our contribution towards creating a Wales that we all want to live in, now and in the future.



04 Corporate Priorities

Our Corporate Business Plan is developed in consultation with our People: Our Residents and Staff.

Our Vision is to be there for our people and we are driven by a desire to continue to be regarded as an Association that; Care, Listen and Deliver.

Our 2021/22 Plan built on this, and centred on our optimism and readiness to play our part to aid the recovery of our people, communities and our nation as we looked to emerge out of the pandemic.

The pandemic challenged people's wellbeing, financial and mental health. The supply of energy efficient, social and affordable homes had, and continues to be never more so vital.

These, combined with our long-term aspirations saw our plan focused on the following three key strategic priorities.

- Business Growth
- People Focused
- Corporate Responsibility

We deliver, and monitor, our priorities through the following 5 Delivery Streams;

- Improving our legacy homes
- Maintain Homes, Communities and Tenancies
- Deliver more social and affordable homes
- Focus on our People and Communities
- Ensure a well-run business

Our Annual report acts as our primary form of publishing our self-evaluation and includes a detailed blend of statistics, figures and insight that demonstrates achievement of our corporate priorities. This is supported by our corporate business plan that details our current and future priorities.

Our finances we feel speak for themselves.



Improving our legacy homes

Having the right living environment is important. Both the affordability and quality of one's home impacts both physical and mental wellbeing, we care passionately about this.

WHQS

The Association has a rolling 5 yearly cycle of surveys that assesses the condition of properties, based on Welsh Housing Quality Standards (WHQS). **During the year the Association reached a rate of 93%** (2020/21: 89%; 2019/20: 82%) **surveyed**, this remains lower than planned however the pandemic severely impacted the ability to undertake these surveys given the need to enter people's homes.

The Association has been fully WHQS compliant since 2012 however the standard allows for "acceptable fails" based on strict criteria around cost, timing, resident choice or physical constraints.

As at 31 March 2022,

- 377 (2020/21: 393; 2019/20: 400) homes had a total of
- 480 2020/21: 517; 2019/20: 546) acceptable fails.

The split of acceptable fails at 31/03/2022 stood at;

- 10% Resident choice
- 21% Physical constraint
- 69% Timing of remedy

Component upgrades

During the year the Association completed 133 upgrades;



Year	Kitchens	Bathrooms	Heating	Windows	Doors	Total
2021/22	44	21	32	15	21	133
2020/21	30	19	17	2	5	73
2019/20	28	8	116	36	8	196

SAP/EPCs matters (affordability)

A properties efficiency rating make both a more affordable and comfortable home for our people. As at 31 March 2022 **the average Energy Performance Certificate (EPC) rating for the Association's housing properties stood at 71.31** (31/03/2021; 70.71) **this is against a national average of 61** (reported October 2019). This was achieved through a combination of property upgrade works and development of new highly efficient homes.

Asset Management

Planning our work to both minimise disruption for our people and to provide our people with a clear picture of expectations is important to us. The pandemic has hindered our ability here however **we continued to work hard on ratio of responsive works to planned works. For the year averaged 43% responsive to 57% planned works** (2020/21: 39/60; 2019/20 35/65). This remains broadly in line with sector best practice of 40/60. This demonstrates efficient allocating of work and promotes value for money in our operating environment.

Maintain Homes, Communities and Tenancies

One of our number one priorities each day is the Health & Safety responsibilities we hold as landlords as this provides the foundations that we work from.

Landlord health & safety & compliance

Maintaining property servicing compliance is a paramount factor in this and **we continue to set ourselves a target of 100% compliance within all 8 areas; Gas, Oil, Electric, Coal, Legionella, Asbestos, Fire Risk and sprinklers.** Despite the continuing challenges from the pandemic a 100% rate was maintained




all year except with electric and gas which dipped at 99.5% and 97.9% at points during the year. These variations from target are due to challenges in entering homes as the pandemic continued during the year and are fully remedied at the very earliest opportunity.

Repairs




During the year we invested £1.9m (2020/21: £1.8m; 2019/20: £1.6m) in maintaining our homes, completing 3,999 repairs (2020/21: 3,948; 2019/20: 3,948).

Repairs is a substantial part of our business and their efficient and effective remedy is of vital importance to our people.

As we emerged out of the harder lockdowns seen in the earlier stages of the pandemic, we were fully aware that the level of routine repairs would likely increase due to peoples increased comfort in allowing access to homes and arguably a backlog of works not requested. This resulted in a 29% increase in routine repairs despite emergency repairs continuing at previous elevated levels.

	2021/22	2020/21	2019/20
 Emergency	1,192	1,113	758
 Urgent	1,493	1,813	1,800
 Routine	1,314	1,022	1,390
	3,999	3,948	3,948
Units in Management	996	973	935
Ave Repair per Unit	4.0	4.1	4.2

The percentage of repairs completed to target time stood at;

	2021/22	Target
 Emergency	96.1%	0.9 days
 Urgent	94.9%	4.0 days
 Routine	98.5%	14.0 days




Average Cost

£ 2,222
2021/22

£ 1,869
2019/20

£ 1,958
2020/21

Average Days taken for repair

	2021/22	2020/21	2019/20
 Emergency	0.7	1.6	0.8
 Urgent	4.0	6.7	4.4
 Routine	15.4	22.9	11.5

All orders reported over the prescribed priority timescale were due to legitimate reasons i.e. no access, further visits required or parts on order.

During the year, a total of 91 (2020/21: 82; 2019/20: 137) **properties became vacant.**

Balancing pre-tenancy property investment costs (empty property costs) with resident satisfaction and sustaining tenancies is a particular area of concentration.

The average empty property cost continues to creep up driven by increases in associated costs, increase in re-let standard and the condition some properties were returned in.

Resident satisfaction rates on the quality of homes at letting stage reflects this at 100% for the year (2020/21: 95%; 2019/20: 94%).

As lockdown measures eased and availability of materials started to return to pre-pandemic levels, average re-let times began to return more akin to normal levels.



Average empty property re-let days

	2021/22	2020/21	2019/20
Standard Re-let	6.9	13.2	1.4
Replace Component	19.0	31.1	18.3
Major Repairs	n/a	63.8	38.3

Sustainable tenancies

Sustaining successful tenancies is of paramount importance to us and we measure this by assessing the level of tenancies over 12 months.

Tenancies over 12 months

	2021/22	2020/21	2019/20
Current >1Year	88%	86%	85%
Leavers >1Year	90%	83%	84%



As last year, we did not find it necessary to evict anyone during the year.

The number of tenancies under-occupying their homes and in receipt of Housing Benefit or Universal Credit (those affected by the bedroom tax) reduced to 58 (2020/21: 60) as at 31 March 2022.

The Association has long supported many of its residents to access Physical Adaptations Grants (PAG) to enable them to remain within their much loved homes. **During the year a total of £204k** (2020/21: £159; 2019/20: £159k) **worth of PAGs was secured and works duly delivered on behalf of residents.** These works include level access showers, kitchen adaptations, stair lifts, accessible gardens and entrances and so on.

Maximising income

As with all Association's, arrears management is a large part of the job. As uncertainties on availability of work and increasing costs continued, people faced increasing pressures on their finances. This year continued that of last year's requiring further attention on arrears management.

The Association's arrears position as at year-end stood at;

	2021/22	2020/21	2019/20
Current (HB/UC/Tenant)	2.9%	2.7%	2.6%
Current (Tenant only)	2.6%	2.3%	2.2%
Former Tenants	1.5%	1.5%	1.8%



Despite many pilots before full roll-out, Universal Credit (UC) was a significant unknown for the sector. The level of roll-out has been far gradual than initially expected and the average arrear of a UC tenancy is relatively static, albeit the Association has a far higher proportion of UC

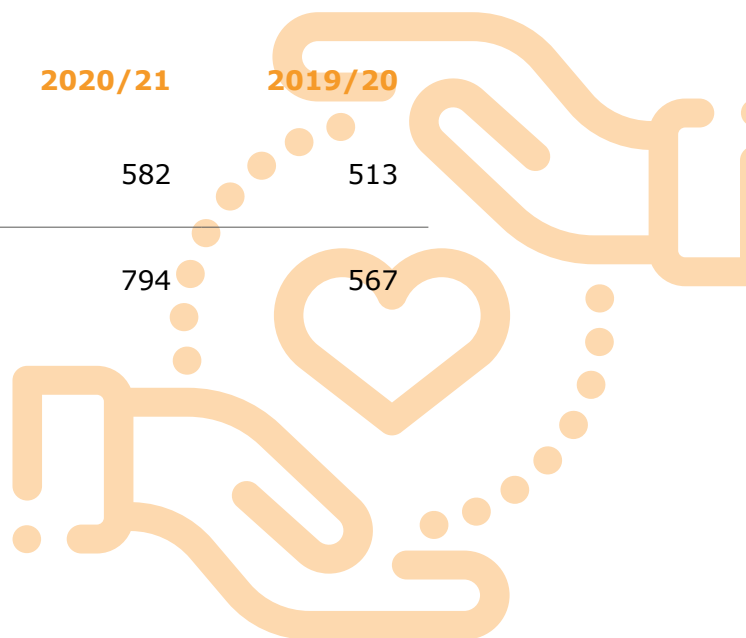
tenancies with Alternative Payment Arrangements (APA) in place, which means the Association receives payments direct eliminating the risk of failure to pay. As with all Association's, arrears management is a large part of the job.

	2021/22	2020/21	2019/20
Ave no. of UC Tenancies	308	247	133
Ave arrear: UC tenant	£423	£469	£430
% of UC with APA	48%	35%	31%

One of our most highly valued service over many years has been, our financial inclusion service, which is there to support residents to maximise their income and manage their finances. During the year the Housing department transitioned to a Neighbourhood Coaching approach to housing management, in doing so this dramatically increased the level of support available to our people as coaches work more proactively to provide financial support rather than to simply refer to the financial inclusion service. The change has brought real success with Coaches supporting residents access over £10k in additional support payments. Only the more complex cases are now referred.



	2021/22	2020/21	2019/20
 Referrals Made	298	582	513
 Engagements	217	794	567








Deliver more social and affordable homes

The national shortage of good quality social and affordable homes continues and we are passionate about playing our part in increasing the supply. We do this by working in partnership with local contractors to build new homes and by acquiring individual properties within our communities and bringing them up to standards.

Stock count

During the year we completed on 21 (2020/21: 37; 2019/20: 52) **new homes from 1** (2020/21: 1; 2019/20: 3) **development sites, a total investment of £3.6m** (2020/21: £5.1m; 2019/20: £8.9m) within our communities.

We acquired no (2020/21: 2; 2019/20: 3) **individual properties this year but were incredibly fortunate to have been gifted a property** from a very generous benefactor, bringing our housing stock numbers as follows;

Units in Management	2021/22	2020/21	2019/20
 General Needs	928	906	864
 Sheltered Housing	68	68	68
	996	974	932
 Supported Living Beds	8	8	8
 Shared Ownerships	2	2	2
 Homebuy Properties	22	22	22
	1,028	1,006	964



Development activity

We have more to come...a 15 unit site in the village of Whitland is set to complete autumn 2022 and works commenced March 2022 at our Llandybie site which will deliver a further 24 new homes. **These saw further investment of £2.9m during the year and will result in a total of £7.5m investment in our communities.**

This will equate to an overall increase in social and affordable homes of 16% in the 5 year period from 2019/20.

This level of investment is only possible due to the continued support of our key strategic partners, Carmarthenshire County Council and Welsh Government who provided £2.1m (2020/21: £2.9m; 2019/20: £5.1m) in capital housing grants on those completed during the year and a further £4.3m on those developments currently on-site.

Over many years, our communities have seen an increasingly ageing population. In our support of the authorities strategy we have provided more affordable family homes.

	1 Bed flat	2 bed house/Bungalow	3 bed house	4 bed house	5 bed house	Total	% increase in stock
Completed 2019/20	8	37	2	8	0	55	6%
Completed 2020/21	27	11	1	0	0	39	4%
Completed 2021/22	0	10	8	1	0	19	2%
On site: due 2022/23		9	4		2	15	2%
On site: due 2023/24	4	14	4	2		24	2%
	39	81	19	11	2	152	16%
	26%	53%	13%	7%	1%		



Provide good quality, affordable homes

Our homes are accessible to all through Carmarthenshire's Canfod Cartref/Home Finder site which replaced the former housing register in 2019/20. The site allows current and prospective residents to register and bid for properties. During the year we had 91 (2020/21: 82; 2019/20: 137) homes become vacant and along with the 22 new properties, we received 4,547 (2020/21: 5,789; 2019/20: 4,706) bids, an average of 40.2 bids per property.

During the year we continued to engaged with residents on many aspects, non-more so that their view on rent affordability. Our independent resident (STAR) survey concluded

July 2021 and told us **80% of our residents were satisfied our rent offers value for money.** 81% are satisfied with the quality of their home and 84% are satisfied with the overall service provided.

Our rent and service charge affordability model confirms our rent and service charges for the year averaged 26% (2020/21: 28%; 2019/20: 27%) of a households income. The model assumes a household working 30 hours per week paid at minimum wage within a 3 bed home or below, and works 37 hours per at minimum wage if living within a home with 4 beds or more. 2022/23 charges are set at an average rate of 24.1% of a household's income.

	2021/22	2020/21	2019/20
 Flats	£89.99	£88.75	£86.35
 Bungalows	£103.82	£102.31	£98.15
 Houses	£103.18	£101.83	£98.09







Focus on our People and Communities

Resident engagement

Engaging and listening with our residents is a priority of ours. We operate a number of communication channels and **this year we have seen a continuation in the popularity of social media accounting for 49%** (2020/21 51%; 2019/20 45%) of contacts and a gradual return to in person contact at 3% (2020/21: 1%; 2019/20: 6%).

In total, the Association held 42,049 (2020/21: 52,045; 2019/20: 29,521) contacts with residents.

Number of contacts from Residents through:

	2021/22	2020/21	2019/20
 Telephones	15,323	20,464	9,936
 Social Media	20,524	26,338	13,258
 In Person	1,342	330	2,699
 Website (incl App)	118	85	88
 SMS, surveys, email	4,420	4,692	3,540
 Live chat	322	136	n/a
	42,049	52,045	29,521

100% of complaints were successfully resolved with only 5 moving to stage 2 before being resolved.



The number of residents engaged through various participation channels such as resident meetings and estate walkabouts was 217 (2020/21: 202; 2019/20: 314), percentage terms this is in excess of 21% of our stock.

Our 'we listened' programme ensures that where residents make suggestions or requests they are noted and delivered.

During the year a total of 12 (2020/21: 10; 2019/20: 16) direct actions were taken. These include introducing Estate Safety Coordinator role

to provide greater insight on communal areas, supporting residents to access more suitable property, upgraded extractor fans, changed business language e.g. empty property instead of void.

Unfortunately despite our very best efforts we continue to receive complaints and 2021/22 has seen numbers increase for the first time since 2018/19.

	2021/22	2020/21	2019/20
Complaints Received	39	15	19
% resolved at stage 1	87%	85%	84%

100% of complaints were successfully resolved with only 5 (2020/21: 3 ; 2019/20: 3) moving to stage 2 before being resolved.

We were pleased to see the number of compliments received this year 91

(2020/21: 102; 2019/20: 101) which continues to be almost double that in 2018/19. 26 compliments related to Contractors' quality of work and general manner with the remaining 65 related to the Association's staff and services.

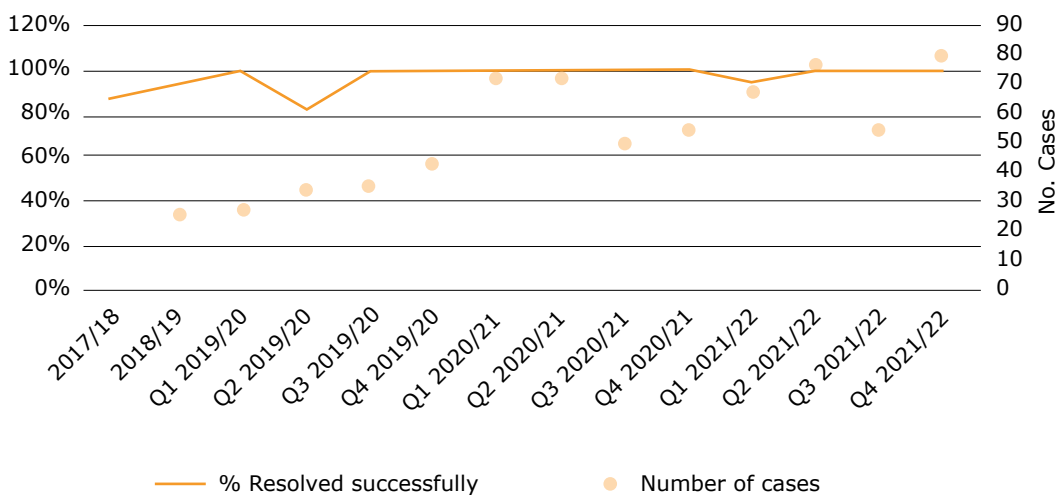
Neighbourhood coaching service

During the pandemic there has been a dramatic increase in reported Anti-Social Behaviour, largely a result of people being at home more and the unfortunate increase in unsolicited recreational activity within our communities.

As at 31/03/2022 there were 80 live cases, with an annual average case level of 69.5.

	2021/22	2020/21	2019/20
Cases (at 31 March)	80	54	43
Average Case Numbers	69.5	62.0	35.0

The graph shows the gradual increase in ASB cases however **we're proud to continue to report very high rates of successful resolutions, 100%** as at 31 March 2022.



"You are a very shiny Gold!"

– IIP assessor Jill Davies



Investing in our people

As a caring business we work hard to support and reward our staff through investment. We are incredibly proud of our We invest in people gold accreditation through Investors in People.

We learnt that 93% of our people feel Bro Myrddin is a great place to work.

During the year a Staff Investment Plan was established that aims to improve on our Gold rating on next assessment in 2024. A goal we feel capable of reaching having been described by IIP assessor Jill Davies as "You are a very shiny Gold!".

2021/22 largely continued that of the previous year, being one of the most challenging times in modern day and **our staff have continued to care, listen and deliver for our people.** They have done so, and as we begin to return to some form of 'normality' continued, juggling both professional and personal adversity.

During the year each staff member received an average of 7.4 days (2020/21: 7.3; 2019/20:8.4) of training, this amounts to a monetary investment of £27k (2020/21: £16k; 2019/20: £37k).

The Association widely encourage and supports continual development. A number of colleagues continue with the various studies such as Housing and Finance qualifications.

The Association provided 13 vocational work experience days during the year to future generations and **2 of our residents were directly employed on apprenticeships with our contractors.**

Maintaining strong and effective working relationships between our workforce is viewed as paramount importance for our continued success and all office based staff received their full quota of 121 supervisions and annual appraisals during the year, with only former Care Homes colleagues not receiving full complement due to the ongoing restrictions in contacts.



Maximising attendance

Our people's physical and mental health remains an absolute key priority for us. **During the year we maintained our Small Workplace Health Award Silver status with assessor Bryn Jones commenting "I have no hesitation in confirming their current silver Status".**

Unfortunately there are occasions where colleagues are not well enough to work. During the year a total of 448.5 days (2020/21: 604; 2019/20 299) were lost through staff sickness, an absence rate of 1.5% (2020/21: 6.3%; 2019/20: 3.4%).

Community benefits

In 2019/20 we established our Community Fund, this fund will see residents and community group's access resources to support them in delivering projects that supports a lasting legacy within our communities. It was hoped the fund would boast it's first outcome during the year

however with the continuation of restrictions, the Fund's launch was delayed until November 2021 and plans are advanced on delivering our inaugural outcome during 2022/23.

The fund stood at £26k as at 31 March 2022.

Our people's physical and mental health remains an absolute key priority for us.

Agile App

With the now established Neighbourhood Coaching approach to housing management and the long-standing property management team resulting in far greater community integration, a substantial project which has been on-going along-side operational changes has been the technology factors.

The Agile App and associated technologies and processes facilitates more efficient working practices for a more agile workforce, allowing operational colleagues to do much more whilst working out in our communities.

During the year 6,827 'forms' or workflows were processed out in the field through the App, a dramatic increase from the 2,032 in 2020/21. With the further easing of pandemic measures, and the full establishment of Neighbourhood Coaching, we expect this figure to increase exponentially.



Ensure a well-run business

Our purpose is clear and we achieve what we set out to do – knowing who does what and why. Our corporate vision and chosen culture is driven by the top. The Board of Management hold ultimate responsibility for the governance, leadership and stewardship of the Association. Board do this through a strict Code of Governance that establish and maintain clear roles, responsibilities and accountabilities for Members and Officers.

During the year, Board held 8 (2020/21: 7; 2019/20: 6) business meetings and a Business Planning Away Day was held in February 2022 as is each year. The Boards sub committees;

the Performance, Audit and Risk Committee and the Personnel and Remuneration Committee met four/twice respectively as they did in 2020/21 and 2019/20.

Board and Committee Member attendance rates;

	Average	Min	Max
Board of Management	67%	33%	100%
Performance, Audit and Risk Committee	96%	75%	100%
Personnel and Remuneration Committee	100%	100%	100%
Combined 2021/22	78%	50%	100%
Combined 2020/21	87%	67%	100%



Having in place a robust risk management framework is a key component of any well-run business

Risk Management

Having in place a robust risk management framework is a key component of any well-run business.

Our overriding risk appetite is regularly reviewed and formally agreed at least annually, and remains "Cautious" as it has for several years. Our strategic risk register reports and monitors our highest Strategic, Operational, Compliance, Financial and Reputational risks. **As at 31 March 2022 a total**

of 30 (2020/21: 37; 2019/20: 34) strategic level risks were identified, with the drop in number due in large to the transfer of Care services out of the business. This is also reflected in our Board Assurance Framework's Risk Assurance Register which included 8 (2020/21: 15; 2019/20: 13) risks which were deemed high enough to be escalated for further assurance requirements. Page 55-57 provides further insight in these, our principal risks.

Financial Position

We are a not for profit business, registered with charitable rules, our financial surpluses (profits) are kept within the business.

We make surpluses (profit) as we are restricted in the amount of money we can reinvest in our homes and services in any one year. We are required to maintain a minimum level of surpluses.

We maintain surpluses (profit) to ensure we operate responsibly and are able to deal with any future economic downturn, to comply with our lenders requirements and to ensure we can attract future borrowing.

As at 31 March 2022, our loan book stood at £22.6m (2020/21: £22.9m; 2019/20: £20.1m). We held cash in the bank of £6.1m (2020/21: £4.9m; 2019/20: £3.2m).

Our weighted average cost of borrowing at 31 March 2022 stood at 3.45% (2020/21: 2.80%; 2019/20: 3.54%) with 91% (2020/21: 51%; 2019/20: 68%) of loans held on fixed rates.



Internal control environment

In addition to a risk assurance register our Board Assurance Framework includes an internal control register. This identifies 12 key activities we undertake as a business and details the strategies in place to ensure their delivery as well as details of the three tiers of assurance on each.

Our independent internal auditors play a pivotal role in supporting us make a judgement around internal controls and assurance. In addition to the traditional assurance assessment reviews, our internal auditors undertake quarterly high level compliance checks targeted at our landlord health and safety compliance and our risk assurance management.

During the year our independent internal auditors, TIAA, completed 13 (2020/21: 15; 2019/20: 11) **various Compliance or Assurance reviews making 7** (2020/21: 12; 2019/20: 3) **recommendations.** Of the 13 reviews, 7 provided independent assurance assessments, which assess the extent to which the internal controls in the system are adequate to ensure that activities and procedures are operating to achieve our objectives. Their finding were;

Assurance Assessments	Numbers of Reviews	Previous Year
Substantial Assurance	5	6
Reasonable Assurance	1	1
Limited Assurance	1	0
No Assurance	0	0

Concluding with; **"TIAA is satisfied that, for the areas reviewed during the year, Bro Myrddin Housing Association has reasonable and effective risk management, control and governance processes in place"**.

A key component of any successful business is compliance with statutory requirements. We're pleased that there continues to have been no data protection breaches or missed statutory submissions, choosing to continue to comply with regulatory submission timetable despite temporary suspension during the pandemic.

We were pleased to receive our Interim Regulatory Judgement in September 2021 confirming our May 2019 judgement;

- Governance (including tenant services) – Standard
- Financial Viability – Standard



Data Validation

In addition to automated checks, manual checks and report monitoring, internal auditors undertake quarterly Core Controls assurance reviews focussing on gas, electrical periodicals, void electrical tests and LOLER related adaptation installations. No concerns were duly raised/found during the year.

Value for Money (VFM)

Our primary concern on VFM is our people's perceptions and our latest VFM strategy was approved January 2021 and expanded on our approach to managing and monitoring;

- **Perceptions** – how our people and stakeholders view us/our services
- **Financial data** – more traditional cost per unit economic indicators
- **Corporate Priorities** – delivering corporate plan ensures our people receive what we set out to achieve
- **Social Impact** – this is what we're about... being there for our people.

Our 2021 resident wide survey concluded that 84% (2018:87%; 2012: 89%) of residents are satisfied with the overall service provided.

Our repairs surveys satisfaction scores stood at 93.7% (2020/21: 93.2%; 2019/20: 92.5%).

Our new home satisfaction survey concluded 94.4% of new tenancies would recommend Bro Myrddin and 95% stated the move had impacted their wellbeing.

05 Sustainability Statement

The Sustainability Reporting Standard (SRS) for the Social housing sector (launched November 2020) is a voluntary framework for housing providers. Its purpose is to create a consistent, comparable and transparent approach to assessing the Environmental, Social and Governance (ESG) performance of housing associations.

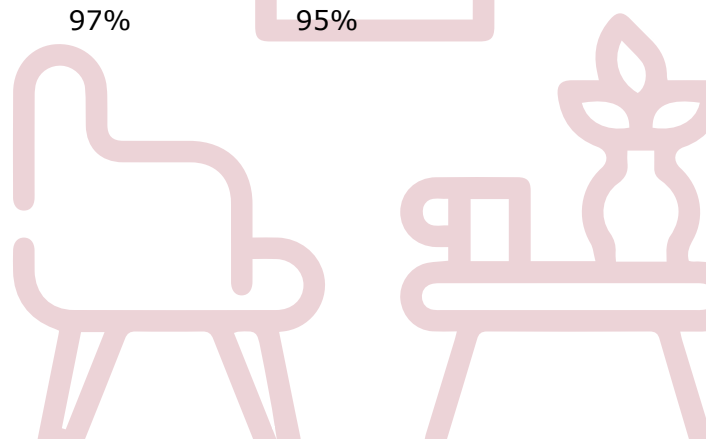
The SRS sets out 12 themes and 48 criteria across the 3 ESG reporting areas, a blend of qualitative and quantitative requirements to demonstrate, with 30 criteria areas regarded as core and 18 as enhanced.

As we look to embed a greater level of ESG reporting in our annual reporting cycles the following provides an insight in to our performance on the core aspects and serve as supplementary to that within the wider Annual Report.






Affordability and Security

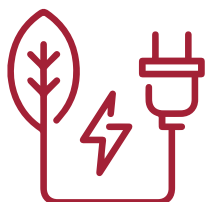
Our rent charges in comparison to private sector, Local Authority and the Local Housing Allowance is as tabled below;

	Private Rented Sector	Local Authority Rents	Local Housing Allowance
1 bed 2 person flat	75%	102%	103%
2 bed 4 person house	75%	96%	97%
3 bed 5 person house	68%	97%	95%



During the year 22 new properties were brought in to management 100% of which related to General Needs. The percentage split as at 1 April 2021 and then at 31 March 2022 is as follows.

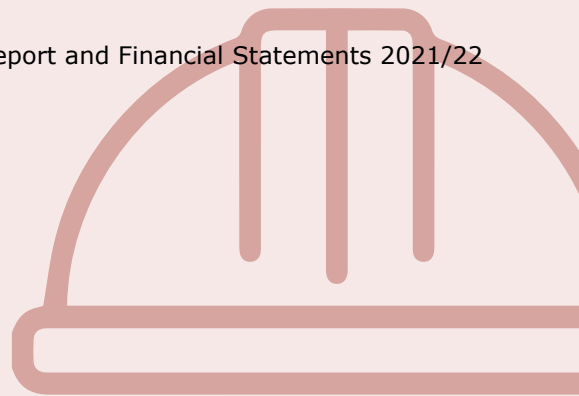
	01/04/2021		New Units	31/03/2022	
 General Needs Units	906	90%	22	928	90%
 Sheltered Housing Units	68	7%		68	7%
 Supported Living bed spaces	8	1%		8	1%
 Shared Ownership properties	2	0%		2	0%
 Homebuy properties	22	2%		22	2%
	1,006		22	1,028	



Fuel poverty is ever present throughout society and we are passionate about playing our part in minimising its impact on our people. Over recent years we have concentrated our efforts, and major repairs budgets, on upgrading heating systems. No more is this evident than during 2019/20 where **over 12% (116 homes) of our stock received a heating upgrade**. The pandemic has stalled matters, a blend of access concerns and availability of stock and materials.

2022/23 however sees our inaugural decarbonisation project(s). Having secured Optimised Retrofit Grant of £405k that we will match fund and in discussion with direct funders/supplier of energy efficient components, **we hope to deliver a substantial number of energy efficiency upgrades and installations that will drive down heating costs for residents and begin our journey towards carbon zero.**

Our landlord health & safety responsibilities is our number one priority

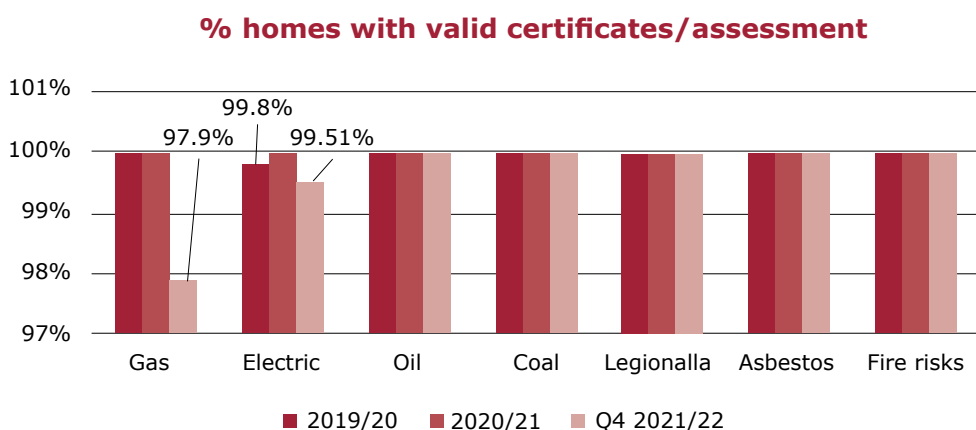


Building Safety and Quality

Our landlord health & safety responsibilities is our number one priority and we have invested heavily in resourcing, including associated technology, for many years. Strict processes and procedures are embedded throughout including direct data links and workflows with contractors systems,

we monitor through a live compliance dashboard accessible through our various portals.

The graph below provides a snapshot of compliance position by each component area as at 31 March each year with those not reporting 100% duly labelled;



All outstanding certificates were due to challenges in access with all duly addressed, with the exception of one who is likely to require legal injunction for access.

As noted, **100% of Fire Risk Assessments were completed and there are no outstanding category 1 or 2 actions.**

In total we have 7 actions outstanding, 3 of which are priority **category 3** which are deemed **"Low risk"** with the **remaining 4 deemed "Tolerable risks"**. Of the 3 category 3 actions, 1 continues due to access issues, 1 is at the mercy of third party scheduling works and the last has an agreed management plan in place whilst a long-term solution is considered.

Welsh Housing Quality Standards (WHQS)

We have been fully WHQS compliant since 2012 however the standard allows for "acceptable fails" based on strict criteria around cost, timing, resident choice or physical constraints.

As at 31 March 2022 **377 homes had a total of 480 acceptable fails.**



Resident voice

What arrangements are in place to enable the residents to hold management to account for provision of services?

Our Resident Involvement strategy sets out our commitment to continue to Listen, Act and Learn from what our residents say.



Listen – We will provide a range of opportunities to actively listen to a diverse range of residents and to our communities.

Act – after we've listened, we'll act on what we've learned, not be afraid to try something different and to see what happens. We'll provide open and honest feedback on what we've done or why we can't do something.

Learn – we'll learn from our actions by monitoring the difference it's made. We'll learn what works and what fails and we'll continue to listen so the 'Listen, Act, Learn' loop continues.

We offer an extensive range of involvement channels as follows;

Residents' Forum – is open to any resident who wishes to attend, so residents don't need to be elected. The forum has its own 'terms of reference' and is one of the main opportunities for us to listen to our residents. The Forum aims to be chaired by a resident, supported by the Association, and looks to meet at least 3 times a year.

Resident Scrutiny Panel – Scrutiny has its own 'terms of reference' and reports directly to the Associations Board of Management. The panel aims to scrutinise two areas or services per year as well as ad hoc publications, usually meeting monthly in order to achieve this. The Scrutiny Panel chooses areas and services that they believe need further investigation and challenge. Our Scrutiny Panels work is conducted independently, with the support of a Resident Involvement Consultant.

Resident's Events – resident events are a great way of attracting Resident Involvement from those who may not otherwise get involved through the more formal channels. A good example of a resident event is the 'Residents fun day', usually held every other year. Our residents, on the day and at our resident forum, want us to hold an event every year, so from 2020 it was our intention to do just that but these plans had to be put on hold due to the pandemic.

Resident Surveys – are utilised to gather views on specific subjects, some are ongoing such as the new homes, repairs and ASB satisfaction surveys. Others are more ad hoc, such as our annual survey to inform our rent setting process.

Task and finish groups – are used to explore a particular issue that may be affecting a single service, resident group or community. The task and finish group will meet in an appropriate location at a time that will suit the residents who want to be involved. We currently have a Service Charges group in place.

Estate Monitors – are residents who have been recruited to monitor our open spaces and communal areas. The role provides valuable opportunity for our residents to be involved with monitoring standards of our grounds maintenance and contract cleaning within their communities (where appropriate). Estate Monitors are trained and supported to carry out estate inspections.

Estate Walkabouts – we are told by residents work well and we know that they provide opportunity for involvement from a large and diverse resident base. In 2019 we increased our Estate Walkabouts to attend all estates during the year as opposed to every other year. They provide an opportunity to reach out to those who haven't been in contact with us during the past year, ensuring that they're aware of the services that are available to them and to update any outstanding profiling forms.

Online and Hybrid online meetings –

During 2020 we had to diversify the way we met with our residents. During the height of the pandemic we converted to online meetings but as restrictions eased we have moved to a more hybrid way of working to give residents choice over the way they feel comfortable to work with us.

Social Media – Facebook and Instagram are our resident facing platforms. We boost posts and use targeted advertising to increase engagement with residents.

Video clips – we use short video clips of staff or residents to promote events, share useful information and to provide feedback to resident involvement.

Digital Drop In's – we hold regular 'digital drop in's' for residents to learn digital skills, get online and to navigate our other digital services.

Email – we have the facility to email all residents with an email address or we set up a specific email address for a particular project, for example for residents view and feedback on the business plan we established a dedicated email address.

Applicant Portal – In response to the pandemic we worked quickly to implement our applicant portal. This enabled contactless lettings; including digital signing of a tenancy agreement, updating of household details and information sharing for new applicants, such as the resident handbook, how to get involved with us, prioritising paying your rent and data consent amongst other things.




Resident Portal – is available to all residents via the website. Residents are able to make rent payments, review their rent account, report any tenancy issues, take ASB voice recordings and much more.

Resident App – launched in December 2019 and available to download from the app store. Residents are able to make rent payments, review their rent account, report any tenancy issues, take ASB recordings and much more.



Resident Satisfaction

As noted above, we have a number of Residents surveys that gather views of our residents, we also work with independent third party survey specialists Acuity to collate our all-encompassing Survey of Tenants and Residents (STAR).

The following statistics relate to surveys, comments and insight received during the 12 month period 1 January 2021 to 31 December 2021. Including our 'Your Rent 2022' rent survey and STAR survey was also conducted summer 2021.

Internal Surveys		2021	2020	2019
	Responsive Repairs	93.7%	93.2%	92.5%
	New Home	94.4%	97.0%	n/a
	Anti-Social Behaviour	98.8%	100%	94.5%

STAR Survey	2021	2018
Satisfaction with overall services provided	84%	87%
Satisfaction with quality of home	81%	86%
Satisfaction that we listen to views and act on them	70%	71%

Other indicators		2021	2020	2019
	Complaints	34	16	25
	Complements	100	109	119

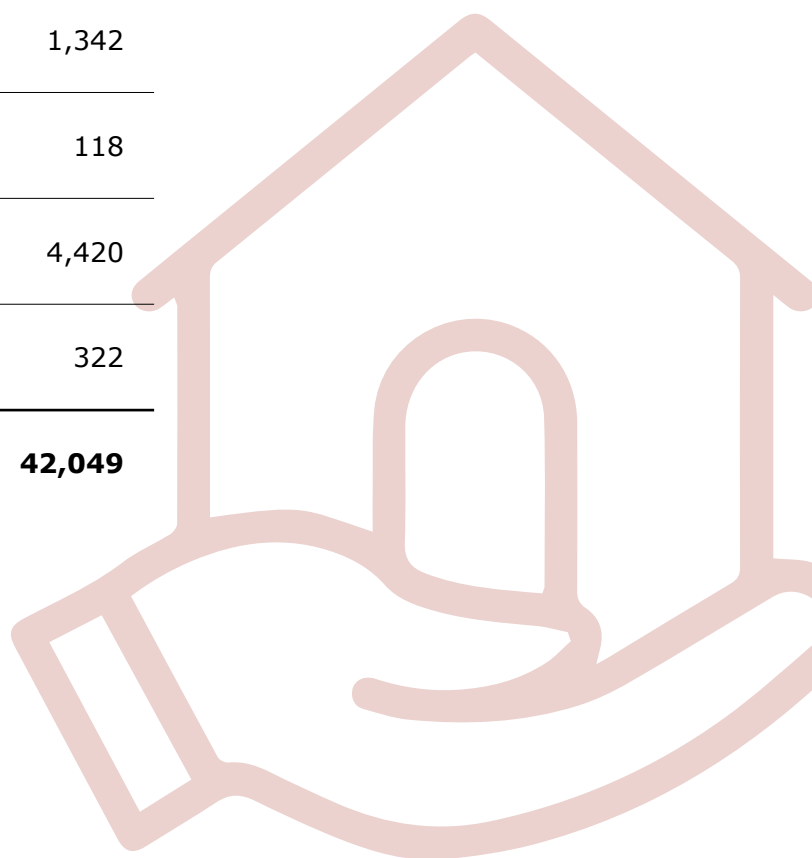
Resident Support

What support services does the Housing Provider offer to its residents. How successful are these services in improving outcomes?

Our operations team provide a highly regarded and invaluable service to our residence, supporting our people on all matters housing and beyond. The roll out of Neighbourhood Coaching approach to housing management during the year aims at enhancing this support, delivering services in an empowering and coaching way that create networks of mutual support between residents.

During the year 2021/22 a total of 42,049 contacts were received from residents as follows;

	2021/22
 Telephones	15,323
 Social Media	20,524
 In Person	1,342
 Website (incl App)	118
 SMS, surveys, email	4,420
 Live chat	322
	42,049



The nature of the contacts varied greatly as follows;

Contact Type	Split
Miscellaneous queries	24%
Rent	20%
Tenancy	17%
Sheltered	11%
Repairs Order	11%
Repairs	11%
Casework Instruction	4%
Applicant	2%
Other misc - permissions, visits, complaints, compliments etc	1%



Since the commencement of the pandemic a total of **1,735 welfare calls** with residents have been undertaken.



298 Financial Inclusion service referrals have been made resulting in **217 financial inclusion engagements** on more complex financial cases.

We are thrilled to be starting our zero carbon journey during 2022/23 having secured £0.4m of Optimised Retrofit Grant which we will match fund.

Climate change

We are thrilled to be starting our zero carbon journey during 2022/23 having secured £0.4m of Optimised Retrofit Grant which we will match fund. This will support and inform the larger scale project of decarbonising the social housing in Wales.

Our housing stock EPC data is as follows;

	Existing Homes	New Homes introduced in the year
EPC A	3.6%	95% New builds
EPC B	16.3%	
EPC C	40.9%	
EPC D	30.7%	5% Gifted property brought in to management
EPC E	7.6%	
EPC F	0.6%	
EPC G	0.1%	

Structure and Governance (including Board and Trustees)

We are a not for profit organisation registered as a charitable association under the Co-operative and Community Benefit Societies Act 2014 (Registration Number 23055R).

We are also registered with Welsh Government (L069) who, in their capacity as our Regulators issued our Interim Regulatory Judgement in September 2021, confirming our May 2019 judgement;

- Governance (including tenant services) – Standard
- Financial Viability – Standard

Our Governance arrangements including details of our Board of Management, Code of Governance and how we manage risks can be found on pages 48-59.

Our Code of Governance sets out how conflicts of interest at the board are handled, the Code embraces the seven principles of public life adopted by the Nolan Committee and includes legal requirements, the Community Housing Cymru Code of Conduct, and good practice. Our Code includes the expected Conduct of Board Members and any interests (potential, real or perceived) are declared at each meeting, Board or Committee. On the rare occasion where a conflict of interest is declared, the member concerned removes themselves from any relating discussion and/or vote.

The Board hold regular independently-run Governance effectiveness reviews, the last was undertaken in 2019 with the next planned for 2022/23.

During the year, a succession plan has been implemented due to the Chair nearing their maximum tenure of 9 years on the board and 3 years sitting as Chair.

Board members are allocated as members of the Performance, Audit and Risk or the Personnel and Remuneration Committees. Members are recruited based on applicable skills and experience and there are a number of members of the Performance, Audit and Risk Committee who have extensive recent and relevant financial experience.

- Paul Ryan, a qualified accountant of 43 years experience, he has held numerous finance post from Assistant Accountant in industry through to Corporate Treasurer in the social housing sector.
- Delyth Evans MBE held various roles over 19 years in the banking sector and 10 years running her own successful retail company. She has also held high profile positions within Policing Governance.
- Tim Llewelyn held various roles in his 35 years at Lloyds Bank most recently that of Regional Operations Manager for their branches across Wales and the West.

There have been no changes to Board membership nor the Executive management team the last 2 years. Executive members attend board and committee meetings but hold no voting rights and cannot serve as Chair.

Below are details of our People's (Resident, Staff and Board) demographic alongside that of our primary based (99% of stock) local authority, Carmarthenshire.

Gender Profile

	Residents	Staff	Board	Carmarthenshire
Female	61%	73.5%	44.4%	51.1%
Male	38%	26.5%	55.6%	48.9%
Intersex	-	-	-	-
Non-binary	-	-	-	-
Transgender	1%	-	-	-
Other/ preferred not to say	-	-	-	-

Age Profile

	Residents	Staff	Board	Carmarthenshire
16-24	1.82%	5.88%	-	10.7%
25-29	2.0%	11.77%	-	5.2%
30-44	27.9%	32.35%	11.12%	17.3%
45-59	32.66%	41.18%	33.33%	20.9%
60-64	8.72%	8.82%	22.22%	7.3%
65+	26.90%	-	33.33%	20.8%
Other/preferred not to say	-	-	-	17.8%

Ethnicity Groups

	Residents	Staff	Board	Carmarthenshire
White British	92.7%	97.06%	100%	95.5%
White Other	-	2.94%	-	2.0%
White Gypsy or Irish Traveller	0.9%	-	-	0.2%
White Irish	0.5%	-	-	0.4%
Mixed / multiple ethnic groups	-	-	-	0.6%
Asian / Asian British	-	-	-	1.0%
Black/African/ Caribbean/ Black British	0.7%	-	-	0.2%
Other / Prefer not to say	5.2%	-	-	0.1%

Sexual Orientation

	Residents	Staff	Board	Carmarthenshire
Bisexual	0.8%	-	-	N/A
Homosexual	1.3%	2.94%	11.1%	N/A
Heterosexual	84.2%	97.06%	77.8%	N/A
Other/preferred not to say	13.7%	-	11.1%	N/A

Ethnicity Groups

	Residents	Staff	Board	Carmarthenshire
Buddhist	0.6%	-	-	0.2%
Christian (all denominations)	42%	62.07%	88.89%	61.8%
Hindu	0.2%	-	-	0.2%
Muslim	0.1%	-	-	0.3%
Jewish	-	-	-	0%
Sikh	0.1%	-	-	0.1%
No religion	44%	34.48%	11.11%	28.9%
Other/preferred not to say	13%	3.45%		8.5%

Disability

	Residents	Staff	Board	Carmarthenshire
Yes	43.3%	9%	-	25.4%
No	56.7%	91%	100%	74.6%
Other/preferred not to say	-	-	-	-

Welsh language

	Residents	Staff	Board	Carmarthenshire
No skills	N/A	58.82%	44.45%	41.90%
Understands spoken welsh	14.75%	8.83%	22.22%	11.70%
Welsh speaker	1.33%	32.35%	33.33%	43.90%
Other/preferred not to say	83.92%	-	-	2.50%

Our External Auditors Bevan Buckland LLP have been engaged for auditing our accounts since around 2006. During which time, a number of partner rotations have ensued most recently taking place in 2012. Over the past 4 consecutive

years there has been a change to the Audit Manager/Lead. Bevan Buckland are currently restructuring their business which will result in a greater number of partners.



Staff Wellbeing

We take the Wellbeing of our staff very seriously and have invested heavily in this area raising awareness around physical and mental health and wellbeing through training events, social events and specific wellbeing events and initiatives.

Our managers have undergone the i act for positive mental health and Wellbeing model and tools for managers training and we have trained a number of mental health first aiders throughout our workforce.

Our Staff Wellbeing Group was formally established during the year to support this priority of ours and to introduce further wellbeing initiatives within the business.

We have been accredited with the Small Workplace Health Award for numerous years, currently accredited to silver status but are being encouraged to apply for the highest Gold status.

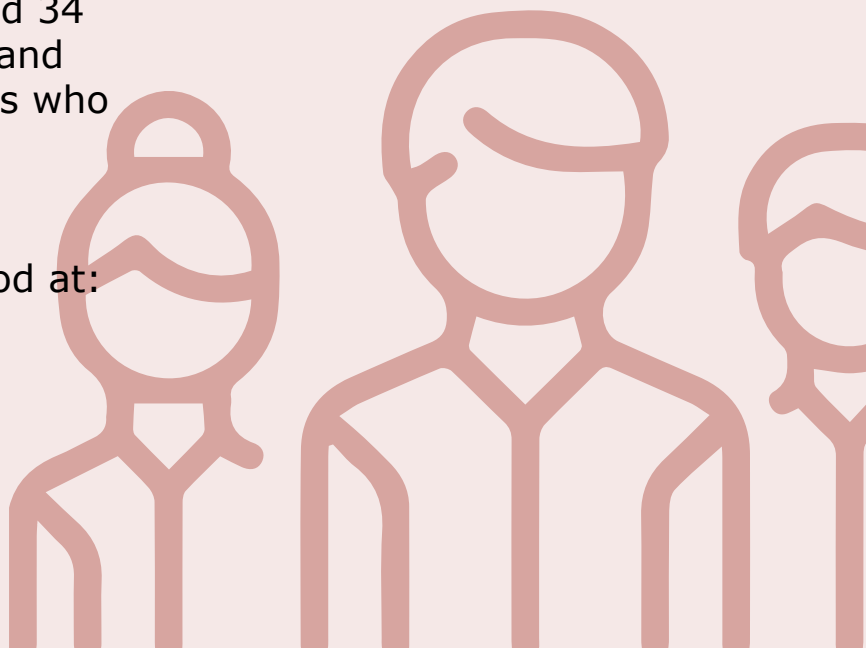
We are also incredibly proud of our Investors in People Gold award which is heavily influenced by staff wellbeing practices and culture.

As at 31 March 2022 we employed 34 staff, 74% of which were female and 26% male, we have no individuals who identify as non-binary.

As at 31 March 2022, the simple average gross pay by gender stood at:

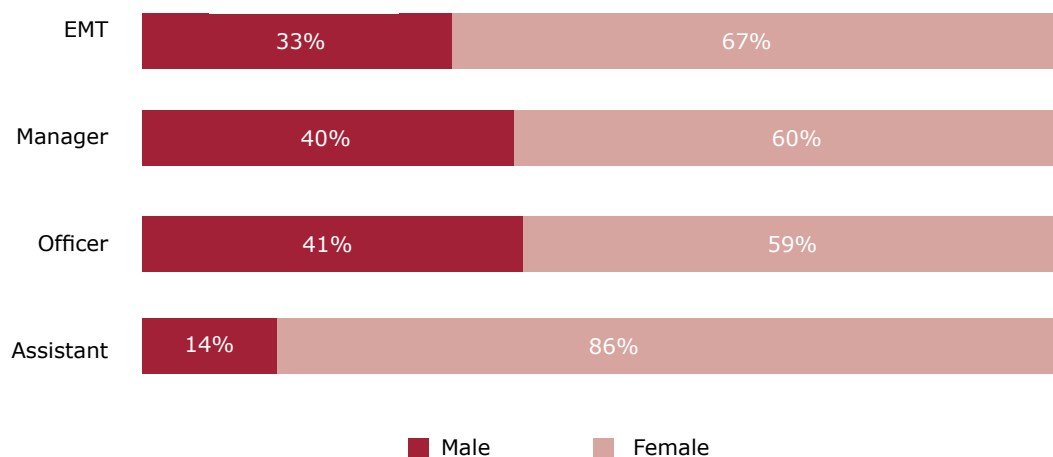
Male: £35,377

Female: £22,808





This is driven primarily by the higher number of female's working part time and the greater number of females employed as Operation Administrators as illustrated below reporting the gender balance split by staffing levels.



Our most recent Investor in People assessment concluded March 2021 found;

- 93% people feel Bro Myrddin is a great place to work
- 93% think Bro Myrddin has clear values and 95% share these values
- 98% believe Bro Myrddin has a plan for the future, and
- 100% of people feel Bro Myrddin has a positive impact on society.

86 Governance

The Association is led by a **Board of Management** of up to 10 voluntary, non-executive members who each hold one vote each.

Meetings are typically held six times each year and quorum is three members, or half of its membership, whichever is the lower.

Executive Officers attend board meetings to present reports and address any queries, but hold no voting rights.

The expected length of service of board members is to serve for at least three-years and for a maximum period not exceeding nine years. A Chair and Vice Chair is appointed annually by the Board at the first meeting after the Annual General Meeting.

The term of office of the Chair is usually no greater than three years in any five year period but a maximum of five years in any seven years can be agreed should circumstances dictate.

The Company Secretary is the Chief Executive Officer



The Board has overall responsibility for control of the Association's affairs. It is the strategic and policy making body and monitors the Association's performance.

The Association maintains a Code of Governance which details the governing framework on how the Association conducts its business.

The Code notes the essential functions of the board are to

- define and ensure compliance with the values and objectives of the Association;
- approve strategies and plans to achieve those objectives and to take decisions on any matters which have significant financial or other risk to the Association;
- approve the Association's annual accounts, annual budget, five year corporate business plan and 30 year financial forecast;
- establish and oversee a framework of delegation and systems of internal control;
- establish and oversee a framework for the identification and management of risk;
- monitor the Association's performance taking into account customer feedback and the performance of comparable Associations;
- appoint (and, if necessary dismiss) the Chief Executive and (based on the recommendation of the P&R Committee) approve the remuneration package and terms of employment;
- satisfy itself that the Association's affairs are conducted lawfully and in accordance with the generally accepted standards of performance and propriety;
- approve Assets & Liabilities Register;
- approve Board Assurance Framework;
- establish and oversee a framework of compliance with landlord Health & Safety requirements and the wider health, safety and wellbeing of its people and its services.

Board delegate some of its responsibilities to the Performance, Audit & Risk Committee, the Personnel and Remuneration Committee and to the Executive Management Team employed by the Association.

Performance Audit and Risk Committee (PARC)

The PARC comprises of up to 6 members appointed by the Board on an annual basis with members serving, if possible, not more than a five year term in succession.

Its Chair is appointed at the first meeting following the Annual General Meeting.

A minimum of four meetings are held a year and both Executive Officers and the Association's Auditors attend each meeting.

The role of PARC is to be independent and its objective is to consider and make recommendations to the Board in respect of the internal controls operating within the Association.

It takes an overview of the Association's operations and hold consideration for value for money issues as well as probity.

Its operation follows the Code of Audit Practice issued by Welsh Government.

Personnel and Remuneration Committee (PRC)

The PRC comprises of up to 6 members appointed by the Board on an annual basis with members serving, if possible, not more than a five year term in succession.

Its Chair is appointed at the first meeting following the Annual General Meeting.

Two meetings are held a year and Executive Officers attend the meetings.

The role of P&R is to consider matters relating to both the workforce and members in areas of employment, learning and development.

Executive Management Team (EMT)

The EMT comprises of 3 employed executive officers led by the Chief Executive, who also holds the position of Company Secretary.

Board delegate the day to day running and management of the Association to the Chief

Executive and in turn the EMT. It does this through a detailed schedule of delegated authority within the Association's Code of Governance.

Board membership

Board Members are ultimately responsible to the Association's stakeholders; shareholders, residents, funders, employees, local authority, wider community, future customers plus the Financial Conduct Authority and Welsh Government.

Members are tasked to work together constructively to ensure that the Association is managed and controlled appropriately; to ensure that it is accountable to its legitimate interest groups and stakeholders, and to ensure that it works within the requirements of the law and its funding bodies.

Board Members are elected to the Board at the Annual General Meeting. They must either be an existing Board Member standing for re-election or be nominated by an existing shareholder.

Shareholders pay a one pound fee and must agree to be bound by the obligations on them as set out in the Association's Rules. Shareholders have a set requirements they must meet and agree to act at all times on the interest of the Association and, for the benefit of the community, as guardians of the objects of the Association.

Anyone interested in becoming a Shareholder should enquire in writing to the Association's Company Secretary at the registered office.

Board members are primarily recruited based on skills, knowledge and experience, these include, but are not limited to; legal, business, financial, governance, technical, housing/public sector, and HR.

Co-opted Board Members can be appointed should there be a need for supplementary skills. Not more than five co-optees can be appointed at any one time.

Co-opted Members hold the same voting rights as elected members save on matters pertaining to positions of office to the board or matters affecting shareholders.

The Board seeks to reflect its communities including its diversity, in terms of age, gender and minority groups such as disability and ethnicity.



Board members must follow the Association's Code of Conduct which centres around the following seven principles;

Selflessness	Making decisions solely based on one's vision and values – not made in order to gain financial or other material benefits for family, friends or ourselves.
Integrity	To not place oneself under any financial or other obligation to outside individuals or organisations that might influence the correct performance of our duties.
Objectivity	To ensure that the delivery of services, appointment of staff and awarding of all contracts is made impartially and on merit alone.
Accountability	Accept accountability for decisions and actions made by us to all stakeholders and submit to whatever scrutiny is deemed appropriate.
Openness	To be as open as possible about all the decisions we make, giving reasons for decisions and only restrict the provision of information where issues of confidentiality are involved.
Honesty	To declare any private interests relating to our duties as board members and to take positive steps to resolve any conflicts that may arise, legally, and in a way that protects Bro Myrddin Housing Association's reputation, vision and values.
Leadership	Promote and support these principles by leadership and example.

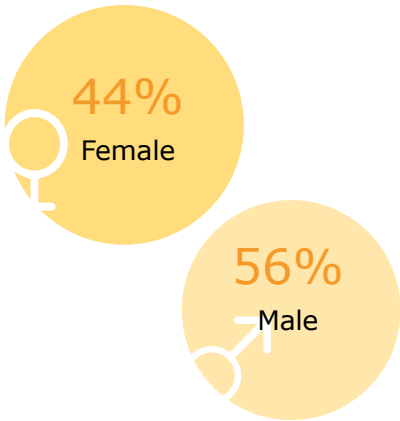
Chair of the Board Lesley Penn

Vice Chair Tim Llewelyn

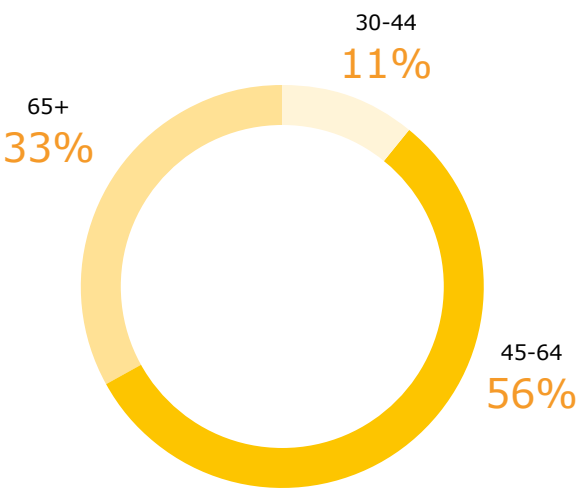
Board Members Andrew Sivertson
Ann Thomas
Arwyn Thomas
Delyth Evans MBE
Paul Ryan
Simon Campbell-Davies
Councillor Sue Allen



Gender



Age Group

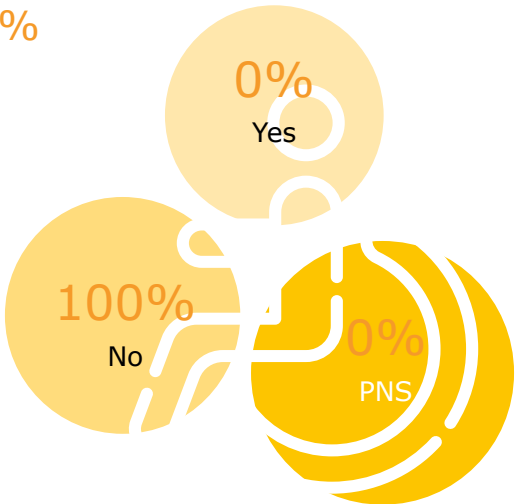


Ethnicity

89%	Welsh
11%	British

0%	Bisexual
11%	Gay Man
0%	Gay Woman/Lesbian
78%	Heterosexual/Straight
0%	Other
11%	Prefer not to say

Sexual Orientation



Disability

The Association's long-standing Risk Appetite is Cautious:

Preference for safe options that have a low degree of risk and may only have limited potential for reward.

Risk management

The Association's primary aim is to minimise exposure to risk and where risks are identified, to control, manage and, where appropriate, insure against.

Responsibility for managing risks ultimately rests with the Board of Management who are committed to having in place a robust and effective risk management framework that safeguards achievement of our vision and objectives.

Board delegate the responsibility to establish and monitor the risk management framework to the Performance, Audit and Risk Committee (PARC).

The Association's risk management framework includes:

- Risk Management Policy & Procedures
- Defined Risk Appetite statement
- Strategic Risk Register
- Board Assurance Framework (BAF): Risk Assurance Register
- Board Assurance Framework (BAF): Controls Assurance Register

Board approves the Risk Strategy, Policy and Procedures at least annually, reviewing the Association's risk appetite concurrently.

The Strategic Risk Register and BAF is held on the Association's live, online Board and Staff portals, and are tabled for formal Board review annually, having first received PARC approval.

The BAF: Risk Assurance Register details the three lines of assurance on all the Association's highest risks and is reviewed at each meeting of the PARC. The BAF: Controls Assurance Register details the three lines of assurance on achievement of the Association's primary activities and deliverables. The Executive Management Team are responsible for continually monitoring risk with a specific focus on re-evaluation when operations and/or business activities change.

Risks are scored on a 5x5 point matrix basis measuring the link between likelihood of the risk occurring and the most likely impact on the Association. Relating strategies are set to control and/or mitigate risks which are monitored and reported.

The BAF: Risk Assurance Register reports risks with a score of 8 and above.

The Association's long-standing Risk Appetite is Cautious:
Preference for safe options that have a low degree of risk and may only have limited potential for reward.

Principal Risks and Uncertainties

Primary Risk (Risk score above 8)	Mitigating strategy
Implementation of Renting Homes Act 2016	<p>A task and finish group has been established to manage the changes introduced under the new legislation currently scheduled to come into force December 2022.</p> <p>The Association is working closely with specialist advisors on implementation and attending all applicable training sessions offered including those offered through CHC including participation policies and procedure, communications sub groups and implementation group.</p> <p>Full service package purchased from specialist independent legal advisors to support in drafting necessary changes to policies, contracts and written statements.</p> <p>Board Members, Staff and Contractors have and will receive training as they become available before, during and post implementation.</p>
Economic climate in a post-pandemic, Brexi and now times of war in Europe	<p>The Association's cautious risk appetite is reflected throughout all areas of operations, no more so than it's financial management.</p> <p>Annual budget and 5/30 year financial forecasts are set prudently to ensure any increases in costs can be absorbed with minimal impact on service delivery and little risk to lenders' financial covenant compliance.</p> <p>Greater emphasis on financial and operating data reporting has and continues to be embedded with delegated budget and increased reporting cycles.</p> <p>Members of the Executive maintain presence on various groups to ensure influence and knowledge is shared e.g. funding of decarbonisation, rent determination/policy etc.</p> <p>2022 Corporate Business Plan sets out the Association's commitment to support its people and communities with wellbeing and cohesion.</p> <p>Continuity of service delivery raised on management's agenda with plans in place to mitigate risks involved in the loss of key personnel.</p>
Under performance in collection and recovery of rent and service charges (including arrears)	<p>Arrears monitored by Neighbourhood Coaches at least weekly, at monthly management meetings and presented quarterly to Board.</p> <p>Staff portal provides dynamic live data and insight of rent collection and arrears, able to be drilled down to individual cases.</p> <p>Policies and procedures regularly reviewed and system workflows mirror these largely automating processes where applicable.</p> <p>Service charges are prepared on a variable basis and are adjusted annually in line with actual costs.</p> <p>Provision of Financial Inclusion support service for residents who are struggling to pay their rent and have complex cases.</p> <p>Access via UC landlord portal to request managed payments and deductions for rent arrears directly from the DWP where appropriate.</p>

Primary Risk (Risk score above 8)	Mitigating strategy
Failure to deliver Landlord Health & Safety	<p>Suite of policies and procedures in place supported by an operational risk register containing operational risk management on all matters relating to landlord H&S.</p> <p>Compliance dashboard provides live monitoring on key components streamed through TV or on both Board and Staff Portal - a weekly report is also generated and circulated to staff.</p> <p>Management team review position each month with quarterly reports provided to Board Members.</p> <p>Independent Internal Auditors undertake Core Compliance checks each quarter as additional assurance, any triggers would result in full assurance review.</p>
Changes in operating environment due to 'Affordable Housing Review' (Decrease in amount and availability of Grant including changes in model base assumptions)	<p>The 30 year financial forecast and Budget assumes a Social Housing Grant rate of 50% and is supported by sensitivity to understand what impact a drop of 5% in grant rate has the decisions necessary if required.</p> <p>Current development schemes are modelled through the Standard Viability Model (SVM) to see where rates would have landed (averaging out at 57.7% albeit vary between 49.3% and 67.3%).</p> <p>Development appraisals modelled at lower rates to ensure sufficient headroom exists - no current development would have failed.</p> <p>Cost assumptions within SVM are relatable/achievable for the Association and monitored through VfM statistics within Global Accounts.</p> <p>The CEO, DoOp and the Association's development consultant maintain a good and regular contact with the Local Authorities PDP leads and stakeholders within WG.</p>
Failure to comply with UK decarbonisation targets	<p>Officers continue to scan sector for future funding available for this work and take active role in discussions and sector updates.</p> <p>2022/23 sees the Association embark on its first optimised retrofit grant funded decarbonisation project which will provide much valued learning and insight to inform larger scale roll out.</p> <p>Covenant carve-out (for at least 2022/23) agreed with lenders where £0.8m of decarbonisation works are not achievable through current covenants.</p> <p>A number of funding streams (direct and indirect) potentials are being explored e.g. replacement of old storage heaters.</p> <p>Financial Forecasts to include sensitivity and scenario testing around the topic.</p>

Primary Risk (Risk score above 8)	Mitigating strategy
<p>Interruption or loss of IT systems (viruses/,malware, back up data, hard disk failure etc)</p>	<p>The latest technologies including Unified Threat Management devices and cutting edge security software to safeguard systems and data are utilised.</p> <p>Vulnerability testing is regularly completed in order to maintain high standards of compliance.</p> <p>A datacentre offers 24/7 remotely available Business Continuity systems with both replication and backup to NAS being utilised to maintain strong backups of all systems.</p> <p>Daily offline backups are stored offsite to mitigate ransomware risks. Server build utilises RAID redundancy by design, as do NAS devices utilised for backup and storage.</p> <p>Sophos Endpoint Advanced providing anti-ransom wear protection across all laptops/desktops and servers.</p>
<p>Failure to provide homes of WHQS</p>	<p>Continual cycle of WHQS surveys being undertaken, albeit hampered by the pandemic however work proceeds with earnest with new agile software in place to make the data collection process more efficient.</p> <p>Data continually collated and monitored by property services, management team review each month and quarterly reports presented to Members.</p> <p>Internal audit undertake periodic assurance reviews to provide additional independent source of assurance.</p> <p>30 year Financial Forecast in place to establish and demonstrate ability to fund works.</p> <p>Officer maintain presence on relating groups to maintain full awareness of developments in the area i.e. WHQS2 Board Members duly kept updated.</p>
<p>Failure to adhere to Financial Regulations</p>	<p>Financial Regulations included within the larger Code of Governance and are regularly (at least annually) reviewed and approved by Board.</p> <p>Staff receive regular training on responsibilities with particular concentration placed on order raising point, being largely the liability commitment point. Order raising, approval and invoice approval systems are fully automate in line with approval limits.</p> <p>Finance staff police the systems with control procedures in place to ensure continued compliance.</p> <p>Internal and External Auditors undertake periodic control checks as additional source of assurance.</p>

Statement on Internal Control

The Association wish to comply with Welsh Government Circular RSL 02/10 'Internal Controls and Reporting'.

The Board acknowledge their ultimate responsibility for ensuring that the Association has in place a system of controls that is appropriate to the various business environments in which it operates. These controls are designed to give reasonable assurance with respect to:

- the reliability of financial information used within the Association or for publication;
- the maintenance of proper accounting records;
- the safeguarding of assets against unauthorised use or disposition.

It is the Board's responsibility to establish and maintain systems of internal financial control. Such systems can only provide reasonable and not absolute assurance against material financial misstatement or loss. Key elements include ensuring that:

- formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authority, which allow the monitoring of controls and restrict the unauthorised use of the Association's assets;
- experienced and suitably qualified staff take responsibility for important business functions. Annual appraisal procedures have been established to maintain standards of performance;

- forecasts and budgets are prepared which allow the Board and management to monitor the key business risks and financial objectives and progress towards financial plans set for the year and in the medium term; regular management accounts are prepared promptly, providing relevant, reliable and up-to-date financial and other information and significant variances from budgets are investigated as appropriate;
- all significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures, through the Board;
- the Board reviews reports from management, from the internal auditors and from the external auditors to provide reasonable assurance that control procedures are in place and are being followed. This includes a regular reviews of the risks facing the Association and the existence of a two tier Board Assurance Framework that monitors both the Association's highest scoring risks and delivery of its key deliverables;
- formal procedures have been established for instituting appropriate action to correct weaknesses identified from the above reports;
- monitoring of the control system by internal and external auditors.

The Board has reviewed the effectiveness of the system of internal financial control in existence in the Association for the year ended 31st March 2022 and until 20th June 2022. No weaknesses were found in the internal financial controls which resulted in material losses, contingencies, or uncertainties which require disclosure in the financial statements or in the auditors' report on the financial statements.

Statement of Board Responsibilities

The Board of Management are required under housing association legislation to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association and of the surplus or deficit of the Association for that period.

In preparing those financial statements they are required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

They are also responsible for

- keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Association and to enable us to ensure that the financial statements comply with the requirements of Financial Reporting Standard 102 ('FRS 102') and Housing SORP 2014, the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and The Accounting Requirements for Registered Social Landlords General Determination (Wales) 2015;
- safeguarding the company's assets;
- taking reasonable steps for the prevention and detection of fraud.

Covid-19 pandemic

2021/2022 largely saw the continuation of the previous years challenges as the virus continued to grip the nation, albeit the grip relaxed somewhat as the year went on. Restrictions continued to impact society including the Association and its activities. Board have continued to meet regularly throughout and received regular briefings by the Executive Management Team. The

Executive along with the wider Leadership team continued their monthly Covid briefing meetings.

BOB meetings focused on business risk and continuity, in particularly people's wellbeing, service delivery and operational performance.

To protect our People, the Association having taken decisive action to suspend all but essential services in March 2020, purposely chose a far more measured approach around the reintroduction of services and in particularly returning to the workplace.

The Board continue to provided leadership and oversight and for our People, it is largely business as usual with staff back at the office 3 days a week.

Auditors

The auditors Bevan Buckland LLP are willing to continue in office, and a resolution to reappoint them will be proposed at the annual general meeting.

In so far as the Board is aware:

- there is no relevant audit information of which the Association's auditors are unaware; and
- the Board has taken all steps that they ought to have taken to make itself aware of any relevant audit information and to establish that the auditors are aware of that information.

The report of the Board was approved on 4th August 2022 and signed on its behalf by

Ms Lesley Penn
Chair of the Board

07 Auditors Report

Independent Auditor's report to the members of Bro Myrddin Housing Association Limited on corporate governance.

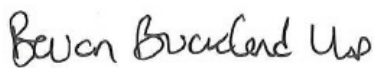
In addition to our audit on the financial statements for the year ended 31st March 2022, we have reviewed the Board's statement of Bro Myrddin Housing Association Limited ("the association") compliance with the Welsh Government Circular 02/10, Internal Financial Control and Financial Reporting ("the Circular").

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

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

Opinion

With respect to the Board's statement on internal financial control on page 22, in our opinion the Board of Management has provided the disclosures required by the Circular and the statement is consistent with the information of which we are aware from our audit work in the financial statements.



Bevan Buckland LLP

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

Date: 5 August 2022

Independent Auditor's report to the members of Bro Myrddin Housing Association Limited

Opinion

We have audited the financial statements of Bro Myrddin Housing Association for the year ended 31st March 2022 which comprise the statement of comprehensive income, statement of changes in reserves, the statement of financial position, the cash flow statement and its related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31st March 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been properly prepared in accordance with the Co-operative and Community Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and the Accounting Requirements for Registered Social Landlords General Determination (Wales) 2015.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- the Boards' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Board have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Association'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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Board are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of the board

As explained more fully in the Statement of Responsibilities of the Board (set out on page 25), the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs

(UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

Identifying and assessing potential risks related to irregularities

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

- enquiring of management, including obtaining and reviewing supporting documentation, concerning the company's policies and procedures relating to:
 - identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;

- discussing among the engagement team how and where fraud might occur in the Financial Statements and any potential indicators of fraud. As part of this discussion, we identified potential for fraud in the following areas;
 - The recognition of development and maintenance expenditure in the correct period;
 - The rationale of any major fund flows during the period;
 - The potential of rent fraud arising as a result of collusion between the asset and housing teams.
- obtaining an understanding of the legal and regulatory frameworks that the company operates in, focusing on those laws and regulations that had a direct effect on the Financial Statements or that had a fundamental effect on the operations of the association. The key laws and regulations we considered in this context included the UK Companies Act and relevant tax legislation.

Audit response to risks identified

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

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations;
- enquiring of management concerning actual and potential litigation and claims; performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments;
- assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and
- evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

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

Use of our report

This report is made solely to the Association's members, as a body, in accordance with Part 7 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the association and the association's members as a body, for our audit work, for this report, or for the opinions we have formed.

Bevan Buckland LLP

Bevan Buckland LLP

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

Date: 5 August 2022

STATEMENT OF COMPREHENSIVE INCOME

	Notes	2022 £	2021 £
Turnover	2	6,028,826	5,826,663
Operating costs	2	(4,490,498)	(4,367,648)
Operating surplus	4	1,538,328	1,459,015
Interest receivable	8	2,395	883
Interest payable	9	(663,639)	(691,334)
		877,084	768,564
Finance costs - pension deficit	20	(24,000)	(13,000)
Surplus for the year		853,084	755,564
Other comprehensive income			
Recognition of multi-employer defined benefit pension		-	-
Actuarial gains /(losses) in respect of pension schemes	20	303,000	(649,000)
Surplus for the year and total comprehensive income for the year		1,156,084	106,564

None of the Association's activities were acquired or discontinued during the above two financial years

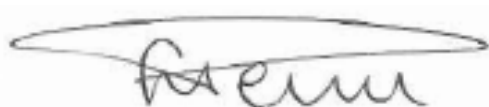
STATEMENT OF CHANGES IN RESERVES

	Income and expenditure reserve £	Major repairs reserve £	Total reserves £
At 1 April 2021	8,982,048	250,000	9,232,048
Surplus from statement of comprehensive income	1,156,084	-	1,156,084
Transfer to major repairs designated reserve	-	-	-
At 31 March 2022	10,138,132	250,000	10,388,132

STATEMENT OF FINANCIAL POSITION

	Notes	2022 £	2021 £
Tangible fixed assets			
Housing land and buildings – historical cost	10	75,513,621	71,628,051
– depreciation	10	(11,026,901)	(10,264,926)
		64,486,720	61,363,125
Other tangible fixed assets	12	1,079,850	1,112,282
Fixed asset investments			
HomeBuy loans receivable	13	286,871	286,871
Total fixed assets		65,853,441	62,762,278
Current assets			
Debtors: falling due within one year	14	278,423	252,030
Debtors: falling due after more than one year	15	2,065,680	2,119,268
Cash and cash equivalents		6,149,969	4,852,396
		8,494,072	7,223,694
Current liabilities			
Creditors: falling due within one year	16	(5,156,997)	(3,669,800)
Social housing and other government grants: amounts falling due within one year	18	(302,572)	(289,185)
Net current assets		3,034,502	3,264,709
Total assets less current liabilities		68,887,943	66,026,987
Non-current liabilities			
Creditors: falling due after more than one year	17	(26,787,706)	(26,563,140)
Social housing and other government grants: amounts falling due after more than one year	18	(30,927,066)	(29,070,757)
		11,173,171	10,393,090
Pensions liability	20	(785,000)	(1,161,000)
Total net assets		10,388,171	9,232,090
Capital and reserves			
Called-up share capital	21	39	42
Total reserves		10,388,132	9,232,048
Total capital and reserves		10,388,171	9,232,090

The financial statements on pages 65 to 85 were approved by the Board on 5 August 2022 and signed on its behalf by;



Chair of the Board – Ms L Penn



Vice Chair of the Board – Mr T Llewelyn



Secretary – Mrs H Jones

STATEMENT OF CASHFLOWS

	2022 £	2021 £
Operating surplus	1,538,328	1,459,015
Adjustments for non-cash items:		
Depreciation of tangible fixed assets	900,955	857,490
Government grants utilised in the year	(302,572)	(289,185)
Re-measurement of Pension Liability	175,000	137,000
Working capital movements:		
(Increase)/Decrease in trade and other debtors	65,962	66,297
Increase/(Decrease) in trade and other creditors	262,841	609,266
Pension cash contributions paid	(272,000)	(266,000)
Net cash generated from operating activities	2,368,514	2,573,883
Interest received	2,395	883
Interest and mortgage fees paid	(663,840)	(669,486)
Adjustments for reinvestment in existing properties:		
Component replacements	(427,977)	(348,056)
Purchase of other replacement fixed assets	(15,807)	(30,777)
Free cash generated before loan repayments	1,263,285	1,526,447
Loans repayments	(369,170)	(140,741)
Free cash generated/(consumed) after loan repayments	894,115	1,385,706
Cash flow from investing activities		
Purchase and development of properties	(3,603,369)	(3,908,451)
Purchase of office building	-	(1,080,459)
Grants received	3,006,828	2,227,908
Cash flow from financing activities		
New secured loans	1,000,000	3,000,000
Net increase in cash and cash equivalents	1,297,574	1,624,704
Cash and cash equivalents at the beginning of the year	4,852,396	3,227,691
Cash and cash equivalents at the end of the year	6,149,970	4,852,395

Notes to the financial statements

For the year ended 31 March 2022

1. Basis of preparation

The Association is incorporated under the Co-operative and Community Benefit Societies Act 2014 (registration number: 23055) and is a registered social landlord (National Assembly for Wales registration number: L069). The Association is a public benefit entity and adopted charitable rules with effect from 20 January 2005.

Format of accounts

The financial statements have been prepared in accordance with applicable financial reporting standards in the United Kingdom, including the Statement of Recommended Practice for "Accounting by Registered Social Housing Providers" as updated in 2018 ("SORP 2018"), and comply with the Accounting Requirements for Social Landlords Registered in Wales – General Determination 2015.

Basis of accounting

The financial statements are prepared on the historical cost basis of accounting.

Going concern

After reviewing the Association's forecasts and projections, the Board has a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future. The Association therefore continues to adopt the going concern basis in preparing its financial statements.

Turnover

Turnover comprises rental and service charge income, fees, amortisation of grants and revenue grants receivable.

Value Added Tax (VAT)

The Association is partially exempt for VAT purposes, and claims are made for repayment of VAT on items that are specifically allowable. Expenditure is shown inclusive of irrecoverable VAT.

Taxation

The Association has no liability to corporation tax on its surplus for the year due to its charitable status.

Pensions – defined benefit schemes

The Association participates in an industry wide multi-employer defined benefit pension scheme, classed as a defined benefit scheme in the UK.

The Association accounts for its obligations on a Defined Benefit basis reporting its Net Pension Liability within the Statement of Financial Position.

Pension – defined contribution schemes

The Association participates in a defined contribution scheme where the amount charged to surplus or deficit in the Statement of Comprehensive Income in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Statement of Financial Position.

Provisions

Provisions are recognised where uncertainty exists in relation to the timing or amount that may be required to settle potential liabilities. Any amounts provided are included as expenditure in the statement of comprehensive income and recognised as liabilities in the statement of financial position based upon the Association's best estimate of the associated liability.

Housing properties

Housing properties are principally properties available for rent and are stated at cost. Cost includes the cost of acquiring land and buildings, development costs and expenditure incurred in respect of the enhancement of economic benefits of the property.

Depreciation is charged on the historic cost of property components. Freehold land is not depreciated. Leasehold land is depreciated over the remaining term of leases. The depreciable amount is written off over the estimated useful lives from the date of purchase/build.

Where a housing property comprises two or more major components with substantially different useful economic lives, each component is accounted for separately and depreciated over its individual useful economic life. Depreciation is charged on cost on a straight line basis over the component's expected economic useful life.

Notes to the financial statements

For the year ended 31 March 2022

The Association's recognised components and associated useful lives are as follows:

Component	Years
Main Structure	50-150
Kitchens	20
Heating	15-20
Bathrooms	25-35
Windows	35
Front Doors	35
Back Doors	35
Roof	80
Solar Panels	25

Grants and amortisation

Social Housing Grants (SHG) are capital grants receivable from the Welsh Government which are repayable in the event of disposal, demolition or change of use to an ineligible activity, save in circumstances where the Welsh Government considers it appropriate to reduce the amount repayable. These are designed as a contribution towards the capital cost of providing new social housing and are received when a property is developed or acquired.

Grants received from central government agencies and local authorities are shown within creditors on the face of the statement of financial position. Grants relating to assets are recognised in income on a straight line basis over the expected useful life of the asset. Government grants received for housing properties are recognised in income over the expected useful life of the housing property structure as follows:

Houses – main structure	150 years
Flats – main structure	50 years
Decarbonisation	25 years

Where grants are received in advance they are carried forward as current liabilities to be matched against future capital expenditure as it is incurred. Grants receivable in respect of completed schemes or those under construction are included as debtors in the financial statements.

Grants are repayable under certain circumstances, primarily following the sale of a property. Such repayable grants are included within creditors in the statement of financial position.

SHG received in respect of revenue expenditure is credited to the income and expenditure account in the same period as the expenditure to which it relates.

Physical Adaptation Grants (PAGs) and the expenditure to which they relate are credited/debited to the income

and expenditure account as from 1 April 2015. (Prior to this, they were credited/debited to Social Housing Grant/Housing Property Cost on the balance sheet).

Housing finance grants

Housing finance grants (HFG) are capital grants receivable from the Welsh Government which are repayable to the extent that such amounts have been received in the event of the disposal, demolition or change of use to an ineligible activity. These are designed as a contribution towards the capital cost of providing new social housing and are received in instalments over a term of 30 years commencing once a scheme is approved for development.

Impairment

Impairment reviews are carried out annually. Where it is recognised that there is a diminution of value of an asset, the full reduction in value is written off to the income and expenditure account in the year.

The Association has to make an assessment as to whether an indicator of impairment exists. In making the judgement, management considered the detailed criteria set out in the SORP. Specifically this includes whether there is an impairment indicator for a cash-generating unit. For these purposes a cash-generating unit is defined as a property scheme.

During the year the Association did not identify any scheme where the future income stream is limited, and no impairment provision has been recognised.

Other property, plant and equipment and depreciation

Depreciation is provided evenly on the cost of other property, plant and equipment to write them down to the estimated residual values over their expected useful lives. The principal annual rates used for other assets are:

Furniture and office equipment	15% - 25%
Computer equipment	25%
Hostel furniture equipment	25%
Head office premises	50 years

Capitalisation of Costs of Development

Costs that are directly attributable to bringing properties into working condition for their intended use are included in housing property costs.

Notes to the financial statements

For the year ended 31 March 2022

HomeBuy loans receivable

Equity loans have been made, under low cost home ownership arrangements, to homeowners who were not otherwise able to fully afford their homes using commercially available mortgages. Equity loans are included in the statement of financial position at historic cost. The Association is entitled to a proportion of the market value corresponding to the equity interest at a time when homeowners either dispose of their property or when they choose to repurchase some, or all, of the equity loan.

Loans

Loan arrangement fees are capitalised and recognised as expenditure over the term of the loan through the effective interest rate applied to the loan and amendments thereto when subsequent fees arise during the course of such loans. Interest on loans is recognised in like manner using the present value of estimated future interest payments.

Operating leases

Rentals payable under operating leases are charged to the income and expenditure account on a straight line basis over the lease term.

Low Cost Home Ownership

Surplus or deficit made on either the administration of Do-it-Yourself Homebuy Option or on the development of subsequent sale of Low Cost Home Ownership properties are charged or credited to the Statement of Comprehensive Income at the time the full sales proceeds are received. In the case of properties where the Association retains an equity share, no surplus is reported until such a time as the equity share is sold.

Significant management judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The following are areas that include management judgements in applying the accounting policies of the Association that have the most significant effect on the amounts recognised in the financial statements.

- Impairment of social housing properties
- Defined benefit pension scheme
- Categorisation of properties between investment properties and property, plant and equipment

The Association makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are listed below

- Depreciation
- Bad and Doubtful Debt
- Provision for future liabilities required to return parity to the Association's operating environment subsequent to the COVID-19 global pandemic

Notes to the financial statements

For the year ended 31 March 2022

2(a) Turnover, operating costs and operating surplus

	Turnover 2022 £	Operating costs 2022 £	Operating surplus 2022 £	Turnover 2021 £	Operating costs 2021 £	Operating surplus 2021 £
Social housing lettings	5,672,861	(4,073,714)	1,599,147	5,579,177	(4,000,478)	1,578,699
Other social housing activities						
Development Services	153,816	(241,784)	(87,968)	156,148	(230,170)	(74,022)
Non-social housing activities						
Other	202,149	-	202,149	91,338	-	91,338
Re-measurement of Pension Liability	-	(175,000)	(175,000)	-	(137,000)	(137,000)
Total	6,028,826	(4,490,498)	1,538,328	5,826,663	(4,367,648)	1,459,015

2(b) Income and expenditure from social housing lettings

	General needs and sheltered housing £	Supported housing £	Other social housing £	2022 total £	2021 total £
Income					
Rent receivable	4,900,651	207,523	-	5,108,174	5,028,356
Service charge income	211,876	-	-	211,876	211,106
Grant income for support services	18,140	32,099	-	50,239	50,530
Amortisation of social housing and other government grants	302,572	-	-	302,572	289,185
Turnover from social housing lettings	5,433,239	239,622	-	5,672,861	5,579,177
Operating costs					
Management of operations	(719,285)	(219,874)		(939,159)	(1,046,198)
Service charges	(244,092)			(244,092)	(223,363)
Routine maintenance	(1,390,133)	(12,468)		(1,402,601)	(1,329,772)
Major repairs expenditure	(474,048)	-		(474,048)	(502,309)
Bad debts	(42,994)			(42,994)	(25,748)
Depreciation of housing properties	(970,821)			(970,821)	(873,088)
Operating costs on social housing lettings	(3,841,373)	(232,342)	-	(4,073,715)	(4,000,478)
Operating surplus/(deficit) on social housing lettings	1,591,866	7,280	-	1,599,146	1,578,699
Memorandum information:					
Rent foregone due to properties being vacant	27,104	57,882		84,986	113,695

Central overheads are allocated based on staff utilisation in each year.

Notes to the financial statements

For the year ended 31 March 2022

3(a) Key management personnel

The remuneration paid to key management personnel (defined as members of the Board and the Executive Officers) of Bro Myrddin Housing Association Limited was:

	2022 £	2021 £
Aggregate emoluments of executive officers	290,194	286,334
Aggregate emoluments of Board Members	-	-
Emoluments of highest paid director (Chief Executive), excluding pension contributions	108,709	108,037

The full time equivalent number of key management personnel whose remuneration payable (including pension costs) in the period fell within the following bands was:

	2022 £	2021 £
£50,000 – £59,999	-	-
£60,000 – £69,999	-	-
£70,000 – £79,999	-	-
£80,000 – £89,999	2	2
£90,000 – £99,999	-	-
£100,000 – £109,999	-	-
£109,000 – £119,999	1	1

The Chief Executive is an ordinary member of a contributory pension scheme (Social Housing Pension Scheme). No enhancement or special terms apply and the Association makes no contribution to any individual pension arrangement. The contributions for the year in respect of the Chief Executive's pension fund (comprising contributions from both employee and employer) amounted to £22,225 (2021: £22,005).

3(b) Employee information

The average number of staff (including executive officers) employed during the year was:

	2022 Staff	2021 Staff
Average number of employees (full time equivalent) during the year	34	42
Actual number of employees (headcount) at year end	32	45

	2022 £	2021 £
Staff costs		
Wages and salaries	1,022,756	1,285,034
Social security costs	90,481	111,662
Pension costs	132,791	147,611
Total staff costs	1,246,028	1,544,307

Notes to the financial statements

For the year ended 31 March 2022

4. Operating surplus

	2022	2021
	£	£
Profit for the year from continuing activities is stated after charging/(crediting):		
Depreciation		
– housing properties	970,821	873,088
– property, plant and equipment	48,240	84,469
Amortisation	(302,572)	(289,185)
Bad debts	42,994	25,748
External auditors' remuneration:		
– In their capacity as auditors	13,000	13,000
– In respect of other services	-	-
Internal auditors	14,063	16,303
Operating lease rentals:		
– Land and buildings	10,098	30,688
– Other assets	4,084	4,360

5. Re-measurement of Pension Liability

	2022	2021
	£	£
Re-measurement of Pension Liability	175,000	137,000

The Association has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. The scheme's actuary estimates these factors in determining the net pension obligation in the balance sheet and the movement from re-measurement is put through the Statement of Comprehensive Income's Operating costs.

6. Surplus on sale of fixed assets

There were no sales of fixed assets during the year (2021: nil).

7. Contingent liabilities

The Association amortises government grants over the useful life of the properties, as required by Housing SORP 2018. Although the Association has no current plans to sell its housing land and buildings, if it were to then government grants may become repayable. The total contingent liability at year end is £7,849,233 (2021: £7,546,661).

An employer debt could arise on withdrawal from the Association's final salary pension scheme arrangements through the Social Housing Pension Scheme (SHPS). The estimated employer debt for the Association on withdrawal from the SHPS plan based on the financial position of the scheme as at 30 September 2020 was £5,109,736 (2019: £5,308,775). As events which could crystallise the debt are unlikely to arise in the foreseeable future, no specific provision is deemed necessary.

Notes to the financial statements

For the year ended 31 March 2022

8. Interest receivable and similar income

	2022 £	2021 £
Interest receivable from investments	2,395	883

9. Interest payable and similar charges

	2022 £	2021 £
Interest payable on bank loans and overdrafts	663,639	691,334

Interest payable includes £42,974 (2021: £39,453) of imputed interest from the effective interest rate calculation.

10. Tangible fixed assets - Housing land and buildings

	Social Housing Properties £	Shared ownership £	Properties in the course of construction £	Total £
Cost				
At 1 April 2021	68,308,966	94,995	3,224,090	71,628,051
Property acquisitions	123,239		3,358,148	3,481,387
Development schemes completed	3,612,284		(3,612,284)	-
Components replaced in existing properties	628,679			628,679
Component disposals	(224,495)			(224,495)
Housing property disposals	-	-	-	-
At 31 March 2022	72,448,673	94,995	2,969,954	75,513,621
Depreciation				
At 1 April 2021	10,264,926	-	-	10,264,926
Charge for the year	840,375	-	-	840,375
Component disposals	(78,400)	-	-	(78,400)
Housing property disposals	-	-	-	-
At 31 March 2022	11,026,901	-	-	11,026,901
Net book value				
At 31 March 2022	61,421,772	94,995	2,969,954	64,486,720
At 1 April 2021	58,044,040	94,995	3,224,090	61,363,125
			2022 £	2021 £
Housing properties comprise:				
Freehold land and buildings			64,486,720	61,363,125

The components replaced in existing properties above represent works undertaken to replace kitchens, heating systems, electrics, windows and doors within existing properties. The above component replacement costs includes £84,720 (2021: £83,716) of capitalised staffing costs.

Notes to the financial statements

For the year ended 31 March 2022

11. Units in management

	General needs	Shared ownership	Supported housing (bed spaces)	Homebuy properties	Under construction	Total units owned and managed
Opening units at 1 April 2021	974	2	8	22	36	1,042
New builds	-	-	-	-	24	24
Property acquisitions	1	-	-	-	-	1
Transfers	21	-	-	-	(21)	-
Closing units at 31 March 2022	996	2	8	22	39	1,067

Available social housing include 3 units vacant at 31 March 2022 (2021: 4 units).

12. Other tangible fixed assets

	Head office £	Furniture and office equipment £	Computer equipment £	Total £
Cost				
At 1 April 2021	1,080,459	163,922	199,522	1,443,903
Disposals	-	(24,250)	(14,182)	(38,432)
Additions	-	396	15,412	15,807
At 31 March 2022	1,080,459	140,068	200,752	1,421,278
Depreciation				
At 1 April 2021	21,609	150,933	159,079	331,620
Disposals	-	(25,524)	(14,182)	(39,706)
Charge for year	21,609	6,064	21,841	49,514
At 31 March 2022	43,218	131,473	166,737	341,428
Net book value				
At 31 March 2022	1,037,241	8,595	34,014	1,079,850
At 1 April 2021	1,058,850	12,989	40,443	1,112,283

Costs within computer equipment include a number of items that are provided to individuals external to the Association through a third party contract.

Notes to the financial statements
For the year ended 31 March 2022

13. Fixed Asset Investments - homebuy loans received

	2022 Total £	2021 Total £
At 1 April	286,871	286,871
Additions	-	-
Disposals	-	-
Transfers	-	-
At 31 March	286,871	286,871

Homebuy loans represent a 30% interest in properties acquired under the Welsh Government's Low Cost Home Ownership scheme. The investment grant (note 19) represents the funding received from the Welsh Government for the above loans. These loans are stated at cost in accordance with Housing SORP 2018.

The Association is entitled to a proportion of the market value corresponding to the equity interest at a time when homeowners either dispose of their Homebuy property or when they choose to repurchase some, or all, of the equity loan.

14. Debtors: amounts falling due within one year

	2021 £	2021 £
Rental and service charge debtors	234,715	194,086
Bad debt provision for rental and service charges	(212,292)	(183,536)
Social Housing Grant debtor	27,088	22,667
Housing Finance Grant debtor	53,588	51,721
Loan transaction costs on hold	38,767	-
Prepayments and accrued income	89,842	156,699
Care Homes	7,948	10,393
Other debtors	38,767	-
Total debtors due within one year	278,423	252,030

15. Debtors: amounts falling due after more than one year

	2022 £	2021 £
Housing Finance Grant debtor	2,065,680	2,119,268

Notes to the financial statements

For the year ended 31 March 2022

16. Creditors: amounts falling due within one year

	2022 £	2021 £
Housing loans	687,140	292,454
Rents and service income received in advance	160,918	118,386
Grants received and receivable in advance	2,311,670	1,605,942
Maintenance	190,432	261,649
Hostels	8,782	16,578
Pension provision (note 20)	-	-
Capital Expenditure on housing properties	233,556	610,071
Other creditors	1,564,500	764,720
Total creditors due within one year	5,156,997	3,669,800

17. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Housing loans	22,738,861	22,459,743
Recycled capital grant fund	273,418	273,418
Bond Premium	1,153,088	1,207,640
Housing Finance Grant	2,335,468	2,335,468
Investment grants (note 19)	286,871	286,871
Total creditors due after more than one year	26,787,706	26,563,140

Housing loans are secured by specific charges on the Association's housing properties and are repayable over a range of 3 to 19 year period with an overall average repayment period of 10.1 years. Rates of interest during the year ranged from 0% to 10.14% and at 31 March 2022, 91% (2021: 51%) of loans bore interest at fixed rates and 9% (2021: 49%) at variable rates. The weighted average rate of interest At 31 March 2022 was 3.45% (2021: 2.80%).

Housing loans are shown net of capitalised loan fees of £169,155 (2021: 212,129).

Recycled capital grant fund movement

	2022 £	2021 £
At 1 April	273,418	273,418
Additions during the year	-	-
Utilised during the year	-	-
At 31 March	273,418	273,418

Notes to the financial statements

For the year ended 31 March 2022

18. Social housing and other government grants

	Shared ownership £	Social Housing Properties £	Properties in the course of construction £	Total £
Gross grant creditor				
At 1 April 2021	-	35,472,529	1,434,073	36,906,602
Property acquisitions		-	2,172,269	2,172,269
Development schemes completed		1,448,362	(1,448,362)	-
At 31 March 2022	-	36,920,891	2,157,980	39,078,871
Amortisation				
At 1 April 2021	-	7,546,661	-	7,546,661
Credit for the year		302,572	-	302,572
At 31 March 2022	-	7,849,233	-	7,849,233
Net grant creditor				
At 31 March 2022	-	29,071,658	2,157,980	31,229,638
At 1 April 2021	-	27,925,868	1,434,073	29,359,941

19. Investment grants - SHG on homebuy scheme

	2022 £	2021 £
At 1 April	286,871	286,871
Recycled	-	-
Transfers	-	-
At 31 March	286,871	286,871

The investment grant is funding received from the Welsh Government to fully fund the Homebuy scheme, the assets of which are shown as a fixed asset investment (note 13). All amounts are due in more than one year.

20. Pension liability

	2022 £	2021 £
At 1 April	1,161,000	628,000
Contributions paid during the year net of expenses paid	(272,000)	(266,000)
Re-measurement of Pension Liability	175,000	137,000
Actuarial losses/(gains) recognised	(303,000)	649,000
Finance costs - interest per discount factor	24,000	13,000
At 31 March	785,000	1,161,000

Notes to the financial statements

For the year ended 31 March 2022

21. Called up share capital

	2022 £	2021 £
Allotted, issued and fully paid		
At 1 April	42	41
Issued during the year	-	2
Shares cancelled during the year	(3)	(1)
At 31 March	39	42

Shareholders hold the right to vote at general meetings, but do not hold any rights to dividends or distributions on winding up.

22. Capital commitments

	2022 £	2021 £
Capital expenditure that has been contracted for but has not been provided for in the financial statements	5,424,369	4,112,258
Capital expenditure that has been authorised by the Board but has not yet been contracted for	-	-

At 31 March 2022, the Association intended to fund this expenditure from a combination of free cash generation, social housing grants and loan drawdown from loan facilities already in place.

23. Operating leases

	2022 £	2021 £
Leases expiring:		
Within one year	4,000	4,084
Between two and five years	9,562	10,139
Over 5 years	-	-
Total operating lease commitments	13,562	14,223

Notes to the financial statements

For the year ended 31 March 2022

24. Pension scheme

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

	31 March 2022 (£000s)	31 March 2021 (£000s)
Fair value of plan assets	5,892	5,371
Present value of defined benefit obligation	6,677	6,532
Surplus (deficit) in plan	(785)	(1,161)
Defined benefit asset (liability) to be recognised	(785)	(1,161)

RECONCILIATION OF THE IMPACT OF THE ASSET CEILING

	Period from 31 March 2021 to 31 March 2022 (£000s)
Impact of asset ceiling at start of period	-
Effect of the asset ceiling included in net interest cost	-
Actuarial losses (gains) on asset ceiling	-
Impact of asset ceiling at end of period	-

RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE DEFINED BENEFIT OBLIGATION

	Period from 31 March 2021 to 31 March 2022 (£000s)
Defined benefit obligation at start of period	6,532
Current service cost	175
Expenses	6
Interest expense	144
Member contributions	-
Actuarial losses (gains) due to scheme experience	306
Actuarial losses (gains) due to changes in demographic assumptions	(42)
Actuarial losses (gains) due to changes in financial assumptions	(323)
Benefits paid and expenses	(121)
Liabilities acquired in a business combination	-
Liabilities extinguished on settlements	-
Losses (gains) on curtailments	-
Losses (gains) due to benefit changes	-
Exchange rate changes	-
Defined benefit obligation at end of period	6,677

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

	Period from 31 March 2021 to 31 March 2022 (£000s)
Fair value of plan assets at start of period	5,371
Interest income	120
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	244
Employer contributions	278
Member contributions	-
Benefits paid and expenses	(121)
Assets acquired in a business combination	-
Assets distributed on settlements	-
Exchange rate changes	-
Fair value of plan assets at end of period	5,892

The actual return on plan assets (including any changes in share of assets) over the period from 31 March 2021 to 31 March 2022 was £690,000.

DEFINED BENEFIT COSTS RECOGNISED IN STATEMENT OF COMPREHENSIVE INCOME (SOCI)

	Period from 31 March 2021 to 31 March 2022 (£000s)
Current service cost	175
Expenses	6
Net interest expense	24
Losses (gains) on business combinations	-
Losses (gains) on settlements	-
Losses (gains) on curtailments	-
Losses (gains) due to benefit changes	-
Defined benefit costs recognised in Statement of Comprehensive Income	205

Notes to the financial statements

For the year ended 31 March 2022

DEFINED BENEFIT COSTS RECOGNISED IN OTHER COMPREHENSIVE INCOME (OCI)

	Period from 31 March 2021 to 31 March 2022 (£000s)
Experience on plan assets (excluding amounts included in net interest cost) - gain (loss)	244
Experience gains and losses arising on the plan liabilities - gain (loss)	(306)
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	42
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	323
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)	303
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost) - gain (loss)	-
Total amount recognised in Other Comprehensive Income - gain (loss)	303

ASSETS

	31 March 2022 (£000s)	31 March 2021 (£000s)
Global Equity	1,131	856
Absolute Return	236	296
Distressed Opportunities	211	155
Credit Relative Value	196	169
Alternative Risk Premia	194	202
Fund of Hedge Funds	-	1
Emerging Markets Debt	171	217
Risk Sharing	194	196
Insurance-Linked Securities	137	129
Property	159	112
Infrastructure	420	358
Private Debt	151	128
Opportunistic Illiquid Credit	198	137
High Yield	51	161
Opportunistic Credit	21	147
Cash	20	-
Corporate Bond Fund	393	317
Liquid Credit	-	64
Long Lease Property	152	105
Secured Income	220	223
Over 15 Year Gilts	-	-
Index Linked All Stock Gilts	-	-

Notes to the financial statements

For the year ended 31 March 2022

Liability Driven Investment	1,644	1,365
Currency Hedging	(23)	-
Net Current Assets	16	33
Total assets	5,892	5,371

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

KEY ASSUMPTIONS

	31 March 2022	31 March 2021
	% per annum	% per annum
Discount Rate	2.79%	2.20%
Inflation (RPI)	3.49%	3.10%
Inflation (CPI)	3.15%	2.60%
Salary Growth	4.15%	3.60%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31 March 2022 imply the following life expectancies:

	Life expectancy at age 65 (Years)
Male retiring in 2022	21.1
Female retiring in 2022	23.7
Male retiring in 2042	22.4
Female retiring in 2042	25.2

Notes to the financial statements

For the year ended 31 March 2022

25. Analysis of changes in net debt

	At 1 April 2021 £	Cashflows £	Other movements £	At 31 March 2022 £
Cash at bank and in hand	4,852,396	1,297,574	-	6,149,970
Debt due within one year	(292,454)	369,170	(763,856)	(687,140)
Debt due after more than one year	(22,459,744)	(1,000,000)	720,882	(22,738,862)
	(22,752,198)	(630,830)	(42,974)	(23,426,002)
Total	(17,899,802)	666,744	(42,974)	(17,276,032)