



Gyrfa Cymru
Careers Wales

REGISTERED NUMBER: 07442837 (England and Wales)

Career Choices Dewis Gyrfa Ltd

Strategic Report, Directors Report and Financial Statements

For The Year Ended 31 March 2023



CAREER CHOICES DEWIS GYRFA LTD

YEAR ENDED 31 MARCH 2023

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FOR THE YEAR ENDED 31 MARCH 2023**

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CAREER CHOICES DEWIS GYRFA LTD

YEAR ENDED 31 MARCH 2023

COMPANY INFORMATION

DIRECTORS:

Ms J Alexander
Ms E Cassin
Mr A Clark
Mr N Coughlan
Ms K Daubney
Mr D Hagendyk
Miss E Harris
Mr J Harvey
Mr A Jones-Griffith
Mr D Matthews
Mrs E Richards
Mr A Smith
Mr R D Thomas
Ms H White

SECRETARY:

Mr W Piper

REGISTERED OFFICE:

Unit 4 Churchill House
17 Churchill Way
Cardiff
CF10 2HH

REGISTERED NUMBER:

07442837 (England and Wales)

AUDITORS:

Auditor General for Wales

STRATEGIC REPORT

The Directors present their strategic report of the company for the year ended 31 March 2023.

STATUTORY BACKGROUND

Career Choices Dewis Gyrfa Ltd (CCDG) is a wholly owned subsidiary of the Welsh Government (WG) which was formed on 1 April 2013. Trading as Gyrfa Cymru Careers Wales. CCDG provide the all-age, independent and impartial careers information, advice, and guidance service for Wales. CCDG's focus for this financial year was the second year of the company's five-year strategic vision 2021-26 "Brighter Futures", which incorporates an integrated digital presence (careerswales.gov.wales) and telephone service that links in with the Welsh Government's vision of creating a truly Digital Nation into our service delivery model.

CCDG delivers a remit set by the Minister for Economy and supports the Welsh Government's strategic objectives as identified in the Programme for Government and related Welsh Government policies. CCDG's work helps to develop the nation's skills base, and to support the effectiveness of expenditure on education and training, thereby contributing to the economic and social well-being of Wales.

PRIMARY OBJECTIVES

Career decisions are among the most important people make throughout their lives and careers information, advice and guidance can help to:

- Improve knowledge and awareness of learning opportunities and the labour market.
- Improve self-awareness, raise individual aspirations, and support people to make effective decisions about their careers.
- Increase access to, and completion of, learning and training.
- Motivate people to manage their careers, improve application and interview skills and be resilient in adapting their plans when circumstances change.
- Address inequality by focusing on the needs of groups who are under-represented in employment, learning or training and by challenging stereotyping; and
- Improve the efficiency and effectiveness of the labour market, for example, by improving the match between supply of, and demand for, skills.

CORE FUNCTIONS

CCDG's core function is to provide individuals with access to careers information, advice and guidance and related support through one-to-one guidance interviews, groupworks, web access and a bilingual contact centre. We support customers to become more effective at planning and managing their careers, recognising that career management no longer consists of a one-off occupational choice, but rather a series of lifelong career transitions. Through improving career management skills and competencies, customers can make these transitions more smoothly, enjoy a higher level of career satisfaction and play a more active part in the economy. CCDG continues to have a blended approach to all areas of its service through face to face and digital means.

CCDG's core function is defined in the remit letter from the Welsh Government, which details CCDG's objectives. In 2022-23 the remit letter focused on the support of the following high level strategic objectives:

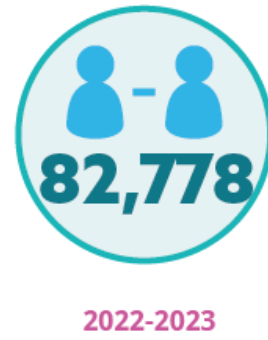
- Support the long-term programme of education reform, including the implementation of the Curriculum for Wales.
- Reform of post 16 education and training in Wales and the work of the planned Commission for Tertiary Education and Research (CTER).
- Support the Welsh Government's ambitions to build an economy based on the principles of fair work, sustainability and to provide good jobs, relevant skills, and new training opportunities.
- Support the Welsh Government's ambitions to create 125,000 all age apprenticeships.
- Helping to deliver a Young Persons Guarantee (YPG) aiming to provide young people under 25 in Wales with support to get into work or self-employment.

Education

Young people in education took part in



Yearly Interviews



Telephone calls to our helpline



CCDG also receive additional funding from the Welsh Government for several strategic projects.

Strategic Projects

1. Working Wales

The Working Wales Service was launched by the Minister for Economy in May 2019. Through this service, CCDGCCDG provides careers assessment, information, advice, guidance, coaching and a signposting service for adults and young people. The service provides an all-Wales entry point for employability support for individuals aged 16 and over.

During the 2022 – 23 year we saw a substantial return to pre-Covid activity levels for adults during the last six months of the business year, and a steady increase in customer volumes for young people. Our careers centres all re-opened and match pre-Covid opening levels. We were also pleased to see a steady increase in customer footfall at careers centres, though it is predicted that these will not reach pre-Covid volumes given our ability to now offer enhanced digital services as an alternative alongside face-to-face support. This alternative opportunity suits many customers especially given the cost of public transport to careers centres etc.

We have also seen a return to community-based outreach work this year and by the end of 2022-23, we were operating out of 50 Job Centres and over 30 outreach locations in addition to our 27 Careers Centres.

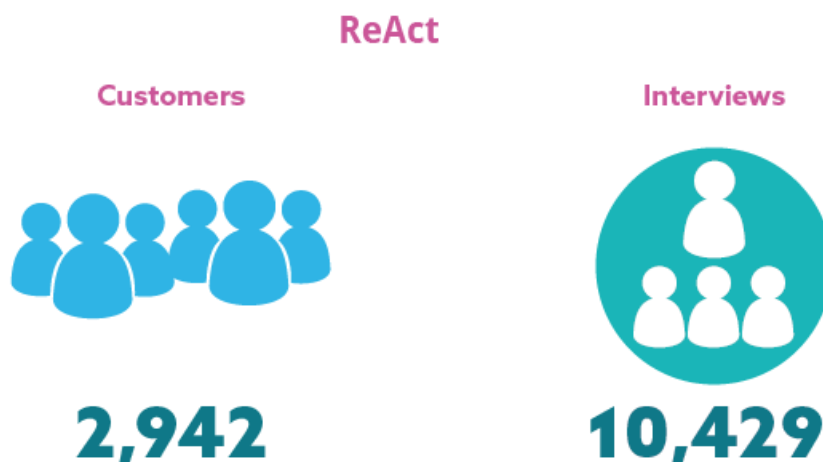
2. Redundancy Support / ReAct+

This year the company continued to provide redundancy and support services to individuals who have been made redundant or were under the threat of redundancy. This work is delivered in close collaboration with the Department for Work and Pensions and where appropriate, employer HR teams and trade unions. We also continued to support Welsh Government's flagship ReAct+ programme that was re-launched in June 2022.

The ReAct+ programme is a demand led service that dips when the economy is more buoyant and when jobs are more plentiful as has been the case for most of this financial year. All ReAct+ applicants receive independent and impartial careers advice and guidance and have their training needs assessed by a CCDG careers adviser, who will advise on suitable training courses and venues. During the year we have seen a slow but steady growth in the numbers of people applying for ReAct+ funding and have supported several large-scale redundancies such as 2-Sisters in Anglesey, and Liberty Steel in Newport and Tredegar.

3. JobsGrowth Wales +.

Welsh Government's brand-new Training and Employability programme, JobsGrowth Wales+ was launched in April 2022. CCDG remains the main referring agency into this programme and supports both young people in the labour market and those planning to leave school to apply for the programme and to make successful transitions.



European Social Funded Projects

CCDG received funding for six European projects (Activate), which support young people aged 11-19 who are disengaging from education and at risk of becoming not in education, employment, or Training (NEET). The projects aim to maintain engagement in education and provide further options to young adults to progress into further education and training. The funding for all these projects came to an end in the 2022-23 financial year. CCDG had an Activate exit strategy group that was set up to monitor and maximise the redeployment of staff within the company's core services, and to look at ways to continue to deliver the successful elements of the projects. This successful redeployment resulted in only one employee being made redundant.



COMPANY PERFORMANCE 2022-23

The 2022-23 financial year has marked the second year of the delivery of Brighter Futures, and work has been focussed on delivering the activities to achieve the goals and strategic outcomes contained within this document. We have adopted an even more blended approach to our work with customers, with a mix of face-to-face and digital channels providing greater choice and convenience.

The remit letter from Welsh Government requested CCDG to include measurable performance indicators which they could utilise to monitor the impact of the company. The Business Plan had a broad range and a detailed list of performance measures.

Some of the main performance targets are noted below:

Target 1: 95% of pupils who receive a guidance and coaching service enter education, employment, or training on leaving school.

96.1% of young people who received a guidance and coaching service and left Year 11 in 2022 entered education, employment, or training on leaving school.

Target 2: 85% of young people who receive targeted support enter EET on leaving school.

93.6% of young people who received a targeted support service and left Year 11 in 2022 entered education, employment, or training on leaving school.

Target 3: 90% of young people in education report raised awareness of opportunities.

96% of young people report raised awareness of opportunities.

Target 4: Partnership Agreements with 100% of partner organisations that enable improved access to the benefits of careers guidance and coaching.

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96% of institutions signed a Partnership Agreement (245 institutions out of 255).

Target 5: CCDG facilitates at least one employer engagement event in 95% of secondary schools in Wales.

CCDG facilitated at least one employer engagement activity in 200 secondary schools which is 95.7% of the total number of schools in Wales.

Target 6: 80% of customers reported that they have raised awareness of the skills required by economic priority sectors.

At the year-end, 90% of 1,262 customers completing an evaluation following a high impact careers fair reported a raised awareness of the skills required by priority sectors.

Target 7: Training or consultancy support to improve CWRE (Careers and Work-Related Experiences) programmes is delivered to teachers in 65% of the mainstream secondary schools in Wales.

Teachers from 88% of these secondary schools have engaged in training or consultancy support to improve CWRE programmes (183 schools out of 209).

Target 8: 85% of customers report that their needs were met by an online service.

At the end of the year, the satisfaction rate for web chats was 90% from a total of 1,363 responses.

Target 9: 85% of customers to state they were satisfied with the service they received (Working Wales)

All Working Wales customers who receive a guidance interview are sent an online survey. Of the customers who responded to the survey, 98% said they were satisfied with the service that they received.

Target 10: 80% of individuals offered first appointment within 5 working days of first contact.

93% of individuals were offered a first appointment within 5 working days of first contact.

Welsh Language

CCDG is required to comply with specific standards relating to service delivery, policy making, operational standards and record keeping. One of the requirements is for a report of performance against the standards to be issued annually. Our most recent Annual Report for Welsh Language Standards was published in September 2022.

As of 31st March 2023, 53 employees of CCDG self-assessed themselves as Proficient Welsh-speakers and 59 as Advanced Welsh-speakers. This equates to 18.1% of the workforce self-assessing themselves as either Proficient or Advanced Welsh-speakers. CCDG is committed to improving on its current position to support the Welsh Government's vision of a million Welsh speakers by 2050..

Employee Welsh Language Skills – Numbers

	Speaking	Listening	Reading	Writing
Proficient	53	51	47	37
Advanced	59	71	65	52
Intermediate	33	39	43	33
Foundation	53	45	46	55
Entry	213	209	198	190
No Understanding	207	203	219	251
Total	618	618	618	618

Employee Welsh Language Skills – Percentages

	Speaking	Listening	Reading	Writing
Proficient	8.6	8.3	7.6	6.0
Advanced	9.5	11.5	10.5	8.4
Intermediate	5.3	6.3	7.0	5.3
Foundation	8.6	7.3	7.4	8.9
Entry	34.5	33.8	32.0	30.7
No Understanding	33.5	32.8	35.4	40.6

Wellbeing of Future Generations Act

The Welsh Government requires all its Public Bodies to act in accordance with the sustainable development principle (five ways of working) set out in the Well-being of Future Generations Act (Wales) 2015 and to work towards the seven wellbeing goals. CCDG is not on the list of Public Bodies but the CCDG remit letter from the Welsh Government states that the company will be expected to demonstrate how the Future Generation Act underpins all its work.

The WFG Act required Welsh ministers to set national indicators to assess progress towards achieving the seven wellbeing goals. Whilst the national indicators are designed to represent the outcomes for Wales, and its people, that will help demonstrate progress towards the seven well-being goals, CCDG has looked closely at them to identify those where we have a significant role to play (designated as the green indicators).

Each of these ‘green’ indicators has been mapped to one of the company operational committees. The committees have been tasked with monitoring progress towards compliance as well as reviewing the appropriateness of the measures in place.

Governance Link	Green Indicator
Premises and Environment Steering Group	4. Levels of nitrogen dioxide (NO2) pollution in the air.
	15. Amount of waste generated that is not recycled, per person.
	41. Emissions of greenhouse gases within Wales.
Welsh Language Steering Group	36. Percentage of people who speak Welsh daily and can speak more than just a few words of Welsh.
	47. Number of people who can speak Welsh.
Senior Management Team	7. Percentage of pupils who have achieved the “Level 2 threshold” including English or Welsh first language and Mathematics, including the gap between those who are eligible or are not eligible for free school meals. (To be replaced from 2017 by the average capped points score of pupils).
	8. Percentage of adults with qualifications at the different levels of the National Qualifications Framework.
	9. Gross Value Added (GVA) per hour worked (relative to UK average)
	11. Percentage of businesses which are innovation-active
	21. Percentage of people in employment.
	22. Percentage of people in education, employment, or training, measured for different age groups.
	24. Percentage of people satisfied with their ability to get to/ access the facilities and services they need.
	29. Mean mental well-being score for people.

FINANCIAL PERFORMANCE FOR THE YEAR

The results for the financial year are shown on page 26 onwards.

As a public sector service, the financial aim of CCDG is not to make a profit but to ensure that monies are spent effectively offering good value for money.

CCDG's Financial Statements currently show that the company has positive reserves of £12.4m. The primary reason for these positive reserves is the net pension surplus of £8.1m.

CCDG performance is assessed both internally and externally in particular through its Remit Letter and Framework Document that are annually agreed with the Welsh Government. Performance against the Remit Letter is monitored by the Welsh Government and CCDG provides quarterly reports to Welsh Government to assist in this monitoring process.

The Framework Document allows CCDG to carry-over from one financial year to the next any drawn but unspent cash balances of up to 3% of the agreed WG income funding.

The table below shows the original budget position for the 2022-23 financial year:

Item	£m
Agreed budgeted WG Core & Working Wales funding	31.3
Allowable carry over - 3%	0.9
Year end Cash and cash equivalents	0.9

The principal source of income for CCDG is received from the Welsh Government. During the financial year the total funding received was £32.05m compared to a budgeted £31.3m. The difference is explained firstly, by not all capital expenditure of the WG agreed capital funding of £1.9m being drawn down. Secondly, we received additional funding of £1.2m for various projects not included in the original budget. Where we incurred capital expenditure, income of £849k (2022: £881k) has been deferred into the next financial year.

FUTURE DEVELOPMENTS

This financial year CCDG delivered the second year of Brighter Futures, the company's ambitious five-year strategy. The vision is for an all-age strategy and achieved our ambition of rolling out digital services to primary school pupils.

CCDG through its second year of the strategy offered a blended approach to our work with customers, with a mix of face-to-face and digital channels providing greater choice and convenience for our customers.

We have continued to develop and deliver quality services valued by customers and partners, upskilled our professional staff and made efficiency savings. In the third year of Brighter Futures, CCDG will continue to strive to continuously improve our services for customers and evaluate our services to inform our on-going offer ensuring sharing good practice both nationally and internationally.

For 2023-24 CCDG expects income from the Welsh Government income to be £32.96m. As shown in the table below, this includes funding for specified projects to the value of £11.14m.

Funding Source	£m
Welsh Government – Core	21.82
Welsh Government – Working Wales	10.28
Welsh Government – projects	0.86
Sub-total Welsh Government	32.96
European Funding – ESF	0.00

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Other contract Income	0.02
Estimated total income 2023-24	32.98

PRINCIPAL RISKS AND UNCERTANTIES

Details of risk management are contained in the specific section of the Annual Corporate Governance Statement on pages 19-20.

The four principal risks that CCDG face are:

- Cyber security attacks
- Cost of living increases
- Legal Challenges in relation to our service delivery
- Reduced funding affecting service delivery in schools

These risks are expanded below:

Risk area	Main Risk(s)
Operational and Strategic risks	<ul style="list-style-type: none"> • Cyber security attacks on our network systems. • Risk of legal challenges in relation to our service delivery, in particular our ALN service.
Financial risks	<ul style="list-style-type: none"> • Impact of the cost of living increases on WG funding. • Loss of ESF income which provided income to provide extended services in schools

ON BEHALF OF THE BOARD:



.....
Ms E Cassin - Chair

Date: 15 December 2023

DIRECTORS REPORT

The Directors present their report with the Financial Statements of the company for the year ended 31 March 2023. CCDG has adopted the International Financial Reporting Standards (IFRS).

The Welsh Ministers are the sole member of CCDG. The company is limited by guarantee with the member agreeing to contribute the sum of £1 in the event of the company being wound up.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2023.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in note 17 to the Financial Statements.

DIRECTORS

The Directors shown below have held office during the period from 1 April 2022 to the 31 March 2023:

Mrs E Richards
Mr N Coughlan
Ms J Alexander (appointed 09 January 2023)
Ms K Daubney (appointed 19 December 2022)
Mr A Clark
Miss E Harris
Mr A Jones-Griffith (appointed 19 December 2022)
Mr D Hagendyk
Ms E Cassin (Chair)
Mr R Thomas
Mr D Matthews
Mr A Smith
Ms H White
Mr J Harvey
Dr T Begum (resigned 12 August 2022)
Prof S Maguire (resigned 30 June 2022)

All Directors, are non-executive and are unpaid. On February 1 2022, Ms E Cassin was appointed as Chair remunerated at a daily rate of £337 with a maximum time commitment of 40 days per year. The post of Chairs of the committees are also remunerated at the daily rate of £256 per committee.

GOING CONCERN AND EVENTS AFTER THE REPORTING PERIOD

In adopting the going concern basis for preparing the Financial Statements, the Directors have considered the business activities as well as the company's principal risks and uncertainties as set out in the Corporate Risk Register.

Following the transfer of ownership to the Welsh Government, on 1 April 2013, CCDG became a public body, funded directly by the Welsh Government. Through the CCDG remit letter and funding letter, the Board of Directors has received confirmation that the Welsh Government will continue to provide both revenue and capital support at a sufficient level to enable CCDG to continue as a going concern until at least 31 March 2024. After making enquiries, and having reviewed the company's forecasts, the Directors have concluded that there are no material uncertainties which would create any doubts to CCDG's ability to continue in business over the next 12 months. Therefore, the Board will continue to adopt the going concern basis in preparing the annual report and financial statements.

NON-CURRENT ASSETS

Details of non-current assets are shown in notes seven to nine and note 16 to the financial statements.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The main financial risks for CCDG relate to cash flow management and budgeting and these are maintained at the highest risk level on our risk register. We keep a close monitoring brief on both budgets and cashflow throughout the financial year due to uncertainties about funding in future years. The Welsh Government Core and Working Wales Budget for 2022-23 was £31.29m, and they have confirmed an increased level of funding for 2023-24 of £32.96m. There are no concerns about our going concern status up to 31st March 2024.

Regarding cash flow management, there is no significant credit risk in the next financial year..

STAFF

Dignity and Respect Policy

CCDG has a Dignity and Respect Policy in which fairness and inclusion of all employees are fundamental principles for the company. We value the diversity of our employees and respect individual differences within an inclusive working environment. All employees are entitled to a workplace free from bullying, harassment, or victimisation. Employees are entitled to be treated with dignity, respect, and courtesy, to experience no form of discrimination and to be valued for their skills and abilities. We want to continue to attract and retain a workforce that reflects diverse communities, and we are committed to eliminating discrimination and complying with our statutory duties. CCDG will not tolerate any form of unfair, discriminatory behaviour in any aspect of an individual's working life and will strive to create a culture where everyone can thrive and reach their full potential.

Consultation with Employees

CCDG remain committed to employee involvement and have a recognition agreement with Unison. CCDG senior management and Unison engage proactively in Partnership training promoted by Wales TUC and Welsh Government. Partnership working has been implemented and embraced by both sides and has resulted in an improvement in industrial relations and productive joint working. Employees are kept well informed of the performance and strategy of the company through personal briefings, regular meetings, email, and updates by the Chief Executive through our newsletter LINC that is sent to all staff.

Employees can interact with one another, post information about clubs and groups via Yammer and can gain access to information about corporate events using the CCDG intranet

Policy on the payment of Creditors

CCDG is committed to the prompt settlement of invoices and other claims for payment. In the case of goods and services where the supply has been satisfactorily completed, the company's objective is to pay within 30 days of receipt of the invoice.

ENVIRONMENTAL REPORT

CCDG recognises that its wide range of activities and services have both a positive and negative impact on the environment and wish to manage and minimise these wherever possible. Our environmental strategy is underpinned by our objective to contribute to the Welsh Government's target of carbon net zero by 2030. To help us achieve this aim we have implemented the independently audited Green Dragon Environmental Standard. Our overarching principles are detailed within our environmental policy and are implemented and monitored using an environment management system.

How we manage the process

CCDG's aim is to seek continued improvement in the process by which we manage our environmental impact. We have established two committees which have oversight of the monitoring and reporting requirements within our governance structure. The Premises and Environment Group has responsibility for setting the strategic direction and reviewing progress against targets. The Green Team is responsible for overseeing the auditing and production of the monitoring data and for ensuring the strategic decisions for the year are implemented.

Environmental Performance

In the period April 2022-March 2023 all CCDG premises were open to the public which enabled us to provide a face-to-face provision for our customers and we continued to provide careers advice and guidance within schools.

Throughout the year we adopted a hybrid model of working whereby staff can work from home or they can work from their base premise. We are in the process of developing our premises strategy to ensure that it is fully aligned with our 2030 net zero strategy, and our hybrid working practices. We have set aside a budget for capital investment in three of our owned properties to improve their Energy Performance Certificate (EPC) rating in 2023/24. We have completed an environmental retrofit survey of these offices and we are aiming to complete the works in the next financial year.

Our net zero strategy is based on setting a foundation for a whole new approach to the way that we interact with our customers to future-proof our services by ensuring we have an invigorated premises portfolio to meet the needs of the future generations of Wales. Our key objectives will be to provide modern technologically advanced offices, with low carbon emissions that will provide us with the ability to provide modern working environments that allow flexible working practices available to a wide area of the community. In line with the National strategy '*Prosperity for All*' we will ensure our estates portfolio will address the needs of the community that we operate within.

Key to achieving our strategy is the environment management systems and monitoring processes which are embedded within CCDG. In last year's accounts we stated it was our intention to apply for level five of the Green Dragon Environmental accreditation system. However we were unable to fully meet all the conditions to reach this threshold so we reapplied for level 4 accreditation, and we were successful. The environment data in the table below has been collected from the 30 offices that are fully under our control and where we receive invoices directly from the energy supplier. Fifteen of these offices have gas central heating installed. In addition to the reporting of environment data included in this report we also report annually on additional environment information to the Welsh Government. This includes an estimated kgCO₂e emissions for homeworking (131,9272), travel to work (63,831) and supply chain emissions (1,345,737)

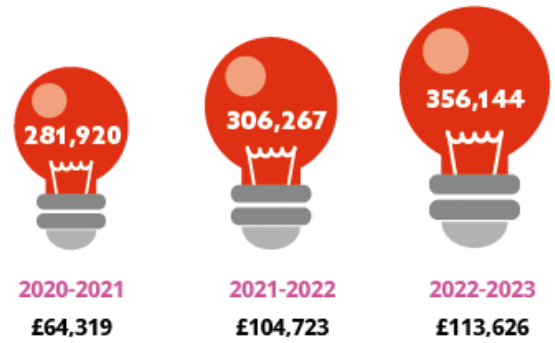
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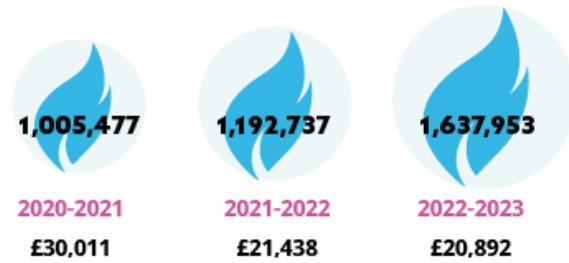
Water (Litres)



Electricity (kWh)



Gas (kWh)



Greenhouse gases (CO2 tonnes)



Business (Miles)



	2020-2021	2021-2022	2022-2023
Water (Litres)	1,742,180	1,021,000	1,936,000
Business Miles	57,069	209,586	275,919
Electricity kWh	281,920	306,267	356,144
Gas kWh	1,005,477	1,192,737	1,270,523
Greenhouse gases CO2 tonnes	343	348	383
Financial costs	£	£	£
Gas	21,438	20,892	26,851
Electricity	64,319	104,723	113,626
Water	9,493	5,621	16,891

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Usage per head – staff numbers	2020-21	2021-2022	2022-2023
Staff numbers based on total headcount in year	640	630	637
Water (Litres)	2,722	1,621	3,039
Business Miles	89	333	433
Electricity kWh	441	486	559
Gas kWh	1,571	1,893	1,995
Greenhouse gases CO2 tonnes	0.54	0.55	0.6

To calculate the CO2 tonnes of emission for gas and electricity we use the kWh factor kgCO_{2e}, this factor varies year-on-year. In 2022 there was an increase in the UK kWh kgCO_{2e} factor compared to the previous year. The above figures represent the usage in energy across CCDG business. As detailed in last year's statutory accounts CCDG was expecting an increase in emissions this financial year, and the result mirrored these expectations. Compared to the previous year CCDG premises opened for additional days and this resulted in an increase in business miles, electricity usage and gas usage.

In the 2023/24 financial year we are planning a decrease of 15% in our gas, electricity, and water consumption. CCDG has set aside revenue and capital expenditure to help reduce our emissions associated with buildings, transport, and procured goods and services. CCDG is in the process of reviewing owned and leased estate to ensure that the estates portfolio is fit for purpose to meet the needs of staff and our customer base. CCDG's principal objective is to reduce the co2 footprint by creating environmentally efficient premises as identified by their EPC rating. We have identified premises that no longer fit in with the strategy, and are anticipating there will be changes to the current estate portfolio in the next financial year. The focus is on smaller offices, and we are looking at opportunities to co-locate with partner organisations where possible and it serves our customers and employees.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Directors report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors have elected to prepare the Financial Statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these Financial Statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently; and
- Make judgements and accounting estimates that are reasonable and prudent; and
- State that the Financial Statements comply with IFRS; and
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each Director has taken all the steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The Auditor General for Wales is appointed by the Welsh Government as the Company's external auditors.

ON BEHALF OF THE BOARD:



Ms E Cassin - Chair

Date: 15 December 2023

ANNUAL REPORT CORPORATE GOVERNANCE STATEMENT

INTRODUCTION

As the Chief Executive (Accounting Officer) I am personally responsible for the overall organisation, management and staffing of CCDG.

The Governance Statement brings together in one place all disclosures about matters relating to an organisation's governance, risk, and control. As Accounting Officer, I am personally responsible for the Governance Statement which outlines how I have discharged my responsibility to manage and control the resources of CCDG during the financial year.

CORPORATE GOVERNANCE

Corporate Governance is the system by which organisations are directed and controlled. The Board of CCDG is responsible for the governance of CCDG and compliance with the corporate governance code. The Board's role is to satisfy itself that an appropriate governance structure is in place and to ensure through myself, as Chief Executive, that the organisation operates within the policy framework set by the Welsh Government.

The Board comprises a Chair, Ms E Cassin, and up to 13 other Directors who are appointed by the Welsh Government. The Chair is a remunerated position at a rate of £337 per day for a maximum of 40 days per year. The Board has met four times during this year.

Each Director, Co-opted Member and the members of the Senior Management Team complete a Related Party Declaration form to ensure that potential conflicts of interest are identified. This form was last completed to March 2023. The Directors and Co-opted Members are reminded to declare any conflicts of interest prior to Board and Committee meetings. Any conflicts are then declared in the minutes and the Director or Co-opted Member does not take part in that agenda item.

The Board appointed three Committees with their own Terms of Reference to discharge its responsibilities and to obtain the assurance required that demonstrate good governance practices are in place. The Committees are:

-



CAREER CHOICES DEWIS GYRFA LTD

YEAR ENDED 31 MARCH 2023

The Directors' attendance at the Board and Committees is shown in the tables below:

MEMBERSHIP AND ATTENDANCE RECORD 2022-23

Meetings of the Board of Directors and Co-Opted Members

	16/06/22	12/10/22	19/01/23	02/03/23	Attendance
Mrs E Richards	✓	✓	X	✓	3/4 75%
Miss E Harris	✓	✓	X	✓	3/4 75%
Prof S Maguire	✓				1/1 100%
Dr T Begum	✓				1/1 100%
Mr D Hagendyk	✓	X	✓	X	2/4 50%
Mr R Thomas	✓	✓	✓	✓	4/4 100%
Mrs E Cassin (Chair)	✓	✓	✓	✓	4/4 100%
Mr N Coughlan	✓	X	X	✓	2/4 50%
Mr D Mathews	✓	✓	✓	X	3/4 75%
Ms H White	✓	✓	✓	✓	4/4 100%
Mr A Smith	✓	✓	✓	✓	4/4 100%
Mr A Clark	✓	✓	✓	✓	4/4 100%
Mr J Harvey	X	✓	X	✓	2/4 50%
Mrs J Alexander			✓	✓	2/2 100%
Dr K Daubney			✓	✓	2/2 100%
Mr A Jones-Griffiths			X	✓	1/2 50%
Chief Executive	✓	✓	✓	✓	4/4 100%
Ms S Price*	✓	X	✓		2/3 66.6%
Ms C Noble*	X	X			0/2 0%
Ms M Van Den Heuvel*	X	✓	X		1/3 33.3%
Ms Toni McLelland*				✓	1/1 100%

*Co-opted Member

CAREER CHOICES DEWIS GYRFA LTD

YEAR ENDED 31 MARCH 2023

All Committee meeting minutes are provided to the Board. The Chief Executive is an Executive member of each Committee.

Finance, Audit & Risk Committee

	13/06/22	05/08/22	06/10/22	01/02/23	Attendance
Mr A Clark (Chair)	✓	✓	✓	✓	4/4 100%
Mr R Thomas	✓				1/1 100%
Ms H White	✓	X	X	X	1/4 25%
Mr A Smith	✓	✓	✓	✓	4/4 100%
Chief Executive	✓	✓	✓	✓	4/4 100%
Mr D Matthews		✓	✓	✓	3/3 100%
Ms C Noble*	✓	X	X		1/3 33.3%
Director of Resources & Transformation	✓	✓	✓	✓	4/4 100%
Head of Finance & Estates	✓	✓	✓	✓	4/4 100%
Audit Wales (External Auditors)	✓	✓	✓	✓	4/4 100%
TIAA (Internal Auditors)	✓	✓	✓	✓	4/4 100%

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People Matters and Remuneration Committee

	12/05/22	05/10/22	13/01/23	23/02/23	Attendance
Miss E Harris (Chair)	✓	✓	✓	✓	4/4 100%
Mrs E Richards	X	✓	✓	✓	3/4 75%
Ms E Cassin	✓	✓	✓	✓	4/4 100%
Dr T Begum	✓				1/1 100%
Chief Executive	✓	✓	✓	✓	4/4 100%
Ms M V D Heuvel*	✓	✓	✓		3/3 100%
Director of Resources & Transformation	✓	✓	✓	✓	4/4 100%
Head of People Development	✓	✓	X	✓	3/4 75%

Performance & Impact Committee

	28/04/22	22/07/22	27/10/22	26/01/23	
Prof S Maguire (Chair)	✓				1/1 100%
Mr D Hagendyk (Chair)	✓	✓	✓	✓	4/4 100%
Mr N Coughlan	✓	✓	✓	✓	4/4 100%
Mr D Matthews	X				0/1 0%
Mr J Harvey	✓	✓	X	X	2/4 50%
Mr R Thomas		X	✓	✓	2/3 66.6%
Chief Executive	✓	✓	✓	✓	4/4 100%
Ms S Price*	X	X	✓		1/3 33.3%
Director of Customer Strategy & Service Development	✓	X		✓	2/3 66.6%
Head of Quality & Planning	✓	✓	✓	✓	4/4 100%

*Co-opted Member

Finance, Audit and Risk Committee

The Committee consists of four Directors and met four times in the financial year. The Terms of Reference are:

- i. To ensure that the company has a sound system of financial control, and effective processes for the identification, assessment and management of risk using risk register.
- ii. To recommend the appointment of bankers, internal auditors, external auditors, and other financial advisers, as required, following due process.
- iii. To establish a sound procedure for procurement, to ensure efficiency and value for money.
- iv. To ensure, in accordance with legislation, that the company has effective policies for dealing with suspected irregularity, fraud or bribery.
- v. To keep under review the financial health of the company. To include monitoring and reviewing the Business Plan and expenditure against budget for the current year.
- vi. To develop and recommend a viable business plan, and a budget for the company each year.
- vii. To consider and make recommendations on financial statements, and in particular the annual accounts of the company.
- viii. Consider matters referred to Committee by Board; and
- ix. Report to Board.

People Matters and Remuneration Committee

The Committee consists of four Directors and met four times in the financial year. The Terms of Reference are:

- i. The Committee will receive and approve any initial draft and subsequent redrafts of the HR Strategy and Implementation Plan(s).
- ii. The Committee will ensure that there is an appropriate pay structure and, subject to affordability, determine the pay levels of the Chief Executive.
- iii. The Committee will provide robust scrutiny in order to ensure that the company complies with employment legislation and regulations.
- iv. The Committee will be the lead committee for Health and Safety and Diversity matters.
- v. The Committee will consider such matters as may be referred to it by the Board.
- vi. The Committee will report to the Board on all matters relating to the employment and welfare of the staff of CCDG and give advice on appropriate matters.
- vii. The Committee will also promote and support:
 - the development of appropriate employment policies, including those for appointment, terms and conditions, discipline, grievance, reward, and recognition of employees.
 - the ongoing development of the company's culture and values.
 - employee engagement and involvement; and
 - effective internal communication within the organisation.

Performance and Impact Committee

The Committee consists of four Directors and met four times in the financial year. The Terms of Reference are:

- i. Have an overview of service development, delivery, and support functions.
- ii. Monitor, scrutinise and advise on year performance relating to quality and quantity and progress against business plan.
- iii. To challenge and review the impact of the company.
- iv. To scrutinize and monitor the use of feedback from customers and stakeholders in informing the development of the service (including ICT) and engagement strategies.
- v. To promote and support value for money, looking at which services to invest resources in to ensure a good return on investment.
- vi. To support and review the way the company delivers the services through IT/ Digital/ Marketing channels.
- vii. To consider such matters as may be referred to the Committee by the Board; and
- viii. To report to the Board.

The Senior Management Team

The team meet regularly remotely and in person, to discuss and agree corporate and operational matters. A CCDG performance report is produced quarterly and presented to Welsh Government and the Board, to monitor progress against the business plan.

Sickness absence data

Over the last twelve months the Company lost 6.3% of productive working days to sickness absence (6.05% in the previous reporting period). Of this 2.49% is accounted for by absences of less than 20 days. The remainder is long term absence and there have been several notable very long-term ill-health cases.

We have used the following best practice initiatives to manage sickness absence:

- Return to work interviews after every absence, paperwork reviewed and followed up by HR for quality of completion.
- Use of the Bradford factor to highlight those employees with high levels of short-term absence so that efforts are targeted.
- Identifying individuals with absences exceeding 19 continuous days and supporting them back to work at an early stage by offering phased returns (part-time working for a short rehabilitation period).
- Use of triggers relating to numbers and frequency of short-term absence which trigger actions such as informal and formal counselling meetings and potentially to warnings.
- Use of occupational health referrals, where high and rising patterns are seen and to manage ill-health retirements.
- Early occupational health referrals for cases of mental ill health.
- Work with the recognised trade union on absence initiatives.
- Managers receive absence statistics each month to discuss with their teams.
- Use of the Company newsletter to promote health initiatives.
- Use of an external service for employees to report sick leave and monitor that return-to-work interviews are completed. This provides very robust sickness data.
- Proactive health and wellbeing strategies that have led to achieving the Corporate Health Standard Silver Award.

Whistleblowing

CCDG has, since 2013, had a whistleblowing policy and procedures that were consulted on and agreed with the recognised trade union. The policy was introduced to all employees via the Company newsletter and is available to any employee, bilingually, on the Company intranet. The policy advises employees on what to do and who to report to, both internally and externally, if they believe that there is wrongdoing that it is in the public interest to disclose. The policy also covers employee rights and directs them to sources of information on the relevant reporting bodies. There have been no whistleblowing incidents during this financial year.

Risk Management

Responsibility for the management of the risks relating to the operations of CCDG lies with the Board of Directors. CCDG has undertaken a comprehensive assessment of the risks it faces. The principal risks are contained in the CCDG Risk Register which is reviewed on a regular basis by the Finance, Audit and Risk Committee and the Senior Management Team.

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the company's aims and objectives and to manage them efficiently, effectively, and economically. CCDG's Risk Register identifies potential risks arising from the operation of the company. These risks are prioritised within a risk matrix and provided with a risk profile according to the impact and likelihood of the risk occurring. These risk ratings are reviewed at each meeting of the Finance, Audit and Risk Committee and reported to each Board meeting. The

CAREER CHOICES DEWIS GYRFA LTD

YEAR ENDED 31 MARCH 2023

Risk Register includes a list of the preventative measures for each of the risks identified, as well as the contingency measures and actions to reduce the consequences of an incident to a lower risk level and to facilitate recovery in the event of any crisis arising. The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness.

As Chief Executive I have responsibility for reviewing the effectiveness of the system of internal control. This review is informed by the work of the appointed internal auditors, TIAA, and the managers within CCDG who have responsibility for the development and maintenance of the internal control framework, together with comments and recommendations made by the external auditors in their management letter and internal auditors in their reports. The internal auditors submit regular reports and provide an independent annual opinion on the adequacy and effectiveness of CCDG's system of internal control, together with recommendations for improvement.

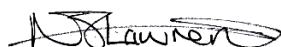
The internal auditors operate to standards defined by the Public Sector Internal Audit Standards. They attend Finance, Audit and Risk Committee meetings and present their reports to the Committee and progress on the planned work programme. The annual internal audit opinion stated that CCDG had reasonable and effective risk management, control, and governance processes in place during the year. This opinion is based solely on the matters that came to their attention during the internal audit reviews and is not an opinion on all elements of risk management, control, and governance processes. The following areas were audited within the year ;ICT Strategy, Key Financial controls, Governance- Performance Management and Human Resource Management . All areas of the audit reviews were given substantial assurance.

The Internal Audit Strategy is set by the Finance, Audit and Risk Committee and is reviewed by the Board. More generally, CCDG is committed to a process of continuous improvement, developing systems in response to any relevant reviews and developments in best practice. Appropriate action plans are in place to address any weaknesses identified and to ensure continuous improvement. Managers implement the recommendations of the internal auditors and the recommendations from the external audit management letter. The Finance, Audit and Risk Committee will continue to monitor this activity.

I am satisfied that for the 2022-23 financial year a sound governance framework and system of internal controls were in place. They supported the achievement of CCDG's policies, aims and objectives; facilitated effective exercise of CCDG's functions and safeguarded public funds and assets for which the Accounting Officer is personally responsible. These matters of governance and control are in accordance with the responsibilities that had been assigned to me, in the Framework Document issued to CCDG by the Welsh Government.

Staff continue to work in an agile way both in premises where appropriate and working from home. We have continued to take a digital approach to providing a solution to the new way of working. The Board and the Committees have met through video conferencing or face to face on occasion. During this year we were able to continue to deliver using a blended approach of face-to-face, telephone and video conference interviews.

Our internal controls have been maintained throughout the period as we continue to follow Welsh Government framework guidance and our own financial regulations. There has not been a negative impact on our controls. Our internal audits have been completed and we are on target to meet the schedule set out for this year. The Finance, Audit and Risk committee has taken a keen interest in our risk control mechanisms and these have been updated during the year.



Nikki Lawrence
CCDG Chief Executive and Accounting Officer

Date: 15 December 2023

Independent auditor's report to the member of Career Choices Dewis Gyrfa Ltd
Opinion on financial statements

I have audited the financial statements of Career Choices Dewis Gyrfa Ltd for the year ended 31 March 2023 which comprise the Statement of Profit or Loss, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows, and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

In my opinion the financial statements:

- give a true and fair view of the state of the company's affairs as of 31 March 2023 and of its deficit for the year then ended.
- have been properly prepared in accordance with UK adopted international accounting standards.
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on regularity

In my opinion, in all material respects, the expenditure and income in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report.

My staff and I are independent of the company in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other Information

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The directors are responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained during the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In my opinion, based on the work undertaken during my audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the strategic report and the directors' report have been prepared in accordance with applicable legal

requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the company and its environment obtained during the audit, I have not identified material misstatements in the strategic report or the directors' report.

I have nothing to report in respect of the following matters where the Companies Act 2006 requires me to report to you, if, in my opinion:

- I have not received all the information and explanations I require for my audit;
- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my team;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of directors' remuneration specified by law are not made; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime.

Responsibilities of the directors for the financial statements

As explained more fully in the statement of directors' responsibilities set out on page 13, the directors are responsible for:

- Maintaining proper accounting records;
- the preparation of the financial statements and Annual Report in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring the regularity of financial transactions;
- internal control as the directors determine is necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors anticipate that the services provided by the company will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit and report on the financial statements in accordance with the Companies Act 2006. My objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- Enquiring of management and those charged with governance, including obtaining and reviewing supporting documentation relating to Career Choices Dewis Gyrfa Ltd (CCDG)'s policies and procedures concerned with:
- 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; and
- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the posting of unusual journals.

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YEAR ENDED 31 MARCH 2023

- Obtaining an understanding of CCDG's framework of authority as well as other legal and regulatory frameworks that CCDG 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 CCDG and
- Obtaining an understanding of related party relationships.

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

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- enquiring of management and the Finance, Audit and Risk Committee about actual and potential litigation and claims.
- reading minutes of meetings of those charged with governance and the directors.
- 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.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of Career Choices Dewis Gyrfa Ltd's controls, and the nature, timing and extent of the audit procedures performed.

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

Other auditor's responsibilities

I obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report

I have no observations to make on these financial statements.

Adrian Crompton
Auditor General for Wales
18 December 2023

1 Capital Quarter
Tyndall Street
Cardiff, CF1 4BZ

CAREER CHOICES DEWIS GYRFA LTD

YEAR ENDED 31 MARCH 2023

**STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 MARCH 2023**

		2023 £'000	2022 £'000
CONTINUING OPERATIONS	Notes		
Revenue	2	33,008	31,982
Administrative expenses		(38,285)	(36,243)
Profit arising on property related items	1	<u>37</u>	<u>18</u>
OPERATING (LOSS)		(5,240)	(4,243)
Finance costs	4	(7,714)	(5,982)
Finance income	4	<u>7,130</u>	<u>5,009</u>
(LOSS) BEFORE TAX		(5,824)	(5,216)
Tax expense	6	<u>(8)</u>	<u>(-)</u>
(LOSS) FOR THE YEAR		<u><u>(5,832)</u></u>	<u><u>(5,216)</u></u>
(Loss) attributable to: Owner of the company		<u><u>(5,832)</u></u>	<u><u>(5,216)</u></u>

The notes from page 32 to page 65 form part of the Financial Statements

CAREER CHOICES DEWIS GYRFA LTD

YEAR ENDED 31 MARCH 2023

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023**

		2023 £'000	2022 £'000
	Notes		
(LOSS) FOR THE YEAR		(5,832)	(5,216)
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss:			
Actuarial Gain on pension scheme	16	36,271	29,405
		<hr/>	<hr/>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		<u>30,439</u>	<u>24,189</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>30,439</u>	<u>24,189</u>
Total comprehensive income attributable to: Owner of the company		<u>30,439</u>	<u>24,189</u>

The notes from page 32 to page 65 form part of the Financial Statements

CAREER CHOICES DEWIS GYRFA LTD

YEAR ENDED 31 MARCH 2023

**STATEMENT OF FINANCIAL POSITION
31 MARCH 2023**

	Notes	2023 £'000	2022 £'000
ASSETS			
NON-CURRENT ASSETS			
Property, plant, and equipment	7	2,606	2,510
Right of Use Asset	8	1,826	2,333
Intangible assets	9	1,047	1,066
Pension Surplus	16	8,067	-
		<u>13,546</u>	<u>5,909</u>
CURRENT ASSETS			
Trade and other receivables	10	2,516	2,999
Cash and cash equivalents	11	941	857
		<u>3,457</u>	<u>3,856</u>
TOTAL ASSETS		<u>17,003</u>	<u>9,765</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Pension liability	16	-	23,385
Trade and other payables	13	-	-
Lease Liabilities	8	1,207	1,703
		<u>1,207</u>	<u>25,088</u>
CURRENT LIABILITIES			
Trade and other payables	13	2,217	2,228
Provisions	15	585	-
Lease Liabilities	8	547	556
Tax payable	6	8	-
		<u>3,357</u>	<u>2,784</u>
TOTAL LIABILITIES		<u>4,564</u>	<u>27,872</u>
TOTAL ASSETS LESS LIABILITIES		<u>12,439</u>	<u>(18,107)</u>
EQUITY			
Revaluation reserve	12	348	241
Retained earnings	12	12,091	(18,348)
TOTAL EQUITY		<u>12,439</u>	<u>(18,107)</u>

For the year ended 31 March 2023, the company was entitled to exemption from the requirements of Part 16 of the Companies Act 2006 under section 482 of this Act (non-profit making companies subject to public sector audit).

The Financial Statements were approved by the Board of Directors on 15 December 2023 and were signed on its behalf by Ms E Cassin – Chair.



Registered company number: 07442837

The notes from page 32 to page 65 form part of the Financial Statements

CAREER CHOICES DEWIS GYRFA LTD

YEAR ENDED 31 MARCH 2023

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023**

	Retained Earnings £'000	Revaluation Reserve £'000	Total Equity £'000
Balance at 1 April 2021	(42,537)	241	(42,296)
Changes in Equity			
Loss for the year	(5,216)	-	(5,216)
Actuarial Gain	<u>29,405</u>	<u>-</u>	<u>29,405</u>
Balance at 31 March 2022	<u>(18,348)</u>	<u>241</u>	<u>(18,107)</u>
Changes in Equity			
Loss for the year	(5,832)	-	(5,832)
Actuarial Gain	36,271	-	36,271
Adjustment Revaluation Reserve	-	107	107
Balance at 31 March 2023	<u>12,091</u>	<u>348</u>	<u>12,439</u>

The notes from page 32 to page 65 form part of the Financial Statements

CAREER CHOICES DEWIS GYRFA LTD

YEAR ENDED 31 MARCH 2023

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £'000	2022 £'000
Cash flows from operating activities			
Cash generated from operations		2,224	2,189
Interest paid	4	(6)	(6)
Tax paid	6	<u>(8)</u>	<u>(-)</u>
Net cash from operating activities		<u>2,210</u>	<u>2,183</u>
Cash flows from investing activities			
Purchase of intangible assets	9	(1,527)	(1,482)
Purchase of property, plant, and equipment	7	(81)	(106)
Interest received	4	<u>43</u>	<u>2</u>
Net cash from investing activities		<u>(1,565)</u>	<u>(1,586)</u>
Cash flows from financing activities			
Payment of interest on leases	8	(24)	(29)
Payment of principal on leases	8	<u>(537)</u>	<u>(540)</u>
Net cash from financing activities		<u>(561)</u>	<u>(569)</u>
Increase in cash and cash equivalents		84	28
Cash and cash equivalents at beginning of year	11	<u>857</u>	<u>829</u>
Cash and cash equivalents at end of year	11	<u><u>941</u></u>	<u><u>857</u></u>

The notes from page 32 to page 65 form part of the Financial Statements

CAREER CHOICES DEWIS GYRFA LTD

YEAR ENDED 31 MARCH 2022

**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

RECONCILIATION OF (LOSS) BEFORE CORPORATION TAX TO CASH GENERATED FROM OPERATIONS

	Notes	2023 £'000	2022 £'000
(Loss) before corporation tax and interest		(5,861)	(5,211)
Depreciation and Property Impairment	7	91	99
Right of Use Asset Depreciation	8	572	582
Amortisation	9	1,546	1,592
Loss on Disposal of Assets		-	-
Interest on pension scheme liabilities	4	7,708	5,976
Expected return on pension scheme assets	4	(7,087)	(5,007)
		<u>(3,031)</u>	<u>(1,969)</u>
(Increase)/Decrease in trade and other receivables	10	483	(272)
Increase/(Decrease) in provisions	15	585	-
Increase/(Decrease) in trade and other payables	13	(11)	(165)
Difference between pension charge and cash contributions		<u>4,198</u>	<u>4,595</u>
Cash generated from operations		<u><u>2,224</u></u>	<u><u>2,189</u></u>

31 MARCH 2023

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1. ACCOUNTING POLICIES

Basis of preparation

The Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and International Financial Reporting Interpretations Committee (IFRIC) interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The Financial Statements have been prepared under the historical cost convention as modified by the revaluation of certain assets. The accounting policies adopted are consistent with those of the previous financial year,

The Directors have considered the impact of accounting standards which have been issued but are not yet effective and which have not been adopted early by the company. The Directors consider that none will have a material impact on the financial statements.

Expenditure

Expenditure (covering administrative/staff costs) are based on the accruals basis and are shown gross of VAT.

Revenue recognition

Welsh Government funding is recognised according to IAS 20 – Accounting for Government Grants and Disclosure of Government Assistance requirements – the grant is matched in the relevant period with the expense that they are intended to compensate with and any unspent grant is deferred or returned to the Welsh Government. Grants relating to capital assets (tangible or intangible) will be recognised in the Statement of Profit and Loss over the useful life of the asset. Until the expense is recognised the grant will be treated as deferred grant income. European Social Funding grants are treated differently as we recognise this income on a month-by-month basis to compensate the related costs.

CCDG has undertaken a review of non-grant income for the purposes of “IFRS15 – Revenue from Contracts with Customers” and only raise invoices and recognise revenue when we are satisfied that performance obligations within the contract have been met. Invoices will be raised, either monthly or quarterly, throughout the contract lifetime once obligations have been met.

Trade and Other Payables

Trade payables are obligations to pay for goods or services that have been acquired from suppliers in the ordinary course of business. Trade payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade and Other Receivables

Trade receivables represent the cost-of-service provision provided, which has been invoiced to customers and remains outstanding. Accrued income consists mainly of European Social funded projects. Trade receivables for performance obligations satisfied over time are recognized gradually, as the performance obligation is satisfied and in full once the invoice is due.

Receivables are initially recognised at fair value, and subsequently carried at amortised cost less expected loss allowance. Account balances are written off either partially or in full, if judged that the likelihood of recovery is remote. Expected loss allowance and impairments are recognized in the income statement under operating expenses.

31 MARCH 2023

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

1. ACCOUNTING POLICIES – continued

Provisions –

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation. A provision will be made if the following criteria are met:

- a present obligation (legal or constructive) has arisen because of a past event (the obligating event);
- payment is probable ('more likely than not'); and
- the amount can be estimated reliably

Dilapidations

The dilapidations provision is based on the future expected repair costs required to restore CCDG's leased buildings to their fair condition at the end of their respective lease terms. CCDG will create a provision in the accounts at the time when the alterations to the premises takes place and the lease conditions identify a requirement to reinstate the property. The dilapidation provision will be an estimate of the costs based on the level of reinstatement required undertaken by our internal staff, In the final year of the lease we will endeavour to seek external advice from surveyors.

Contingent Liability

A contingent liability will be recorded in the accounts if either of the following conditions are met:

- a) a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events, not wholly in the control of the entity; or
- b) a present obligation that arises from past events but is not recognised because:
 - i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - ii) the amount of the obligation cannot be measured with sufficient reliability.

CCDG will make a disclosure in the accounts when there is a possible obligation or a present obligation that may but probably will not, require an outflow of resources.

Cash and Cash equivalent

In the statement of cash flows, cash and cash equivalents includes cash in hand and deposits held at the bank.

Reserves

When required CCDG could have two reserves. Firstly, Retained Earnings, which is the cumulative profits and losses of the company, and secondly the Revaluation Reserve which contains the gains made by the company arising from increases in the value of its Property, Plant and Equipment and Intangible Assets. The balance on the Revaluation Reserve is reduced when assets with accumulated gains are:

- revalued downwards or impaired and the gains are lost; or
- disposed of and the gains are realised.

31 MARCH 2023

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

1. ACCOUNTING POLICIES – continued**Property, plant, and equipment**

Individual items over £2,500 which have a useful life of more than one period are classified as fixed assets. CCDG does not group assets for capitalisation.

Freehold property has been split into two components: buildings, and land. In the case of land and buildings, associated legal and professional fees will also be capitalised. Only the buildings element has been depreciated.

IAS16 requires that assets should be split into component parts where the cost is significant in relation to the total cost of the asset. Where the component parts of a building exceed materiality, these will become separate entities within the PPE note and will be depreciated over the estimated useful life of the component. Depreciation is provided at the following annual rates to write off each asset over its estimated useful life:

Freehold Property	Straight line over 50 years
Leasehold Property	Lesser of 5 years or remaining lease term
Fixtures and fittings	5 years
Computer equipment	3 years

IFRS16 Leases

The lease term is defined as the non-cancellable periods of the lease. The following leases are exempt from IFRS16 recognition requirements:

- i) leases with a lease term of 12 months or less and containing no purchase options - this election is made by class of underlying asset; and
- ii) leases where the underlying asset has a low value when new - this election can be made on a lease-by-lease basis. We have set the low value threshold at £5,000.

CCDG has recognised a lease liability measured at the present value of the remaining lease payments, discounted using the incremental borrowing rate 0.91% for all leases dated after 01 January 2021 and 0.95% for all leases dated from 31st March 2022. The right-of-use asset value is equal to the lease liability. If we can identify any external or internal change indicators as defined within IAS36 an impairment review will be undertaken for each right of use lease assets, and an impairment loss will be recognised against any right of use lease asset that is impaired.

Lease assets are capitalised at the commencement date of the lease. Each lease payment is allocated between the lease liability and finance cost. Subsequently, the right of use (ROU) assets is measured at cost less accumulated depreciation and accumulated impairment losses and leases will be adjusted if there are any lease modifications. Subleases of office space will be treated as an operating lease.

The ROU assets is depreciated over the lease term on a straight-line basis. Payments associated with all short-term leases, and leases of low value assets, are recognised as an expense in the profit and loss. In calculating the right of use asset, we have not included costs which are expected to be incurred at the end of the lease such as dismantling the asset or putting the site back to normal. These will be treated as per our provision rules when the criteria are met or as an accrual when we have certainty of the liability arising. We have expensed the direct costs relating to new leases (e.g., legal fees) and these have not been included in the ROU calculation.

31 MARCH 2023

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023****1. ACCOUNTING POLICIES – continued**

CCDG leases various properties and other small equipment, for example, computers and mobile phones. Leases are negotiated on an individual basis and contain a wide range of different terms and conditions (including termination and renewal rights).

We do not aggregate lease values. Each lease is taken independently and only leased properties that meet the criteria are classified as an IFRS16 lease.

The main lease features are summarised below:

Properties are rented for a period of 1 to 10 years. The lease payments are usually fixed with an option of a break clause for the longer leases halfway through the lease term. Some of the longer lease properties are subject to rent reviews every five years.

Valuations

Land and Buildings are valued at fair value, based on open market value for existing use and are subject to independent professional revaluation every five years in accordance with the RICS valuation – Global Standards 2022. The latest revaluation represents the market value as of March 31 2023, and the valuation was conducted by Harris and Birt RICS registered valuers.

The valuers inspected the properties and have determined that they are in good repair and condition and that they comply with all necessary statutory requirements. The valuers have also assumed that the properties are free from mortgages and charges. The report assumes that there no adverse environmental matters which could have a significant bearing on the market value of the properties. A revaluation exercise identified a change in the value of some of the freehold properties, resulting in a revaluation reserve of £348k, for the next financial year. CCDG has reset the period of depreciation for all the properties to 50 years. The report confirmed that in the valuer's opinion each building has a lifespan of 50 years. The valuation resulted in a credit in the Statement of Profit and Loss to the value of 37k (2022 charge 18k).

Intangible Assets

All intangible assets are measured at gross cost, and amortisation starts when the brought in use date is identified. Software Licenses with a finite useful life will be amortised over that life on a straight-line basis. Software development will be amortised over a five-year period. Internet web development will be amortised over two years. According to IAS38 the best estimate of a website's life should be short. Therefore, for web development related expenditure, in the first year a full year of amortised costs are included in the Statement of Profit and Loss.

The amortisation costs and impairment charge of intangible assets are included in administrative expenses within the Statement of Profit and Loss. We have continued to decommission sections of our old website resulting in disposals of website development costs of £1,742k (2022: £nil).

Taxation

Current taxes are based on the results shown in the Financial Statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

Employee benefit costs

For defined benefit schemes the amounts charged to operating profit are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the profit and loss account if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are separately stated in the Note on Net Finance Income and included in Finance Costs and Finance Income respectively in the Statement of Profit or Loss. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss and other comprehensive income. Defined benefit schemes are funded, with the assets of the scheme held separately from those of the member organisations in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent currency and term to the scheme liabilities.

31 MARCH 2023

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

1. ACCOUNTING POLICIES – continued

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

Use of estimates and judgements

The preparation of the Financial Statements requires CCDG to make estimates and assumptions that affect the application of policies and reported amounts. Estimates and judgements are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimate is revised, and in any future period affected.

Information about significant areas of estimation and critical judgement in applying accounting policies that have the most significant effect on the amounts recognised in the Financial Statements is included in the following note:

Note 16 - The measurement of defined benefit contributions depends on the selection of certain assumptions which include the discount rate, salary growth, rate of increase in deferred pensions and expected return on scheme assets.

Other significant areas of estimates and critical judgements are:

- Property, plant and equipment revaluations and leasehold valuations are based on professional advice.
- Accrual estimates at the year-end have been based on work completed or goods received but not invoiced.

For IFRS16 purposes to calculate the incremental borrowing rate we will use the HM Treasury discount rate promulgated in PES papers. When estimating the lease term, where we have an option to extend the lease, management will use its judgement to determine whether an option would be reasonably certain to be exercised before including in the lease liabilities.

Going concern

The total Welsh Government funding will be £32.96m in the next financial year for CCDG. At the end of this financial year the pension is in a surplus of 8.1m therefore it is the view of the Directors that the company continues to be a going concern.

2. REVENUE

		2023	2022
		£'000	£'000
Welsh Government	– Revenue Core	19,564	17,982
Welsh Government	– Capital Core	1,470	1,500
Welsh Government	– Working Wales	10,280	10,007
Welsh Government	– Other	741	183
ESF projects	– Activate	745	1,896
Other contracts and income		181	465
Deferred income		(849)	(881)
Released Deferred Income		876	830
		33,008	31,982
		33,008	31,982

31 MARCH 2023

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

3. EMPLOYEES AND DIRECTORSStaff costs

	2023	2022
	£'000	£'000
Wages and salaries	20,385	18,903
Social security costs	2,017	1,726
Other pension costs	9,121	9,486
	<u>31,523</u>	<u>30,115</u>

The above costs include a figure of £60k (2022: £74k) which relates to voluntary redundancy incurred within the year.

Staff numbers

	2023	2022
Management and Administration	86	86
Service delivery	551	544
	<u>637</u>	<u>630</u>

Senior employees' costs

	2023		2022	
	Directors £'000	Senior Management £'000	Directors £'000	Senior Management £'000
Short Term Employee benefits	15	348	53	251
Post Employment benefits	0	72	6	55
	<u>15</u>	<u>420</u>	<u>59</u>	<u>306</u>

The Chief Executive salary and benefit costs were £150k for 2022/23 (2021/22: £142k). .

Included in the Senior Management costs above for 2022/23 are honorarium payments to some staff to reflect them partly acting up in the role of Director of Customer Strategy and Service Development during the financial year.

The number of Directors to whom retirement benefits were accruing was as follows:

	2023	2022
Final Salary scheme	<u>0</u>	<u>1</u>

31 MARCH 2023

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

4. NET FINANCE INCOME

	2023 £'000	2022 £'000
Finance income:		
Deposit account interest	43	2
Expected return on pension scheme assets	<u>7,087</u>	<u>5,007</u>
	<u>7,130</u>	<u>5,009</u>
Finance costs:		
Bank interest	(6)	(6)
Interest on pension scheme liabilities	<u>(7,708)</u>	<u>(5,976)</u>
	<u>(7,714)</u>	<u>(5,982)</u>
Net finance income	<u>(584)</u>	<u>(973)</u>

5. (LOSS) BEFORE TAX

The (loss) before tax is stated after charging:

	2023 £'000	2022 £'000
Other operating leases	-	-
Depreciation	129	117
Amortisation and Impairment	1,510	1,574
Auditors' remuneration - External	102	92
Internal	18	15
	<u>1,759</u>	<u>1,798</u>

The above figures are inclusive of VAT where applicable.

31 MARCH 2023

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

6. CORPORATION TAX

Analysis of tax expense

	2023			2022		
	Amount £'000	Rate	Tax £'000	Amount £'000	Rate	Tax £'000
Income on which no tax due	33,008	0%	-	31,982	0%	-
Non-core profits	-	0%	-	-	0%	-
Interest	43	19%	<u>8</u>	2	19%	<u>-</u>
			<u>8</u>			<u>-</u>

CCDG pays corporation tax on interest receivable and profit on non-core activities at the UK corporation tax rate of 19%.

Tax effects relating to effects of other comprehensive income

	Gross £'000	2023	Net £'000
		Tax £'000	
Actuarial gain on pension scheme	<u>36,271</u>	<u>-</u>	<u>36,271</u>
	Gross £'000	2022	Net £'000
		Tax £'000	
Actuarial gain on pension scheme	<u>29,405</u>	<u>-</u>	<u>29,405</u>

CAREER CHOICES DEWIS GYRFA LTD

31 MARCH 2023

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

7. PROPERTY, PLANT AND EQUIPMENT

2022-23	Leasehold Improvements	Land and Buildings	Fixtures and Fittings	Computer Equipment	Totals
	£'000	£'000	£'000	£'000	£'000
COST OR VALUATION					
At 1 April 2022	500	2,352	241	313	3,406
Additions during the year	28		32	21	81
Disposals: during the year			(4)	(5)	(9)
Revaluation recognised in revaluation reserve		107			107
Impairment reversal in the year		37			37
Adjustment to gross carrying amount					
Elimination of depreciation		(180)			(180)
At 31 March 2023	<u>528</u>	<u>2,316</u>	<u>269</u>	<u>329</u>	<u>3,442</u>
DEPRECIATION					
At 1 April 2022	355	144	101	296	896
Charge for year	36	36	43	13	128
Disposals: during the year			(4)	(6)	(10)
Elimination of accumulated depreciation		(180)			(180)
At 31 March 2023	<u>391</u>	<u>-</u>	<u>140</u>	<u>305</u>	<u>836</u>
NET BOOK VALUE					
At 31 March 2023	<u>137</u>	<u>2,316</u>	<u>129</u>	<u>25</u>	<u>2,606</u>
At 31 March 2022	<u>145</u>	<u>2,208</u>	<u>140</u>	<u>17</u>	<u>2,510</u>

Notes relating to PPE:

There were no assets held for sale at the year end. The gross book value of fully depreciated assets still in use is £2,496. Using the cost model the net book value for plant property and equipment would be £2,215k, the reduction is only related to land and buildings.

CAREER CHOICES DEWIS GYRFA LTD

31 MARCH 2023

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

7. PROPERTY, PLANT AND EQUIPMENT - continued

2021-22	Leasehold Improvements	Land and Buildings	Fixtures and Fittings	Computer Equipment	Totals
	£'000	£'000	£'000	£'000	£'000
COST OR VALUATION					
At 1 April 2021	472	2,334	193	302	3,301
Additions: during the year	47	-	48	11	106
Disposals: during the year	(19)	-	-	-	(19)
Impairment during the year	-	18	-	-	18
At 31 March 2022	<u>500</u>	<u>2,352</u>	<u>241</u>	<u>313</u>	<u>3,406</u>
DEPRECIATION					
At 1 April 2021	345	108	68	278	799
Charge for year	29	36	33	18	116
Disposals: during the year	(19)	-	-	-	(19)
Revaluation/Impairment: during the year	-	-	-	-	-
At 31 March 2022	<u>355</u>	<u>144</u>	<u>101</u>	<u>296</u>	<u>896</u>
NET BOOK VALUE					
At 31 March 2022	<u>145</u>	<u>2,208</u>	<u>140</u>	<u>17</u>	<u>2,510</u>
At 31 March 2021	<u>127</u>	<u>2,226</u>	<u>125</u>	<u>24</u>	<u>2,502</u>

Notes relating to PPE:

There were no assets held for sale at the year end. The gross book value of fully depreciated assets still in use is £2,476.

CAREER CHOICES DEWIS GYRFA LTD

31 MARCH 2023

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

8. IFRS16 LEASES

In the right of use calculation, CCDG only include leases which we are intending to extend during the next financial year where we are reasonably certain that we will exercise this option and the lease renewal process has been started. CCDG did not identify any internal or external triggers that would require an impairment review of right use of assets this year.

The statement of financial position shows the separate line item for the right-of-use assets, which comprises the following:

	2023 £'000	2022 £'000
Right of Use Asset	1,826	2,333
	Buildings	
Opening right of use asset	2,333	2,492
Additions – new lease contract	65	423
Depreciation of the lease contract	(572)	(582)
Closing Balance	1,826	2,333

Lease Liability

	2023 £'000	2022 £'000
Short Term	547	556
Long Term	1,207	1,703
	1,754	2,259

The following amounts are recognised in profit or loss:

	2023 £'000	2022 £'000
Depreciation charge	572	582
Total Depreciation	572	582
Interest expense on lease liabilities (included in finance cost)	24	29
Expenses related to short term leases	-	-
Expenses related to low value assets	-	-
Operating lease expenses (IAS 17)	-	-
Total expenses related to leases	595	611

The following amounts are recognised in the cash flow statement:

	2023 £'000	2022 £'000
Cash outflow for leases (IFRS16) – financing leases		
Payment of interest on leases	24	29
Payment of principal on leases	537	540

CAREER CHOICES DEWIS GYRFA LTD

31 MARCH 2023

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

9. INTANGIBLE ASSETS

2022-23	Software Licences	Software Develop	Website Development	Total
	£'000	£'000	£'000	£'000
COST				
At 1 April 2022	2,246	436	3,373	6,055
Additions	530		997	1,527
Disposals	(2,215)		(1,742)	(3,957)
At 31 March 2023	<u>561</u>	<u>436</u>	<u>2,628</u>	<u>3,625</u>
AMORTISATION				
At 1 April 2022	1,949	98	2,942	4,989
Charge for the year	528	87	931	1,546
Disposals	(2,215)		(1,742)	(3,957)
At 31 March 2023	<u>262</u>	<u>185</u>	<u>2,131</u>	<u>2,578</u>
NET BOOK VALUE				
At 31 March 2023	<u>299</u>	<u>251</u>	<u>497</u>	<u>1,047</u>
At 31 March 2022	<u>297</u>	<u>338</u>	<u>431</u>	<u>1,066</u>
2021-22				
	Software Licences	Software Develop	Website Development	Total
	£'000	£'000	£'000	£'000
COST				
At 1 April 2021	1,687	378	2,508	4,573
Additions	559	58	865	1,482
Disposals	-	-	-	-
At 31 March 2022	<u>2,246</u>	<u>436</u>	<u>3,373</u>	<u>6,055</u>
AMORTISATION				
At 1 April 2021	1,300	15	2,082	3,397
Charge for the year	649	83	860	1,592
Disposals				
At 31 March 2022	<u>1,949</u>	<u>98</u>	<u>2,942</u>	<u>4,989</u>
NET BOOK VALUE				
At 31 March 2022	<u>297</u>	<u>338</u>	<u>431</u>	<u>1,066</u>
At 31 March 2021	<u>387</u>	<u>363</u>	<u>426</u>	<u>1,176</u>

CAREER CHOICES DEWIS GYRFA LTD

31 MARCH 2023

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

10. TRADE AND OTHER RECEIVABLES

	2023 £'000	2022 £'000
Current:		
Trade receivables	78	167
Other receivables	2,143	2,462
Prepayments	295	370
	<u>2,516</u>	<u>2,999</u>

11. CASH AND CASH EQUIVALENTS

	2023 £'000	2022 £'000
Cash in hand	2	3
Bank accounts	939	854
	<u>941</u>	<u>857</u>

12. RESERVES

	Retained earnings £'000	Revaluation reserve £'000	Totals £'000
As at 1 April 2021	(42,537)	241	(42,296)
(Loss) for the year	(5,216)	-	(5,216)
Pension Actuarial Gain	29,405	-	29,405
As at 31 March 2022	(18,348)	241	(18,107)
(Loss) for the year	(5,832)		(5,832)
Pension Actuarial Gain	36,271		36,271
Revaluation Reserve Gain	-	107	107
As at 31 March 2023	<u>12,091</u>	<u>348</u>	<u>12,439</u>

CAREER CHOICES DEWIS GYRFA LTD

31 MARCH 2023

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

13. TRADE AND OTHER PAYABLES

	2023 £'000	2022 £'000
Current liabilities:		
Trade payables	(1)	51
Social security and other taxes	-	-
Other payables	16	18
Holiday Pay Accrual	410	403
Accruals and deferred income	1,782	1,737
VAT	10	19
	<u>2,217</u>	<u>2,228</u>
Non-current liabilities:		
	<u>-</u>	<u>-</u>
Aggregate amounts	<u>2,217</u>	<u>2,228</u>

14. LEASING AGREEMENTS

The company as lessee

Minimum lease payments under operating leases fall due as follows:

	Operating lease	
	2023 £'000	2022 £'000
Net obligations repayable		
Within one year	-	-
Between one and five years	-	-
In more than five years	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

Total operating lease rental costs incurred in 2022-23 were £Nil (2022: £Nil).

CAREER CHOICES DEWIS GYRFA LTD

31 MARCH 2023

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

15. PROVISIONS

	2023 £'000	2022 £'000
Opening Balance	-	-
Amounts Arising in year	585	-
Amounts utilised in year	-	-
Unused amounts reversed	-	-
Closing Balance	<u>585</u>	<u>-</u>

The £585k provision is related to the estimate of dilapidation costs for CCDG leased premises.

16. EMPLOYEE BENEFIT OBLIGATIONS

CCDG contributes to the Local Government Pension Scheme (LGPS) a defined benefit pension scheme being part of the following Pension Funds in Wales:

Fund

Rhondda Cynon Taf Pension Fund (MG) *
Powys County Council Pension Fund
Cardiff and Vale of Glamorgan Pension Fund
Rhondda Cynon Taf Pension Fund (CWA) *
Dyfed Pension Fund
Clwyd Pension Fund
Greater Gwent (Torfaen) Pension Fund
Gwynedd Pension Fund

* These are separate pension schemes within the same Pension Fund.

The date of the most recent full actuarial valuation of the above funds was carried out on the 31 March 2022 by the following Actuaries. The qualified Actuaries are not employees of CCDG.

Fund

Actuary

Rhondda Cynon Taf Pension Fund (MG)	Aon Hewitt
Powys County Council Pension Fund	Aon Hewitt
Cardiff and Vale of Glamorgan Pension Fund	Aon Hewitt
Rhondda Cynon Taf Pension Fund (CWA)	Aon Hewitt
Dyfed Pension Fund	Mercer
Clwyd Pension Fund	Mercer
Greater Gwent (Torfaen) Pension Fund	Hymans Robertson
Gwynedd Pension Fund	Hymans Robertson

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**NOTES TO THE FINANCIAL STATEMENTS - continued
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16. EMPLOYEE BENEFIT OBLIGATIONS - continued

As stated above, CCDG is an admitted member of eight pension schemes in Wales. The Local Government Pension Scheme (Administration) Regulations 2008 (as amended) provide the statutory framework. Each of the Schemes, that CCDG is an admitted member, is a defined benefit final salary scheme under which the benefits are specified in the governing legislation (the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 (as amended)). The required levels of employee contributions are also specified in the Regulations. Updated Regulations (The Local Government Pension Scheme Regulations 2013) covering a new LGPS replaced the existing Scheme with effect from 01 April 2014 and will provide for members to accrue pension on a career average revalued earnings basis rather than final salary.

Members' accrued benefits are guaranteed by statute, and the level of member contributions are fixed in the Regulations at a level which covers only part of the cost of accruing benefits. CCDG is responsible for paying the balance of the cost of delivering the benefits to members. Each LGPS Fund has a Funding Strategy Statement (FSS) that focuses on the pace at which these liabilities are funded and, insofar as is practical, the measures to ensure that employers or pools of employers pay for their own liabilities.

The FSS is prepared by the Administering Authority in collaboration with the Fund Actuary and after consultation with the Fund's employers and investment advisors. A separate strategy is produced by each of the LGPS's.

The FSS is produced in accordance with Regulation 58 of the Local Government Pension Scheme (Administration) Regulations 2013 (as amended) and the guidance issued in September 2016 by the Chartered Institute of Public Finance and Accountancy (CIPFA) Pensions Panel.

Funding is the making of advance provision to meet the cost of accruing benefit promises. Decisions taken regarding the approach to funding will therefore determine the rate or pace at which this advance provision is made. Although the Regulations specify the fundamental principles on which funding contributions should be assessed, implementation of the funding strategy is the responsibility of the Administering Authority, acting on the professional advice provided by the actuary. The purpose of the FSS is:

1. to establish a clear and transparent fund-specific strategy which will identify how employers' pension liabilities are best met going forward.
2. to support the regulatory requirement to maintain as nearly constant employer contribution rates as possible; and
3. to take a prudent longer-term view of funding those liabilities.

The intention is for each of the Fund's FSS to be both cohesive and comprehensive for their Fund, recognising that there will be conflicting objectives which need to be balanced and reconciled. While the position of individual employers must be reflected in the statement, it must remain a single strategy for each Administering Authority to implement and maintain.

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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

16. EMPLOYEE BENEFIT OBLIGATIONS - continued

For the purpose of these accounts, all of the funds are disclosed separately below but have been aggregated in their impact on the Financial Statements.

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

	Present Value of funded obligations	Fair Value of plan assets	Sub - total	Present Value of unfunded obligations	Unrecognised Assets Adjustment	Surplus / (Deficit)	Net Asset / (Net Liability)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Rhondda Cynon Taf Pension Fund (MG)	(33,867)	51,742	17,875	-	(17,875)	-	-
Powys County Council Pension Fund	(8,510)	8,920	410	-	(410)	-	-
Cardiff and Vale of Glamorgan Pension Fund	(22,910)	37,842	14,932	(25)	(14,932)	(25)	(25)
Rhondda Cynon Taf Pension Fund (CWA)	(1,468)	2,934	1,466	-	(1,466)	-	-
Dyfed Pension Fund	(50,196)	56,881	6,685	(187)	-	6,498	6,498
Clwyd Pension Fund	(21,764)	22,666	902	-	-	902	902
Greater Gwent (Torfaen) Pension Fund	(32,090)	33,766	1,676	-	(984)	692	692
Gwynedd Pension Fund	(24,415)	32,723	8,308	(29)	(8,279)	-	-
	(195,220)	247,474	52,254	(241)	(43,946)	8,067	8,067

Duration Information as at the end of the accounting period

The duration of the employers' liabilities is the average period between the calculation date and the date at which benefit payments fall due.

LGPS Fund	MG	Powys	C&V	CWA	Dyfed	Clwyd	Gwynedd	Torfaen
Years	16.3	14.4	18.5	19.8	18.0	17.0	20.0	19.0

Note that the above figures are for funded obligations only and do not include the unfunded pensioner liabilities.

CAREER CHOICES DEWIS GYRFA LTD

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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

16. EMPLOYEE BENEFIT OBLIGATIONS - continued

The aggregated impact on the Financial Statements is as follows:

The amounts recognised in the statement of financial position are as follows:

	Defined benefit pension plans	
	2023	2022
	£'000	£'000
Present value of funded obligations	(195,220)	(280,497)
Fair value of plan assets	<u>247,474</u>	<u>258,208</u>
	52,254	(22,289)
Present value of unfunded obligations	(241)	(293)
Unrecognised Assets	<u>(43,946)</u>	<u>(803)</u>
Surplus/Deficit	<u>8,067</u>	<u>(23,385)</u>
Net Asset/Liability	<u><u>8,067</u></u>	<u><u>(23,385)</u></u>

The unrecognised assets represent the adjustment required in respect of the asset ceiling as per paragraph 64 of IAS19.

The decisions of the Court of Appeal in the Sargeant/McCloud Employment Tribunal cases involving members of the Judiciary and Firefighters pensions schemes have ruled that the transitional protections afforded to older members when the Public Service Pension Schemes were amended constituted unlawful age discrimination. The Government has now accepted that remedies relating to the McCloud ruling are needed in relation to all public sector schemes which were reformed around the same time including the LGPS.

A consultation was published in July 2020 and a key feature of the proposed remedy was to extend the final salary scheme underpin to a wider group of members for service up to 31 March 2022. As a result, the Fund actuaries have revised the level of defined benefit obligations for the schemes to include an allowance for the McCloud judgement. However, the final form of this settlement has yet to be decided and is very sensitive to the individual organisations' age profile and salary increase assumptions. Therefore, no further adjustments are required in relation to McCloud.

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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

16. EMPLOYEE BENEFIT OBLIGATIONS - continued

The amounts recognised in profit or loss are as follows:

	Defined benefit pension plans	
	2023	2022
	£'000	£'000
Current service cost	8,292	8,400
Past service cost (including Curtailments)	82	-
Interest cost	7,708	5,976
Expected return	(7,087)	(5,007)
	<u>8,995</u>	<u>9,369</u>
Actual return on plan assets	<u>(9,641)</u>	<u>18,766</u>

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

	Defined benefit pension plans	
	2023	2022
	£'000	£'000
Opening defined benefit obligation	280,790	286,623
Current service cost	8,292	8,400
Past service cost (including Curtailments)	82	-
Contributions by scheme participants	1,238	1,142
Interest cost	7,708	5,976
Actuarial (gain)	(96,951)	(16,506)
Benefits paid	(5,698)	(4,845)
	<u>195,461</u>	<u>280,790</u>

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

	Defined benefit pension plans	
	2023	2022
	£'000	£'000
Opening fair value of scheme assets	258,208	239,722
Contributions by employer	4,208	3,900
Contributions by scheme participants	1,238	1,142
Assets administration expenses	(32)	(95)
Expected return	7,087	5,007
Actuarial (loss)/gain	(17,537)	13,377
Benefits paid	(5,698)	(4,845)
	<u>247,474</u>	<u>258,208</u>

CAREER CHOICES DEWIS GYRFA LTD

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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

16. EMPLOYEE BENEFIT OBLIGATIONS - continued

The amounts recognised in the statement of comprehensive income are as follows:

	Defined benefit pension plans	
	2023 £'000	2022 £'000
Actuarial gain	<u>36,271</u>	<u>29,405</u>
	<u>36,271</u>	<u>29,405</u>
Cumulative amount of Actuarial gain / (loss)	<u>36,117</u>	<u>(154)</u>

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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

16. EMPLOYEE BENEFIT OBLIGATIONS – continued

The following provides details of each of the companies' actuaries assumptions and asset allocations:

Rhondda Cynon Taf Pension Fund (MG)

	31-03-23	31-03-22
Principal Financial Assumptions	(%)	(%)
Discount rate	4.7	2.7
CPI Inflation	2.7	3.0
Pension increases	2.7	3.0
Pension accounts revaluation rate	2.7	3.0
Salary increases	3.95	4.25

Mortality assumptions

Based on recent actual mortality experience of members within the Fund and allow for expected future mortality improvements. Sample life expectations at age 65 in normal health resulting from these mortality assumptions are shown below.

	31-03-23	31-03-22
Males		
Future lifetime from age 65 (aged 65 at accounting date)	21.6	21.6
Future lifetime from age 65 (aged 45 at accounting date)	22.9	22.6
Females		
Future lifetime from age 65 (aged 65 at accounting date)	24.2	23.9
Future lifetime from age 65 (aged 45 at accounting date)	25.7	25.4

	31-03-23	31-03-22
	(%)	(%)
Asset allocation		
Equities	68.1	67.4
Property	7.8	7.3
Government Bonds	10.5	12.0
Corporate Bonds	12.4	12.9
Cash	0.7	0.4
Other	0.5	-
Total	<u>100</u>	<u>100</u>

Expected contribution for accounting period ending 31 March 2024 - £1.061m

Sensitivity analysis

The approximate impact of changing the key assumptions on the present value of the funded defined benefit obligation as of 31 March 2023 and the projected service cost for the year ending 31 March 2024 is set out below. In each case, only the assumption mentioned is altered; all other assumptions remain the same.

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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

16. EMPLOYEE BENEFIT OBLIGATIONS – continued

Funded LGPS benefits

Discount rate assumption

	+0.1% p.a.	Base Figure	-0.1% p.a.
Adjustment to discount rate			
Present value of total obligation (£M's)	33.325	33.867	34.409
% change in present value of total obligation	-1.6%		1.6%
Projected service cost (£M's)	0.650	0.672	0.694
Approximate % change in projected service cost	-3.2%		3.3%

Rate of general increase in salaries

	+0.1% p.a.	Base Figure	-0.1% p.a.
Adjustment to salary increase rate			
Present value of total obligation (£M's)	33.935	33.867	33.799
% change in present value of total obligation	0.2%		-0.2%
Projected service cost (£M's)	0.672	0.672	0.672
Approximate % change in projected service cost	0.0%		0.0%

Rate of increase to pensions and rate of revaluation of pension accounts

	+0.1% p.a.	+0.1% p.a.	-0.1% p.a.
Adjustment to pension increase rate			
Present value of total obligation (£M's)	34.341	33.867	33.393
% change in present value of total obligation	1.4%		-1.4%
Projected service cost (£M's)	0.694	0.672	0.650
Approximate % change in projected service cost	3.3%		-3.2%

Post retirement mortality assumption

	-1 year	Base Figure	+1 year
Adjustment to mortality age rating assumption *			
Present value of total obligation (£M's)	34.748	33.867	32.986
% change in present value of total obligation	2.6%		-2.6%
Projected service cost (£M's)	0.695	0.672	0.649
Approximate % change in projected service cost	3.4%		-3.4%

*A rating of +1 year means that members are assumed to follow the mortality pattern of the base table for an individual that is 1 year older than them.

Powys County Council Pension Fund

	31-03-23	31-03-22
Principal Financial Assumptions	(%)	(%)
Discount rate	4.7	2.7
CPI Inflation	2.7	3.0
Pension increases	2.7	3.0
Pension accounts revaluation rate	2.7	3.0
Salary increases	4.2	4.5

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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

16. EMPLOYEE BENEFIT OBLIGATIONS – continued

Mortality assumptions

Based on recent actual mortality experience of members within the Fund and allow for expected Future mortality improvements. At this accounting date the assumed rates of future mortality have been increased to reflect a slightly more negative outlook because of the Covid-19 pandemic.

	31-03-23	31-03-22
Males		
Future lifetime from age 65 (aged 65 at accounting date)	22.6	21.8
Future lifetime from age 65 (aged 45 at accounting date)	23.5	23.2
Females		
Future lifetime from age 65 (aged 65 at accounting date)	25.0	25.0
Future lifetime from age 65 (aged 45 at accounting date)	26.3	26.4

	31-03-23 (%)	31-03-22 (%)
Asset allocation		
Equities	49.1	49.3
Property	6.9	8.6
Government Bonds	8.7	10.9
Corporate Bonds	0.0	0.0
Cash	1.3	1.7
Other	34.0	29.5
Total	100	100

Expected contribution for accounting period ending 31 March 2024 - £140k

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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

16. EMPLOYEE BENEFIT OBLIGATIONS – continued**Sensitivity analysis**

The approximate impact of changing the key assumptions on the present value of the funded defined benefit obligation as of 31 March 2023 and the projected service cost for the year ending 31 March 2024 is set out below. In each case, only the assumption mentioned is altered; all other assumptions remain the same.

Funded LGPS benefits

	+0.1% p.a.	Base Figure	-0.1% p.a.
Discount rate assumption			
Adjustment to discount rate			
Present value of total obligation (£M's)	8.39	8.51	8.63
% change in present value of total obligation	-1.4%		1.4%
Projected service cost (£M's)	0.12	0.12	0.12
Approximate % change in projected service cost	-3.3%		3.4%

Rate of general increase in salaries

	+0.1% p.a.	Base Figure	-0.1% p.a.
Adjustment to salary increase rate			
Present value of total obligation (£M's)	8.52	8.51	8.50
% change in present value of total obligation	0.1%		-0.1%
Projected service cost (£M's)	0.12	0.12	0.12
Approximate % change in projected service cost	0.0%		0.0%

Rate of increase to pensions and rate of revaluation of pension accounts

	+0.1% p.a.	Base Figure	-0.1% p. a
Adjustment to pension increase rate			
Present value of total obligation (£M's)	8.62	8.51	8.40
% change in present value of total obligation	1.3%		-1.3%
Projected service cost (£M's)	0.12	0.12	0.12
Approximate % change in projected service cost	3.4%		-3.3%

Post retirement mortality assumption

	-1 year	Base Figure	+1 year
Adjustment to mortality age rating assumption *			
Present value of total obligation (£M's)	8.73	8.51	8.29
% change in present value of total obligation	2.6%		-2.6%
Projected service cost (£M's)	0.12	0.12	0.12
Approximate % change in projected service cost	3.9%		-3.9%

*A rating of +1 year means that members are assumed to follow the mortality pattern of the base table for an individual that is 1 year older than them.

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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

16. EMPLOYEE BENEFIT OBLIGATIONS – continued

Cardiff and Vale of Glamorgan Pension Fund

	31-03-23	31-03-22
Principal Financial Assumptions	(%)	(%)
Discount rate	4.7	2.7
CPI Inflation	2.7	3.0
Pension increases	2.7	3.0
Pensions accounts revaluation rate	2.7	3.0
Salary increases	3.7	4.0

Mortality assumptions

Based on recent actual mortality experience of members within the Fund and allow for expected future mortality improvements. At this accounting date the assumed rates of future mortality have been increased to reflect a slightly more negative outlook because of the Covid-19 pandemic.

	31-03-23	31-03-22
Males		
Future lifetime from age 65 (aged 65 at accounting date)	22.6	22.1
Future lifetime from age 65 (aged 45 at accounting date)	23.2	23.2
Females		
Future lifetime from age 65 (aged 65 at accounting date)	24.7	24.6
Future lifetime from age 65 (aged 45 at accounting date)	25.8	26.0

	31-03-23	31-03-22
	(%)	(%)
Asset allocation		
Equities	67.9	67.5
Property	7.2	6.9
Government Bonds	8.8	9.2
Corporate Bonds	7.6	8.4
Cash	3.2	2.3
Other	5.3	5.7
Total	<u>100</u>	<u>100</u>

Expected contribution for accounting period ending 31 March 2024 - £788k

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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

16. EMPLOYEE BENEFIT OBLIGATIONS - continued

Sensitivity analysis

The approximate impact of changing the key assumptions on the present value of the funded defined benefit obligation as at 31 March 2022 and the projected service cost for the year ending 31 March 2023 is set out below. In each case, only the assumption mentioned is altered. We have not included sensitivity of unfunded benefits on materiality grounds.

Funded LGPS benefits

Discount rate assumption	+0.1% p.a.	Base Figure	-0.1% p.a.
Adjustment to discount rate			
Present value of total obligation (£M's)	22.498	22.910	23.345
% change in present value of total obligation	-1.8%		1.9%
Projected service cost (£M's)	0.588	0.612	0.637
Approximate % change in projected service cost	-3.9%		4.1%
Rate of general increase in salaries			
Adjustment to salary increase rate	+0.1% p.a.	Base Figure	-0.1% p.a.
Present value of total obligation (£M's)	22.956	22.910	22.864
% change in present value of total obligation	0.2%		-0.2%
Projected service cost (£M's)	0.612	0.612	0.612
Approximate % change in projected service cost	0.0%		0.0%

Rate of increase to pensions and rate of revaluation of pension accounts

	+0.1% p.a.	Base Figure	-0.1% p.a.
Adjustment to pension increase rate			
Present value of total obligation (£M's)	23.299	22.910	22.543
% change in present value of total obligation	1.7%		-1.6%
Projected service cost (£M's)	0.637	0.612	0.588
Approximate % change in projected service cost	4.1%		-3.9%

Post retirement mortality assumption

	-1 year	Base Figure	+1 year
Adjustment to mortality age rating assumption *			
Present value of total obligation (£M's)	23.529	22.910	22.291
% change in present value of total obligation	2.7%		-2.7%
Projected service cost (£M's)	0.634	0.612	0.590
Approximate % change in projected service cost	3.6%		-3.6%

* A rating of +1 year means that members are assumed to follow the mortality pattern of the base table for an individual that is 1 year older than them.

CAREER CHOICES DEWIS GYRFA LTD

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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

16. EMPLOYEE BENEFIT OBLIGATIONS - continued

Rhondda Cynon Taf Pension Fund (CWA)

	31-03-23	31-03-22
Principal Financial Assumptions	(%)	(%)
Discount rate	4.7	2.7
CPI Inflation	2.7	2.9
Pension increases	2.7	2.9
Pension accounts revaluation rate	2.7	2.9
Salary increases	3.95	4.15

Mortality assumptions

Based on recent actual mortality experience of members within the Fund and allow for expected future mortality improvements. Sample life expectancies at age 65 in normal health resulting from these mortality assumptions are shown below.

	31-03-23	31-03-22
Males		
Future lifetime from age 65 (aged 65 at accounting date)	21.6	21.6
Future lifetime from age 65 (aged 45 at accounting date)	22.9	22.6
Females		
Future lifetime from age 65 (aged 65 at accounting date)	24.2	23.9
Future lifetime from age 65 (aged 45 at accounting date)	25.7	25.4

	31-03-23	31-03-22
	(%)	(%)
Asset allocation		
Equities	68.1	67.4
Property	7.8	7.3
Government Bonds	10.5	12.0
Corporate Bonds	12.4	12.9
Cash	0.7	0.4
Other	0.5	-
Total	<u>100</u>	<u>100</u>

Expected contribution for accounting period ending 31 March 2024 - £nil.

Sensitivity analysis

The approximate impact of changing the key assumptions on the present value of the funded defined benefit obligation as at 31 March 2023 and the projected service cost for the year ending 31 March 2024 is set out below. In each case, only the assumption mentioned is altered; all other assumptions remain the same.

31 MARCH 2023

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

16. EMPLOYEE BENEFIT OBLIGATIONS - continued

Funded LGPS benefits

Discount rate assumption	+0.1% p.a.	Base Figure	-0.1% p.a.
Adjustment to discount rate			

Present value of total obligation (£M's)	1.439	1.468	1.497
% change in present value of total obligation	-2.0%		2.0%
Projected service cost (£M's)	0.007	0.007	0.007
Approximate % change in projected service cost	-3.7%		3.8%

Rate of general increase in salaries

	+0.1% p.a.	Base Figure	-0.1% p.a.
Adjustment to salary increase rate			

Present value of total obligation (£M's)	1.469	1.468	1.467
% change in present value of total obligation	0.1%		-0.1%
Projected service cost (£M's)	0.007	0.007	0.007
Approximate % change in projected service cost	0.0%		0.0%

Rate of increase to pensions and rate of revaluation of pension accounts

	+0.1% p.a.	Base Figure	-0.1% p.a.
Adjustment to pension increase rate			

Present value of total obligation (£M's)	1.496	1.468	1.440
% change in present value of total obligation	1.9%		-1.9%
Projected service cost (£M's)	0.007	0.007	0.007
Approximate % change in projected service cost	3.8%		-3.7%

Post retirement mortality assumption

	-1 year	Base Figure	+1 year
Adjustment to mortality age rating assumption *			

Present value of total obligation (£M's)	1.506	1.468	1.430
% change in present value of total obligation	2.6%		-2.6%
Projected service cost (£M's)	0.007	0.007	0.007
Approximate % change in projected service cost	3.4%		-3.4%

*A rating of +1 year means that members are assumed to follow the mortality pattern of the base table for an individual that is 1 year older than them.

Dyfed Pension Fund

Financial assumptions	31-03-23 (%)	31-03-22 (%)
CPI inflation/CARE benefits revaluation	2.7	3.3
Increase in salaries	4.2	4.8
Increase in pensions in payment/deferment	2.8	3.4
Discount rate	4.8	2.8

CAREER CHOICES DEWIS GYRFA LTD

31 MARCH 2023

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

16. EMPLOYEE BENEFIT OBLIGATIONS – continued

Mortality assumptions

Life expectancy of a male (female)		
Future pensioner aged 65 in 20 years' time	23.3 (26.0) years	24.4 (27.1) years
Current pensioner aged 65	21.9 (24.1) years	23.0 (24.9) years

	31-03-23 (%)	31-03-22 (%)
Asset allocation		
Equities	74.4	72.3
Property	13.5	13.1
Government Bonds	0.5	1.3
Corporate Bonds	7.1	7.9
Cash	0.7	1.7
Other	3.8	3.7
Total	<u>100.0</u>	<u>100.0</u>

Expected contribution for accounting period ending 31 March 2024 - £963k.

Sensitivity analysis

Disclosure item	Central	Sensitivity 1	Sensitivity 2	Sensitivity 3	Sensitivity 4	Sensitivity 5	
	£'000	+ 0.5% p.a. discount rate £'000	+ 0.25% p.a. inflation £'000	+ 0.25% p.a. pay growth £'000	<u>1 year</u> increase in life expectancy £'000	+/- 1% change in 2022/23 investment returns	£'000
						+1%	-1%
Liabilities	50,383	46,214	52,644	50,826	51,395	50,383	50,383
Assets	(56,881)	(56,881)	(56,881)	(56,881)	(56,881)	(57,448)	(56,314)
Deficit/(Surplus)	(6,498)	(10,667)	(4,237)	(6,055)	(5,486)	(7,065)	(5,931)
Projected Service Cost for next year	944	824	1,012	944	966	944	944
Projected Net Interest Cost for next year	(335)	(591)	(226)	(313)	(286)	(362)	(308)

Clwyd Pension Fund

	31-03-23 (%)	31-03-22 (%)
Financial assumptions		
CPI inflation/CARE benefits revaluation	2.7	3.3
Increase in salaries	3.95**	4.55*
Increase in pensions in payment/deferment	2.8	3.4
Discount rate	4.8	2.8

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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

16. EMPLOYEE BENEFIT OBLIGATIONS – continued

*An adjustment has been made for short term pay restraint in line with the 2019 actuarial valuation.

**An adjustment has been made for short term pay restraint in line with the latest actuarial valuation

Mortality assumptions

Life expectancy of a male (female)		
Future pensioner aged 65 in 20 years' time	22.9 (25.6) years	24.0 (26.9) years
Current pensioner aged 65	21.4 (23.8) years	22.5 (24.9) years

	31-03-23 (%)	31-03-22 (%)
Asset allocation		
Equities	23.9	30.3
Property	6.1	6.0
Government Bonds	0.0	0.0
Corporate Bonds	37.7	35.5
Cash	4.4	3.2
Other	27.9	25.0
Total	100.0	100.0

Expected contribution for accounting period ending 31 March 2024 - £nil.

Sensitivity analysis

Disclosure item	Central	Sensitivity 1	Sensitivity 2	Sensitivity 3	Sensitivity 4	Sensitivity 5	
	£'000	£'000	£'000	£'000	£'000	+1%	-1%
Liabilities	21,764	20,065	22,683	21,937	22,212	21,764	21,764
Assets	(22,666)	(22,666)	(22,666)	(22,666)	(22,666)	(22,891)	(22,441)
Deficit/(Surplus)	(902)	(2,601)	17	(729)	(454)	(1,127)	(677)
Projected Service Cost for next year	289	249	311	289	296	289	289
Projected Net Interest Cost for next year	(43)	(138)	1	(35)	(22)	(54)	(32)

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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

16. EMPLOYEE BENEFIT OBLIGATIONS - continued

Greater Gwent (Torfaen) Pension Fund

Financial assumptions	31-03-23	31-03-22
	% p.a.	% p.a.
Pension Increase Rate (CPI)	2.95	3.15
Salary Increase Rate	3.45	3.45
Discount Rate	4.75	2.75

Mortality assumptions

Average future life expectancy at age 65	Males	Females
Current pensioners	20.2 years	23.6 years
Future pensioners*	21.8 years	25.3 years
* Figures assume members aged 45 as at the last formal valuation date		

	31-03-23 (%)	31-03-22 (%)
Asset allocation		
Equities	73.8	74.5
Property	3.4	2.1
Government Bonds	0.0	0.0
Corporate Bonds	13.3	14.3
Cash	0.5	0.3
Other	9.0	8.8
Total	<u>100.0</u>	<u>100.0</u>

Expected contribution for accounting period ending 31 March 2024 - £612k.

Sensitivity analysis

	Approx. % increase to Defined Benefit Obligation	Approx. monetary amount (£'000)
Changes in assumptions at 31-03-23		
0.1% decrease in Real Discount Rate	2%	630
0.1% increase in the Salary Increase Rate	0%	107
0.1% increase in the Pension Increase Rate (CPI)	2%	532
1 year increase in member life expectancy	4%	1,284

31 MARCH 2023

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

16. EMPLOYEE BENEFIT OBLIGATIONS - continued

Gwynedd Pension Fund

Financial assumptions	31-03-23	31-03-22
	% p.a.	% p.a.
Pension Increase Rate (CPI)	2.95	3.15
Salary Increase Rate	3.45	3.45
Discount Rate	4.75	2.75

Mortality assumptions

Average future life expectancy at age 65	Males	Females
Current pensioners	19.8 years	24.6 years
Future pensioners*	21.7 years	25.8 years

* Figures assume members aged 45 as at the last formal valuation date

	31-03-23 (%)	31-03-22 (%)
Asset allocation		
Equities	68.6	69.2
Property	8.2	8.6
Government Bonds	0.0	0.0
Corporate Bonds	0.0	0.0
Cash	0.3	0.3
Other	22.9	21.9
Total	<u>100.0</u>	<u>100.0</u>

Expected contribution for accounting period ending 31 March 2024 - £319k.

Sensitivity analysis

	Approx. % increase to Employer Liability	Approx. monetary amount (£'000)
Changes in assumptions at 31-03-23		
0.1% decrease in Real Discount Rate	2%	502
0.1% increase in the Salary Increase Rate	0%	82
0.1% increase in the Pension Increase Rate (CPI)	2%	427
1 year increase in member life expectancy	4%	987

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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

Amounts for the current and previous period are as follows:

	2023 £'000	2022 £'000
Aggregate defined benefit pension plans		
Defined benefit obligation	(195,461)	(280,790)
Fair value of scheme assets	247,474	258,208
Unrecognised Asset	<u>(43,946)</u>	<u>(803)</u>
Surplus/(Deficit)	<u>8,067</u>	<u>(23,385)</u>

17. EVENTS AFTER THE REPORTING PERIOD

The Financial Statements were authorised for issue by the Board of Directors on 15th December 2023. In October 2023 CCDG paid staff a further cost of living payment of £700 per fte that related to the 2022/23 financial year.

The detailed extent and condition of the buildings, owned and leased by CCDG, identified having Reinforced Autoclaved Aerated Concrete (RAAC), has yet to be fully completed. This work is being undertaken at present which will enable such an assessment for those buildings to be made for the 2023-24 financial year with any adjustments which may be required to be reflected in the financial statements of that year.

18. SHARE CAPITAL

The company is limited by guarantee with all Directors agreeing to contribute the sum of £1 in the event of the company being wound up.

19. GOING CONCERN

The Financial Statements currently show that the company has positive reserves of £12.4m. The primary reason for the positive reserves is the pension surplus of £8.1m. It is therefore not expected that significant additional pension contributions will be required in the short term, so it is the view of the Directors that the company continues to be a going concern.

20. CAPITAL COMMITMENTS

Purchase invoices and orders to the value of £497k (2022: £1,264k) have been raised for capital expenditure relating mainly to the development of the new company website.

21. CONTINGENT LIABILITY

CCDG currently has 25 leases with a dilapidation clause which have a lease term ending more than one year from the balance sheet date. A reasonable provision for premises lease dilapidations has been made in the financial statements as per note 15. However, due to future uncertainties a further contingent liability may need to be applied to reflect actual costs,

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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

22. RELATED PARTIES

CCDG is a wholly owned subsidiary of the Welsh Government, and therefore the Welsh Government is regarded as a related party. During the year, CCDG received income from the Welsh Government of £32.05m (2022: £29.67m) and made payments of £0.3k (2022: £Nil) to Welsh Government. Of the income of £32.05m, £849k (2022: £881k) was deferred to 2023-24 in accordance with IAS20. At the year end, CCDG was owed £1.405m (2022: £1.050m) by the Welsh Government.

During the year CCDG entered into transactions with organisations in which the following Directors and Senior Management employees have declared an interest.

Director	Body	Invoices Received by CCDG	Nature of link
Andrew Clark	Coleg Gwent	£16.00	Governor

Chief Executive	Body	Invoices Received by CCDG	Nature of link
Nikki Lawrence	CDI	£37,453.00	Co-opted Board Member

SMT	Body	Invoices Received by CCDG	Nature of link
Husband of Ruth Ryder	Cardiff University	£902.00	Employee of Cardiff University

SMT	Body	Invoices Received by CCDG	Nature of link
Husband of Mandy Ifans	Aberystwyth University (SU)	£372.00	Head of Management School