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 2025

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FOR THE YEAR ENDED 31 MARCH 2025

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COMPANY INFORMATION

DIRECTORS

J Alexander
E Cassin
A Clark
K Daubney
A Jones-Griffith
D Matthews
A Smith
R Thomas
H White
V Laing
R Roberts
R Uddin
N Richards
A Ali

SECRETARY

W Piper

Unit 4 Churchill House
17 Churchill Way
Cardiff
CF10 2HH

REGISTERED NUMBER: 07442837 (England and Wales)

AUDITOR: Auditor General for Wales

STRATEGIC REPORT

The Directors present their strategic report of the company for the year ended 31 March 2025.

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 provides the all-age, independent and impartial careers information, advice, and guidance service for Wales. CCDG's focus for this financial year was the fourth 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. The remit letter is 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 Commission for Tertiary Education and Research (MEDR).
- 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 by May 2026.
- 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

Total number of customers who received an interview

Total Interviews

Customer contacts via Connect

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

Strategic Projects

1. Working Wales

The Working Wales service has been running since 2019 and offers impartial 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 2024 – 2025 we continued to see steady growth in the demand for Working Wales services across Wales and exceeded the customer volumes achieved pre-Covid (37,889 in 2024-25 compared to 35,485 in 2019-20). Demand for support from adults in particular saw a significant increase that may be partly due to the increase in redundancies that was seen at the same time. Demand for support from young people was steady despite changes to referral rules last year which meant that CCDG is no longer the sole referring agency into Jobs Growth Wales+. Other referring agencies now include the Youth Service, Communities for Work and Youth Engagement and Progression Framework teams. 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.

2. Redundancy Support / ReAct+

During the 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, Community for Work+ and where appropriate, employer HR teams and trade unions. We also continued to support the Welsh Government's flagship ReAct+ programme. During the year, we also had to accommodate in-year changes to ReAct+ eligibility regulations which necessitated staff re-training and changes to previous practices.

All ReAct+ applicants receive independent and impartial careers advice and guidance and have their training needs assessed by a careers adviser, who will advise on suitable training courses and venues and will support applicants to apply for funding via the Welsh Government's React+ application portal. All applicants are also provided with a ReAct+ Action Plan that makes a business case for approval of funding. This work has picked up significantly due to redundancies at Tata Steel, Alun Griffiths Construction and PB Leiners.

3. JobsGrowth Wales +.

This year we continued to refer young people into Welsh Government's Youth Training and Employability programme, JobsGrowth Wales+, which was launched in April 2022. We are still the main referring agency into this programme which supports both young people in the labour market and those planning to leave school to apply for the programme allowing them to make successful transitions.

4. Tailored Work Experience (TWE)

This project aims to support identified learners in years 10 and 11 with poor attendance levels and therefore at risk of disengaging from education. TWE typically involves a learner spending one or two days per week on work placement over an extended period, while completing core studies in school. We accept referrals from schools, interview learners, broker placements, check health and safety arrangements and monitor learners while on placement.

5. Big Ideas Wales (BIW)

This project aims to promote entrepreneurship and business start-ups to young people up to age 25. We are responsible for delivering key elements of the project in primary and secondary settings, most notably the management of a national enterprise competition for primary schools and the facilitation of a minimum of 1,000 entrepreneur role model workshops in secondary settings across Wales.

COMPANY PERFORMANCE 2024-2025

The 2024-25 financial year has marked the fourth 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.

95.9% of young people who received a guidance and coaching service and left Year 11 in 2024 entered education, employment, or training on leaving school.

Target 2: 85% of young people who receive targeted support enter EET (Education, Employment or Training) on leaving school.

92.8% of young people who received a targeted support service and left Year 11 in 2024 entered education, employment, or training on leaving school.

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

96.6% 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.

100% of institutions signed a Partnership Agreement (243 institutions out of 243).

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 208 secondary schools which is 99.5% of the total number of schools in Wales.

Target 6: This was no longer required in this financial year.

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 61.7% of these secondary schools have engaged in training or consultancy support to improve CWRE programmes (129 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 87.8% from a total of 1,200 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 (2,920), 98% said they were satisfied with the service that they received.

Target 10: 90% of individuals offered first appointment within 5 working days of first contact.

92% 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 2024.

As of 31st March 2025, 56 employees of CCDG self-assessed themselves as Proficient Welsh-speakers and 63 as Advanced Welsh-speakers. This equates to 20.03% 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

Skills	Speaking	Listening	Reading	Writing
Proficient	56	56	53	43
Advanced	63	69	62	54
Intermediate	31	41	44	32
Foundation	56	47	51	60
Entry	203	195	187	183
No Understanding	184	185	196	220
No Set	1	1	1	2[1]
Total	594	594	594	594

Employee Welsh Language Skills – Percentages

Skills	Speaking	Listening	Reading	Writing
Proficient	9.4	9.4	8.9	7.2
Advanced	10.6	11.6	10.4	9.1
Intermediate	5.2	6.9	7.4	5.4
Foundation	9.4	7.9	8.6	10.1
Entry	34.2	32.8	31.5	30.8
Not Set	0.2	0.2	0.2	0.4
No Understanding	31.0	31.1	33.0	37.0

[1] By the deadline of 31st March one employee had not set their Welsh language skills and a further one had not set their writing skills for Welsh language.

The Well-Being of Future Generations (Wales) Act 2015

The Welsh Government requires all Public Bodies to conduct themselves in accordance with the sustainable development principle (five ways of working) set out in the Act 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 Well-Being of Future Generations (Wales) Act 2015 underpins all its work.

The 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.
Premises and Environment Steering Group	15. Amount of waste generated that is not recycled, per person.
Premises and Environment Steering Group	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.
Welsh Language Steering Group	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).
Senior Management Team	8. Percentage of adults with qualifications at the different levels of the National Qualifications Framework.
Senior Management Team	9. Gross Value Added (GVA) per hour worked (relative to UK average)
Senior Management Team	11. Percentage of businesses which are innovation-active
Senior Management Team	21. Percentage of people in employment.
Senior Management Team	22. Percentage of people in education, employment, or training, measured for different age groups.
Senior Management Team	24. Percentage of people satisfied with their ability to get to/ access the facilities and services they need.
Senior Management Team	29. Mean mental well-being score for people.

FINANCIAL PERFORMANCE FOR THE YEAR

The results for the financial year are shown on page 28 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 £2.80m.

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 2% of the agreed WG income funding.

The table below shows the original budget position for the 2024-25 financial year:

Item	**£m**
Agreed budgeted WG funding	31.4
Allowable carry over - 2%	0.6
Year-end Cash and cash equivalents	0.6

The principal source of income for CCDG is received from the Welsh Government. During the financial year the total funding received was £31.4m compared to a budgeted £31.4m. Where we incurred capital expenditure, income of £1,059k (2024: £887k) has been deferred into the next financial year.

FUTURE DEVELOPMENTS

We have received confirmation from Welsh Government that our income will be £32.63m in 2025-2026 following confirmation that we will be receiving additional income towards the cost of the employer NI increase.

CCDG through its fourth year of the strategy continued to offer a blended approach to our work with customers, with a mix of in-person 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. During 2025-2026, which is the final year of Brighter Futures, CCDG will work to continuously improve services for customers and evaluate services to inform our on-going offer of sharing good practice both nationally and internationally. The company is currently developing its next five-year strategy, building on the success of the Brighter Futures strategy 2021-2026.

For 2025-26 CCDG expects income from the Welsh Government income to be £32.63m. As shown in the table below

Funding Source	**£m**
Welsh Government – Core / Working Wales	30.21
Welsh Government – Capital Spend	2.00
Welsh Government – projects	0.42
Sub-total Welsh Government	**32.63**
Other contract Income	0.03
Estimated total income 2025-26	**32.66**

PRINCIPAL RISKS AND UNCERTANTIES

Details of risk management are contained in the specific section of the Annual Corporate Governance Statement on pages 21-23.

The five principal risks that CCDG face are:

- Revenue uncertainty on future funding from WG.
- Additional Learning Needs (ALN) service provision due to implementation of new guidance.
- Risks associated with safeguarding breaches.
- Risks associated with implementing Welsh language standards.
- Information security due to an environment where digital attacks are becoming more frequent.

ON BEHALF OF THE BOARD:

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E Cassin - Chair

Date: 04 November 2025

DIRECTORS REPORT

The Directors present their report with the Financial Statements of the company for the year ended 31 March 2025. 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 2025.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in note 16 to the Financial Statements.

DIRECTORS

The Directors shown below have held office during the period from 1 April 2024 to the 31 March 2025:

J Alexander
K Daubney
A Clark
A Jones-Griffith
D Hagendyk (Resigned July 2024)
E Cassin (Chair)
R Thomas
D Matthews
A Smith
H White
J Harvey (Resigned December 2024)
R Uddin (Appointed June 2024)
N Richards (Appointed June 2024)
A Ali (Appointed June 2024)
R Roberts (Appointed July 2024)
V Laing (Appointed February 2025)

All Directors are non-executive and are unpaid. Ms E Cassin was re-appointed as Chair on 01 February 2025 for a 3 year period 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 31 March 2026. Beyond this date, CCDG is comfortable that the company will remain a going concern for at least a year after the signing of these accounts due to the level of current reserves and year end cash balance projections. The Directors have concluded that there are no material uncertainties which would create any doubts to CCDG’s ability to continue in business. 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 7 to 9 and note 15 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 income for 2024-25 was £31.4m. Welsh Government have confirmed a level of funding for 2025-26 of £32.63m, and, as per the going concern statement, the Board are comfortable that CCDG has sufficient liquidity to remain a going concern.

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

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.

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 working for the benefit of all employees. 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 and Executive Team, and through the staff newsletter LINC.

Employees can interact with one another, post information about clubs and groups on Viva Engage and can gain access to information about corporate events using the CCDG intranet.

Disability

CCDG is a Disability Confident employer. Any candidate who declares a disability on their application form is guaranteed an interview if they meet the minimum criteria of the job role. Every candidate that is shortlisted is invited to let us know of any reasonable adjustments required at the initial stage and interviews.

Occupational health is used for specialist advice on various disabilities and medical conditions. Reasonable adjustments are made when required to support employees to be able to do their job role.

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 achieve the Welsh Government's target of being carbon net zero by 2030. To help us achieve this aim we have implemented the independently audited Green Dragon Environmental Standard, developed a net zero strategy, refreshed and implemented the estates strategy. Our overarching environmental principles are detailed within our environmental policy and are implemented and monitored using an environment management system.

How we manage the process

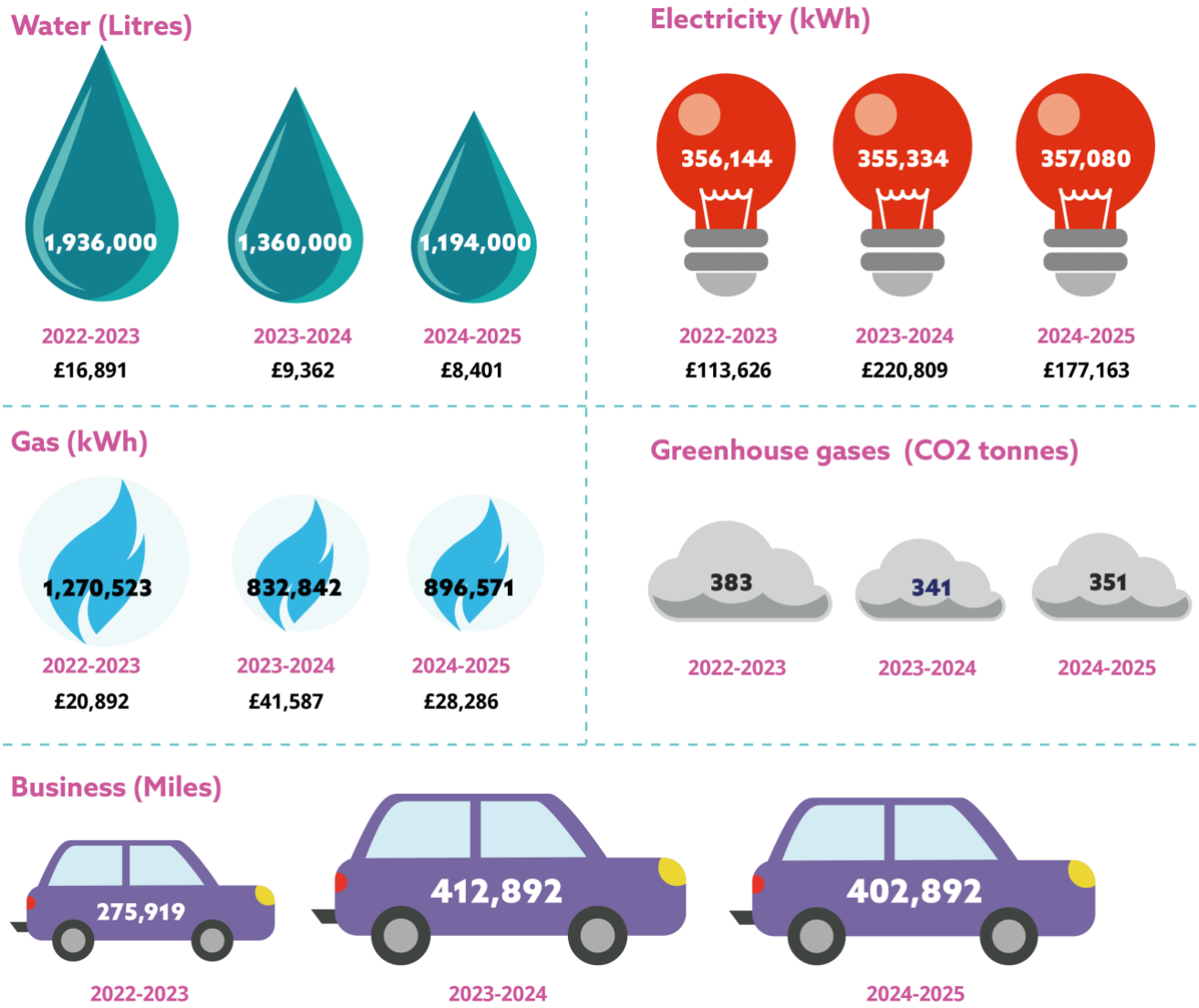
CCDG's aim is to seek continued improvement in the process by which we manage our environmental impact. We have established two committees which have oversight of the monitoring and reporting requirements within our governance structure. The Premises and Environment Group has responsibility for setting 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 this financial year we started to roll out our estates strategy which is fully aligned with both our 2030 net zero strategy, and our hybrid working practices. A key element of our strategy is reducing our estate portfolio and also exploring co-location opportunities to provide a local service provision. Our aim is to provide modern technologically advanced offices, with low carbon emissions that will provide us with the ability to provide modern working environments that are aligned to our hybrid working practices. To meet the requirements of the National strategy *'Prosperity for All'* we will ensure our estates portfolio address the needs of the community that we operate in.

Key to achieving our net zero strategy is the continuous implementation of our environment management systems and making greater use of monitoring data to inform decisions. We were successful in achieving green dragon level four in this financial year. The environment data in the table below has been collected from the 28 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 $kgCO_2e$ emissions for homeworking (103,884 this year compared to 103,351 in 2024), travel to work mileage (247,994 compared to 232,396 in 2024) and supply chain emissions (1,059,682 compared to 868,920 in 2024).

Energy Usage comparisons are as follows:



Energy	2022-2023	2023-2024	2024-2025
Water (Litres)	1,936,000	1,360,000	1,194,000
Business Miles	275,919	412,892	402,892
Electricity kWh	356,144	355,334	357,080
Gas kWh	1,270,523	832,842	896,571
Greenhouse gases CO2 tonnes	383	341	351
Financial costs	£	£	£
Gas	26,851	41,587	28,286
Electricity	113,626	220,809	177,163
Water	16,891	9,362	8,401

Usage per head – staff numbers	**2022-2023**	**2023-2024**	**2024-2025**
Staff numbers based on total headcount in year	637	661	641
Water (Litres)	3,039	2,057	1,862
Business Miles	433	625	628
Electricity kWh	559	538	557
Gas kWh	1,995	1,260	1,398
Greenhouse gases CO2 tonnes	0.6	0.51	0.55

The above figures represent the usage in energy across CCDG business. To calculate the CO2 tonnes of emission for gas and electricity we used the kWh factor kgCO2e, this factor varies year-on-year. In 2025 the conversion rate was the same as the previous year 0.225 kgCO2e. In 2024/25 all our offices were open in a similar pattern to 2023/24 and we continued to operate a hybrid working model. We closed both the Caerphilly office and a small administration unit in Ebbw Vale. We installed solar power in two owned properties Aberystwyth and Wrexham, improved insulation in both offices and installed energy efficient windows in Wrexham. In the next financial year we will continue to invest in our owned properties to improve their environmental performance by installing new windows, air heat pumps and improved insulation.

In the 2025/26 financial year we are planning to further reduce our estate portfolio by discontinuing leases which are coming to an end and we have received Board and Welsh Government approval to sell some owned properties. This should lead to lower carbon emissions at year end. We will also be placing a greater emphasis on reducing our carbon footprint relating to our supply chain by working closely with our top ten suppliers to better understand what proportion of their actual emissions can be allocated to our carbon emission calculations.

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.

AUDITOR

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

ON BEHALF OF THE BOARD:

E Cassin - Chair

Date: 04 November 2025

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 2025. 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:

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

MEMBERSHIP AND ATTENDANCE RECORD 2024-25

Meetings of the Board of Directors and Co-Opted Members

Member	17/07/24	01/10/24	11/12/24	05/03/25	Attendance
R Thomas	x	✓	✓	x	**2/4 50%**
E Cassin (Chair)	✓	✓	✓	✓	**4/4 100%**
D Mathews	x	✓	X	x	**1/4 25%**
H White	✓	✓	✓	✓	**4/4 100%**
A Smith	✓	x	✓	✓	**3/4 75%**
A Clark	✓	✓	✓	✓	**4/4 100%**
J Harvey	✓	✓	X	N/A	**2/3 67%**
J Alexander	✓	✓	✓	✓	**4/4 100%**
K Daubney	✓	✓	✓	✓	**4/4 100%**
A Jones-Griffith	x	✓	✓	x	**2/4 50%**
A Ali	✓	✓	✓	x	**3/4 75%**
R Uddin	✓	✓	✓	x	**3/4 75%**
N Richards	✓	✓	X	x	**2/4 50%**
R Roberts*	x	✓	✓	✓	**3/4 75%**
Chief Executive	✓	✓	✓	✓	**4/4 100%**
V Laing	N/A	N/A	N/A	✓	**1/1 100%**

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

All the above Directors and Co-opted members are independent. The Directors are appointed by the Welsh Government, the recruitment process is transparent as vacancies are widely advertised and interviews take place for selection.

*Co-opted Member

Finance, Audit and Risk Committee

Member	26/06/24	07/08/24	07/11/24	30/01/25	Attendance
A Clark (Chair)	x	✓	✓	✓	**3/4 75%**
A Jones-Griffith	✓	✓	✓	✓	**4/4 100%**
H White	✓	X	✓	x	**2/4 50%**
Chief Executive	✓	✓	x	✓	**3/4 75%**
D Matthews	✓	X	✓	✓	**3/4 75%**
R Uddin	✓	X	✓	x	**2/4 50%**

Member	26/06/24	07/08/24	07/11/24	30/01/25	Attendance
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%**

People Matters and Remuneration Committee

Members	12/06/24	19/09/24	04/12/24	03/02/25	Attendance
A Smith (Chair)	✓	✓	✓	✓	**4/4 100%**
J Alexander	✓	✓	✓	✓	**4/4 100%**
R Roberts	✓	✓	✓	✓	**4/4 100%**
A Ali	x	✓	✓	✓	**3/4 75%**
Chief Executive	✓	✓	✓	✓	**4/4 100%**
Director of Resources & Transformation	✓	✓	✓	✓	**4/4 100%**
Head of People Development	✓	N/A	N/A	N/A	**1/1 100%**
Human Resources Manager	N/A	N/A	✓	✓	**2/2 100%**

Performance and Impact Committee

Members	07/05/24	11/07/24	17/10/24	04/03/25	Attendance
D Hagendyk (Chair)	X	X	N/A	N/A	**0/2 0%**
K Daubney	✓	✓	✓	✓	**4/4 100%**
J Harvey	X	X	X	N/A	**0/3 0%**
R Thomas (stand in Chair)	✓	✓	✓	✓	**4/4 100%**
N Richards	N/A	✓	✓	✓	**3/3 100%**
V Laing	N/A	N/A	N/A	✓	**1/1 100%**
Chief Executive	✓	✓	✓	✓	**4/4 100%**
T McLelland *	✓	✓	N/A	N/A	**2/2 100%**

Member	07/05/24	11/07/24	17/10/24	04/03/25	Attendance
Director of Customer Strategy & Service Development	✓	✓	✓	✓	**4/4 100%**
Head of Quality & Planning	✓	✓	✓	X	**3/4 75%**

*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:

1. 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.
2. To recommend the appointment of bankers, internal auditors, external auditors, and other financial advisers, as required, following due process.
3. To establish a sound procedure for procurement, to ensure efficiency and value for money.
4. To ensure, in accordance with legislation, that the company has effective policies for dealing with suspected irregularity, fraud or bribery.
5. 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.
6. To develop and recommend a viable business plan, and a budget for the company each year.
7. To consider and make recommendations on financial statements, and in particular the annual accounts of the company.
8. Consider matters referred to Committee by Board; and
9. 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:

1. The Committee will receive and approve any initial draft and subsequent redrafts of the HR Strategy and Implementation Plan(s).
2. The Committee will ensure that there is an appropriate pay structure and, subject to affordability, determine the pay levels of the Chief Executive.
3. The Committee will provide robust scrutiny in order to ensure that the company complies with employment legislation and regulations.
4. The Committee will be the lead committee for Health and Safety and Diversity matters.
5. The Committee will consider such matters as may be referred to it by the Board.
6. 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.
7. 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:

1. Have an overview of service development, delivery, and support functions.
2. Monitor, scrutinise and advise on year performance relating to quality and quantity and progress against business plan.
3. To challenge and review the impact of the company.
4. To scrutinize and monitor the use of feedback from customers and stakeholders in informing the development of the service (including ICT) and engagement strategies.
5. To promote and support value for money, looking at which services to invest resources in to ensure a good return on investment.
6. To support and review the way the company delivers the services through IT/ Digital/ Marketing channels.

7. To consider such matters as may be referred to the Committee by the Board; and
8. 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

In 2024/25 the Company lost 5.7% of productive working days to sickness absence. This is a 1.8% decrease from the previous reporting period. We will continue to put interventions in place to reduce this figure further in the coming year.

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 internal newsletter and is available to any employee, bilingually, on the CCDG 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 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.

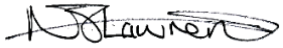
The internal auditors operate to standards defined by the Public Sector Internal Audit Standards. They attend Finance, Audit and Risk Committee meetings and present their reports to the Committee and progress on the planned work programme. The annual internal audit opinion stated that CCDG had reasonable 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 Cyber Security, Key Financial controls, Sustainability and Carbon Reduction, Welsh Language, Strategic Control, and Risk Management. All areas of the audit reviews were given substantial assurance with the exception of Risk Management which was given reasonable 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 2024-25 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 remotely. We have continued to take a digital approach to facilitate remote working. The Board and the Committees have met through MS Teams or in person on occasion. During this year we were able to continue to deliver using a blended approach of in person, 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. 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.



N Lawrence

CCDG Chief Executive and Accounting Officer

Date: 04 November 2025

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 2025 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 2025 and of its surplus 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.
- 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
11 November 2025

1 Capital Quarter
Tyndall Street
Cardiff, CF1 4BZ

STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025	2024
		£'000	£'000
CONTINUING OPERATIONS			
Revenue	2	31,427	34,840
Administrative expenses	22	(32,008)	(35,945)
Profit arising on property related items		-	-
OPERATING GAIN / (LOSS)		(581)	(1,105)
Finance costs	4	(9,493)	(9,219)
Finance income	4	13,310	11,850
PROFIT / (LOSS) BEFORE TAX		3,236	1,526
Tax expense	6	(21)	(22)
PROFIT/ (LOSS) FOR THE YEAR		3,215	1,504
Profit / (Loss) attributable to:			
Owner of the company		3,215	1,504

The notes from page 34 to page 77 form part of the Financial Statements

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025	Restated 2024
		£'000	£'000
PROFIT / (LOSS) FOR THE YEAR		3,215	1,504
OTHER COMPREHENSIVE INCOME **Items that will not be reclassified to profit or loss:**			
Actuarial (Loss) on pension scheme	15	(3,739)	(10,499)
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		(524)	(8,995)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(524)	(8,995)
Total comprehensive income attributable to:			
Owner of the company		(524)	(8,995)

The notes from page 34 to page 77 form part of the Financial Statements

STATEMENT OF FINANCIAL POSITION

31 MARCH 2025

	Notes	2025 £'000	Restated 2024 £'000
ASSETS			
NON-CURRENT ASSETS			
Property, plant, and equipment	7	2,649	2,664
Right of Use Asset	8	1,431	1,565
Intangible assets	9	834	883
		4,914	5,112
CURRENT ASSETS			
Trade and other receivables	10	1,573	2,895
Cash and cash equivalents	11	629	651
		2,202	3,546
TOTAL ASSETS		7,116	8,658
LIABILITIES			
NON-CURRENT LIABILITIES			
Pension liability	15	180	228
Trade and other payables	13	-	-
Provisions	14	413	333
Lease Liabilities	8	941	1,012
		1,534	1,573
CURRENT LIABILITIES			
Trade and other payables	13	2,155	2,872
Provisions	14	186	252
Lease Liabilities	8	427	495
Tax payable	6	16	22
		2,784	3,641
TOTAL LIABILITIES		4,318	5,214
TOTAL ASSETS LESS LIABILITIES		2,798	3,444
EQUITY			
Revaluation reserve	12	226	348
Retained earnings	12	2,572	3,096
TOTAL EQUITY		2,798	3,444

The notes from page 34 to page 77 form part of the Financial Statements

For the year ended 31 March 2025, 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 04 November 2025 and were signed on its behalf by E Cassin – Chair.

Registered company number: 07442837

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2025

	Retained Earnings	Revaluation Reserve	Total Equity
	£'000	£'000	£'000
Balance at 1 April 2023	12,091	348	12,439
Changes in Equity			
Profit for the year	1,504	-	1,504
Actuarial Loss Restated	(10,499)	-	(10,499)
Adjustment Revaluation Reserve	-	-	-
Balance at 31 March 2024 Restated	3,096	348	3,444
Changes in Equity			
Profit for the year	3,215	-	3,215
Actuarial Loss	(3,739)	-	(3,739)
Adjustment Revaluation Reserve	-	(122)	(122)
Balance at 31 March 2025	2,572	226	2,798

The notes from page 34 to page 77 form part of the Financial Statements

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

Cash flows from operating activities

	Notes	2025 £'000	2024 £'000
Cash generated from operations		2,217	1,768
Interest paid	4	(6)	(6)
Tax paid	6	(21)	(22)
Net cash from operating activities		2,190	1,740

Cash flows from investing activities

	Notes	2025 £'000	2024 £'000
Purchase of intangible assets	9	(1,426)	(1,399)
Purchase of property, plant, and equipment	7	(331)	(198)
Interest received	4	75	116
Net cash from investing activities		(1,682)	(1,481)

Cash flows from financing activities

	Notes	2025 £'000	2024 £'000
Payment of interest on leases	8	(28)	(21)
Payment of principal on leases	8	(502)	(528)
Net cash from financing activities		(530)	(549)
Increase in cash and cash equivalents		(22)	(290)
Cash and cash equivalents at beginning of year	11	651	941

	Notes	2025 £'000	2024 £'000
Cash and cash equivalents at end of year	11	629	651

The notes from page 34 to page 77 form part of the Financial Statements

NOTES TO THE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

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

	Notes	2025 £'000	2024 £'000
Profit / (Loss) before corporation tax and interest		3,162	1,416
Depreciation and Property Impairment	7	224	140
Right of Use Asset Depreciation	8	524	577
Amortisation	9	1,475	1,563
Loss on Disposal of Assets		-	-
Interest on pension scheme liabilities	4	9,487	9,213
Expected return on pension scheme assets	4	(13,235)	(11,734)
		1,637	1,175

	Notes	2025 £'000	2024 £'000
(Increase)/Decrease in trade and other receivables	10	1,322	(379)
Increase/(Decrease) in provisions	14	14	-
Increase/(Decrease) in trade and other payables	13	(717)	655
Difference between pension charge and cash contributions	15	(39)	317
Cash generated from operations		2,217	1,768

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

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.

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.

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.

The only provisions included in this year's financial statements relate to dilapidations. The estimated value of the provision is based on the future expected repair costs required to restore CCDG's leased buildings to their fair condition at the end of the respective lease terms. CCDG will create a provision at the time when the alteration 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 to ensure our provision estimate is as accurate as possible. The dilapidations provision will not be recorded at present value.

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.

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:

Property Class	Depreciation
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:

1. 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
2. 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 4.72% for all leases dated after 01 January 2024 and 4.81% for all leases dated after January 2025, this applies to new leases, relevant lease modifications or remeasurements. 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 are 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. During the financial year, there were no short term or low value leases. 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.

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, with the valuation being undertaken 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. An impairment review of the land and Properties was completed by Harris and Birt Valuers on March 31 2025, they determined that due to low level demand for offices in some locations there were a number of impaired properties.

Assets held for sale

Assets held for sale refer to those assets that a company intends to sell rather than use in its day-to-day operations. We will classify an asset as held for sale if it meets the following criteria:

- There has been approval from Welsh Government and CCDG Board to sell the asset
- There is high probability the sale will occur within within one year

For property sales

- The building is available for immediate sale in its present condition
- The property has been actively marketed on e-pims for sale to the wider public sector
- The property has undertaken a red book valuation prior to placing in e-pims and be marketed at this value

Assets held for sale will not be depreciated. The assets will be held separately on the balance sheet under current assets

IFRS 5 requires the following disclosures about assets (or disposal groups) that are held for sale: [IFRS 5.41]

- description of the non-current asset or disposal group
- description of facts and circumstances of the sale (disposal) and the expected timing
- impairment losses and reversals, if any, and where in the statement of comprehensive income they are recognised

The post-tax gain or loss recognised on the measurement to fair value less cost to sell or fair value adjustments on the disposal of the assets will be presented as a single amount on the face of the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS - continued

FOR THE YEAR ENDED 31 MARCH 2025

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 over one year will be amortised over that life on a straight-line basis, software licences that are expected to be used within one year will be treated as an expense. 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 £147k (2024: £439k), we also disposed of software licences of £540k (2024: £519k).

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.

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.

NOTES TO THE FINANCIAL STATEMENTS - continued

FOR THE YEAR ENDED 31 MARCH 2025

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 15 - 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.

Provisions – dilapidations The estimated value of the provision is based on the future expected repair costs required to restore CCDG's leased buildings to their fair condition at the end of the respective lease terms. CCDG will create a provision at the time when the alteration 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 to ensure our provision estimate is as accurate as possible.

Going concern

The financial statements have been prepared on a going concern basis. We received confirmation for the next financial year that Welsh Government funding will be £32.63m, at year end we have cash in hand of £629k and a positive equity position of £2.80m. The company has made an assessment that we are able to meet our obligations as they fall due.

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED 31 MARCH 2025

2. REVENUE

		2025 £'000	2024 £'000
Welsh Government	– Revenue Core	19,387	19,884
Welsh Government	– Capital Core	1,757	1,600
Welsh Government	– Working Wales	9,280	10,280
Welsh Government	– Other	1,056	2,957
ESF projects	– Activate	22	-
Other contracts and income		57	48
Deferred income		(1,059)	(887)
Released Deferred Income		927	958
		31,427	34,840

3. EMPLOYEES AND DIRECTORS

Staff costs

	2025 £'000	2024 £'000
Wages and salaries	19,477	21,718
Social security costs	1,932	2,041
Other pension costs	86	2,626
	21,495	26,385

The above costs include a figure of £192k (2024: £1,764k) which relates to voluntary redundancy incurred within the year.

Staff numbers

	2025	2024
Management and Administration	85	84
Service delivery	511	560
	596	644

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

Senior employees' costs

	2025		2024	
	Directors £'000	Senior Management £'000	Directors £'000	Senior Management £'000
Short Term Employee benefits	12	334	15	318
Post Employment benefits	0	53	0	52
	12	387	15	370

The Chief Executive salary and benefit costs were £154k for 2024/25 (2023/24: £149k).

Two members of the Senior Management have the term Director in their job role; however, they are not Board Directors.

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

	2025	2024
Final Salary scheme	0	0

4. NET FINANCE INCOME

	2025 £'000	2024 £'000
Finance income:		
Deposit account interest	75	116
Expected return on pension scheme assets	13,235	11,734
	13,310	11,850
Finance costs:		
Bank interest	(6)	(6)
Interest on pension scheme liabilities	(9,487)	(9,213)
	(9,493)	(9,219)
Net finance income	3,817	2,631

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

5. PROFIT / (LOSS) BEFORE TAX

The profit / (loss) before tax is stated after charging:

	2025 £'000	2024 £'000
Depreciation	185	140
Amortisation and Impairment	1,514	1,563
Auditors' remuneration – External	107	107
Auditors' remuneration – Internal	21	15
	1,827	1,825

The above figures are inclusive of VAT where applicable.

6. CORPORATION TAX

Analysis of tax expense

	2025			2024		
	Amount £'000	Rate	Tax £'000	Amount £'000	Rate	Tax £'000
Income on which no tax due	31,427	0%	-	34,840	0%	-
Non-core profits	-	0%	-	-	0%	-
Interest	75	21.54%	16	116	19%	22
Additional cost from prior year			5			
			21			22

CCDG pays corporation tax on interest receivable and profit on non-core activities at the UK effective tax rate of 21.54%, reduced from 25% after marginal relief. This results in a charge of £16k for this year as detailed within the Statement of Financial Position. However, in the Statement of Profit or Loss and Other Comprehensive Income there is a charge of £21k due to an underestimation of last year's corporation tax of £5k that was paid within the financial year.

Tax effects relating to effects of other comprehensive income

	2025		
	Gross £'000	Tax £'000	Net £'000
Actuarial (Loss) on pension scheme	(3,739)	-	(3,739)

	2024 Restated		
	Gross £'000	Tax £'000	Net £'000
Actuarial (Loss) on pension scheme	(10,499)	-	(10,499)

7. PROPERTY, PLANT AND EQUIPMENT

2024-25	Leasehold Improvements £'000	Land and Buildings £'000	Fixtures and Fittings £'000	Computer Equipment £'000	Totals £'000
COST OR VALUATION					
At 1 April 2024	582	2,316	413	200	3,511
Additions during the year	22		284	25	331
Disposals: during the year				(22)	(22)
Revaluation recognised in revaluation reserve		(122)			(122)
Impairments during the year		(39)			(39)
At 31 March 2025	604	2,155	697	203	3,659
DEPRECIATION					
At 1 April 2024	441	34	184	188	847
Charge for year	55	34	86	10	185
Disposals: during the year				(22)	(22)
At 31 March 2025	496	68	270	176	1,010
NET BOOK VALUE					
At 31 March 2025	108	2,087	427	27	2,649
At 31 March 2024	141	2,282	229	12	2,664

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 £63. Using the cost model the net book value for plant property and equipment would be £2,480k, the reduction is only related to land and buildings.

7. PROPERTY, PLANT AND EQUIPMENT - continued

2023-24	Leasehold Improvements £'000	Land and Buildings £'000	Fixtures and Fittings £'000	Computer Equipment £'000	Totals £'000
COST OR VALUATION					
At 1 April 2023	528	2,316	269	329	3,442
Additions during the year	54		144		198
Disposals: during the year				(129)	(129)
At 31 March 2024	582	2,316	413	200	3,511
DEPRECIATION					
At 1 April 2023	391	-	140	305	836
Charge for year	50	34	44	12	140
Disposals: during the year				(129)	(129)
At 31 March 2024	441	34	184	188	847
NET BOOK VALUE					
At 31 March 2024	141	2,282	229	12	2,664
At 31 March 2023	137	2,316	129	24	2,606

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 £51. Using the cost model the net book value for plant property and equipment would be £1,801k, the reduction is only related to land and buildings.

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CAREER CHOICES DEWIS GYRFA LTD

31 MARCH 2025

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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. In terms of liquidity risk, CCDG concluded that due to the significant positive asset status and a healthy bank balance at year end, we will be able to meet our future lease obligations.

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

	2025 £'000	2024 £'000
Right of Use Asset	1,431	1,565
	Buildings	
Opening right of use asset	1,565	1,826
Additions – new lease contract	390	321
Less: Right of use amendment	-	(5)
Depreciation of the lease contract	(524)	(577)
Closing Balance	**1,431**	**1,565**

Lease Liability

	2025 £'000	2024 £'000
Short Term	427	495
Long Term	941	1,012
	1,368	**1,507**

The following amounts are recognised in profit or loss:

	2025 £'000	2024 £'000
Depreciation charge	524	577
Total Depreciation	**524**	**577**

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

Interest expense on lease liabilities (included in finance cost)	28	22
Expenses related to short term leases	-	-
Expenses related to low value assets	-	-
Operating lease expenses (IAS 17)	-	-
Total expenses related to leases	**552**	**599**

The following amounts are recognised in the cash flow statement:

Cash outflow for leases (IFRS16) – financing leases	2025	2024
	£'000	£'000
Payment of interest on leases	28	21
Payment of principal on leases	502	528

Within note 7 Property, Plant and Equipment, there are two property assets, Parc Menai and Barry, which have long lease terms spanning 250 and 900 years respectively and have little to no remaining lease liabilities associated with them. Due to the length of the leases and the remaining consideration being largely immaterial, these assets have not been classified as right of use assets.

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NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

9. INTANGIBLE ASSETS

2024-25	Software Licences £'000	Software Develop £'000	Website Development £'000	Total £'000
COST				
At 1 April 2024	583	436	3,047	4,066
Additions	494	60	872	1,426
Disposals	(540)	-	(147)	(687)
At 31 March 2025	537	496	3,772	4,805
AMORTISATION				
At 1 April 2024	292	272	2,619	3,183
Charge for the year	521	89	865	1,475
Disposals	(540)	-	(147)	(687)
At 31 March 2025	273	361	3,337	3,971
NET BOOK VALUE				
At 31 March 2025	264	135	435	834
At 31 March 2024	291	164	428	883

2023-24

	Software Licences £'000	Software Develop £'000	Website Development £'000	Total £'000
COST				
At 1 April 2023	561	436	2,628	3,625
Additions	541	-	858	1,399
Disposals	(519)	-	(439)	(958)
At 31 March 2024	583	436	3,047	4,066

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

AMORTISATION

At 1 April 2023	263	185	2,131	2,578
Charge for the year	549	87	927	1,563
Disposals	(519)	-	(439)	(958)
At 31 March 2024	292	272	2,619	3,183
NET BOOK VALUE				
At 31 March 2024	291	164	428	883
At 31 March 2023	299	251	497	1,047

10. TRADE AND OTHER RECEIVABLES

	2025 £'000	2024 £'000
Current:		
Trade receivables	27	13
Other receivables	1,080	2,612
Prepayments	466	270
	1,573	2,895

11. CASH AND CASH EQUIVALENTS

	2025 £'000	2024 £'000
Cash in hand	2	2
Bank accounts	627	649
	629	651

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

12. RESERVES

	Retained Earnings £'000	Revaluation Reserve £'000	Totals £'000
As at 1 April 2023	12,091	348	12,439
Profit for the year	1,504	-	1,504
Pension Actuarial (Loss) Restated	(10,499)	-	(10,499)
Revaluation Reserve Gain	-	-	-
As at 31 March 2024 Restated	3,096	348	3,444
Profit for the year	3,215	(122)	3,093
Pension Actuarial (Loss)	(3,739)	-	(3,739)
As at 31 March 2025	2,572	226	2,798

13. TRADE AND OTHER PAYABLES

	2025 £'000	Restated 2024 £'000
Current liabilities		
Trade payables	59	84
Social security and other taxes	-	-
Other payables	18	17
Holiday Pay Accrual	331	334
Accruals and deferred income	1,744	2,437
VAT	3	-
	2,155	2,872
Non-current liabilities:	180	228
Aggregate amounts	2,335	3,100

NOTES TO THE FINANCIAL STATEMENTS - continued

FOR THE YEAR ENDED 31 MARCH 2025

14. PROVISIONS

	2025 £'000	2024 £'000
Opening Balance	585	585
Amounts Arising in year	79	-
Amounts utilised in year	(65)	-
Unused amounts reversed	-	-
Closing Balance	599	585

The £599k provision is related to the estimate of dilapidation costs for CCDG leased premises. The provision is split into non-current liabilities of £413k (2024 £333k) and current liabilities of £186k (2024 £252k). We have increased the value of the provision due to the estimated increase in costs related to the work.

15. 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

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 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.

15. EMPLOYEE BENEFIT OBLIGATIONS - continued

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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15. 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:

Fund	Present Value of funded obligations £'000	Fair Value of plan assets £'000	Sub – total £'000	Present Value of unfunded obligations £'000	Unrecognised Assets Adjustment £'000	Surplus / (Deficit) £'000	Net Asset / (Net Liability £'000)
Rhondda Cynon Taf Pension Fund (MG)	(29,441)	57,979	28,538	-	(28,538)	-	-
Powys County Council Pension Fund	(7,420)	9,330	1,910	-	(1,910)	-	-
Cardiff and Vale of Glamorgan Pension Fund	(19,967)	44,176	24,209	-	(24,209)	-	-
Rhondda Cynon Taf Pension Fund (CWA)	(1,194)	3,204	2,010	-	(2,010)	-	-
Dyfed Pension Fund	(45,492)	63,982	18,490	(155)	(18,490)	(155)	(155)
Clwyd Pension Fund	(19,571)	23,617	4,046	-	(4,046)	-	-
Greater Gwent (Torfaen) Pension Fund	(28,343)	39,703	11,360	-	(11,360)	-	-
Gwynedd Pension Fund	(21,678)	37,893	16,215	(25)	(16,215)	(25)	(25)
	(173,106)	279,884	106,778	(180)	(106,778)	(180)	(180)

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	14.5	12.6	16.3	17.3	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.

15. 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	
		Restated
	2025 £'000	2024 £'000
Present value of funded obligations	(173,106)	(197,204)
Fair value of plan assets	279,884	273,552
	106,778	76,348
Present value of unfunded obligations	(180)	(228)
Unrecognised Assets	(106,778)	(76,348)
Deficit	(180)	(228)
Net Liability	(180)	(228)

The amounts recognised in the notes to the cashflow statement are as follows:

	2025 £'000	2024 £'000
Current and Past Service costs	4,364	4,407
Employer pension contributions paid	(4,403)	(4,090)
	---	---
	(39)	317

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

15. EMPLOYEE BENEFIT OBLIGATIONS - continued

The amounts recognised in profit or loss are as follows:

	Defined benefit pension plans	
	2025 £'000	2024 £'000
Current service cost	3,590	4,074
Past service cost (including Curtailments)	774	333
Interest cost	9,487	9,213
Expected return	(13,235)	(11,734)
	616	1,886
Actual return on plan assets	8,305	28,086

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

	Defined benefit pension plans	
	2025 £'000	2024 £'000
Opening defined benefit obligation	197,654*	195,461
Current service cost	3,558	4,040
Past service cost (including Curtailments)	774	333
Contributions by scheme participants	1,228	1,289
Interest cost	9,487	9,213
Actuarial (gain)	(32,586)	(6,425)
Benefits paid	(6,829)	(6,479)
	173,286	197,432

*The balance brought forward from 2024 has been increased by £222k due to a historical actuary adjustment.

15. EMPLOYEE BENEFIT OBLIGATIONS - continued

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

	Defined benefit pension plans	
	2025 £'000	2024 £'000
Opening fair value of scheme assets	273,774*	247,474
Contributions by employer	4,403	4,086
Contributions by scheme participants	1,228	1,289
Assets administration expenses	(32)	(34)
Expected return	13,235	11,734
Actuarial (loss) / gain	(5,895)	15,478
Benefits paid	(6,829)	(6,475)
	279,884	273,552

*The balance brought forward from 2024 has been increased by £222k due to a historical actuary adjustment.

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

	Defined benefit pension plans	
		Restated
	2025 £'000	2024 £'000
Actuarial (loss)	(3,739)	(10,499)
	(3,739)	(10,499)
Cumulative amount of Actuarial gain	21,879	25,618

15. EMPLOYEE BENEFIT OBLIGATIONS – continued

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

Rhondda Cynon Taf Pension Fund (MG)

	31-03-25	31-03-24
Principal Financial Assumptions	(%)	(%)
Discount rate	5.8	4.8
CPI Inflation	2.5	2.6
Pension increases	2.5	2.6
Pension accounts revaluation rate	2.5	2.6
Salary increases	3.75	3.85

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.

Males	31-03-25	31-03-24
Pensioner member aged 65 at accounting date	20.9	21.0
Active member aged 45 at accounting date	21.8	22.3
Females		
Pensioner member aged 65 at accounting date	23.7	23.8
Active member aged 45 at accounting date	24.8	25.2

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

15. EMPLOYEE BENEFIT OBLIGATIONS - continued

	31-03-25 (%)	31-03-24 (%)
Asset allocation		
Equities	65.1	64.0
Property	6.1	6.5
Government Bonds	10.9	12.2
Corporate Bonds	14.7	15.6
Cash	0.5	0.4
Other	2.7	1.3
Total	100	100

Sensitivity analysis

The approximate impact of changing the key assumptions on the present value of the funded defined benefit obligation as of 31 March 2025 and the projected service cost for the year ending 31 March 2026 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)	29.029	29.441	29.883
% change in present value of total obligation	-1.4%		1.5%
Projected service cost (£M's)	0.392	0.407	0.422
Approximate % change in projected service cost	-3.7%		3.8%

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)	29.5	29.441	29.382
% change in present value of total obligation	0.2%		-0.2%
Projected service cost (£M's)	0.407	0.407	0.407
Approximate % change in projected service cost	0.0%		0.0%

15. EMPLOYEE BENEFIT OBLIGATIONS - continued

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

Adjustment to pension increase rate	+0.1% p.a.	+0.1% p.a.	-0.1% p.a.
Present value of total obligation (£M's)	29.824	29.441	29.088
% change in present value of total obligation	1.3%		-1.2%
Projected service cost (£M's)	0.422	0.407	0.392
Approximate % change in projected service cost	3.8%		-3.7%

Post retirement mortality assumption

Adjustment to mortality age rating assumption*	-1 year	Base Figure	+1 year
Present value of total obligation (£M's)	30.089	29.441	28.793
% change in present value of total obligation	2.2%		-2.2%
Projected service cost (£M's)	0.421	0.407	0.393
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

Principal Financial Assumptions	31-03-25 (%)	31-03-24 (%)
Discount rate	5.8	4.8
CPI Inflation	2.5	2.6
Pension increases	2.5	2.6
Pension accounts revaluation rate	2.5	2.6
Salary increases	4.0	4.1

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.

15. EMPLOYEE BENEFIT OBLIGATIONS - continued

	31-03-25	31-03-24
Males		
Pensioner member aged 65 at accounting date	21.9	22.1
Active member aged 45 at accounting date	22.5	23.0
Females		
Pensioner member aged 65 at accounting date	24.5	24.6
Active member aged 45 at accounting date	25.5	25.9

	31-03-25 (%)	31-03-24 (%)
Asset allocation		
Equities	49.5	48.3
Property	5.8	5.9
Government Bonds	12.7	9.2
Corporate Bonds	0.0	0.0
Cash	0.6	4.2
Other	31.4	32.4
Total	100	100

Sensitivity analysis

The approximate impact of changing the key assumptions on the present value of the funded defined benefit obligation as of 31 March 2025 and the projected service cost for the year ending 31 March 2026 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 2025

15. EMPLOYEE BENEFIT OBLIGATIONS – continued

Funded LGPS benefits

Discount rate assumption **Adjustment to discount rate**	**+0.1% p.a.**	**Base Figure**	**-0.1% p.a.**
Present value of total obligation (£M's)	7.32	7.42	7.52
% change in present value of total obligation	-1.3%		1.3%
Projected service cost (£M's)	0.08	0.08	0.08
Approximate % change in projected service cost	-3.1%		3.2%

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)	7.43	7.42	7.41
% change in present value of total obligation	0.1%		-0.1%
Projected service cost (£M's)	0.08	0.08	0.08
Approximate % change in projected service cost	0.0%		0.0%

Adjustment to pension increase rate	**+0.1% p.a.**	**Base Figure**	**-0.1% p. a**
Present value of total obligation (£M's)	7.51	7.42	7.33
% change in present value of total obligation	1.2%		-1.2%
Projected service cost (£M's)	0.08	0.08	0.08
Approximate % change in projected service cost	3.2%		-3.1%

15. EMPLOYEE BENEFIT OBLIGATIONS – continued

Post retirement mortality assumption

Adjustment to mortality age rating assumption*	-1 year	Base Figures	+ 1 year
Present value of total obligation (£M's)	7.59	7.42	7.25
% change in present value of total obligation	2.3%		-2.3%
Projected service cost (£M's)	0.08	0.08	0.08
Approximate % change in projected service cost	3.2%		-3.2%

**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.*

Cardiff and Vale of Glamorgan Pension Fund

Principal Financial Assumptions	31-03-25 (%)	31-03-24 (%)
Discount rate	5.8	4.8
CPI Inflation	2.5	2.6
Pension increases	2.5	2.6
Pensions accounts revaluation rate	2.5	2.6
Salary increases	3.5	3.6

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.

	31-03-25	31-03-24
Males		
Pensioner member aged 65 at accounting date	21.9	22.1
Active member aged 45 at accounting date	22.2	22.7
Females		
Pensioner member aged 65 at accounting date	24.2	24.3
Active member aged 45 at accounting date	25.0	25.3

15. EMPLOYEE BENEFIT OBLIGATIONS - continued

	31-03-25 (%)	31-03-24 (%)
Asset allocation		
Equities	67.6	69.7
Property	5.8	6.3
Government Bonds	7.5	8.4
Corporate Bonds	5.1	7.3
Cash	0.5	2.3
Other	13.5	6.0
Total	100	100

Expected contribution for accounting period ending 31 March 2026 - £823k.

Sensitivity analysis

The approximate impact of changing the key assumptions on the present value of the funded defined benefit obligation as at 31 March 2025 and the projected service cost for the year ending 31 March 2026 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 **Adjustment to discount rate**	**+0.1% p.a.**	**Base Figure**	**-0.1% p.a.**
Present value of total obligation (£M's)	19.648	19.967	20.286
% change in present value of total obligation	-1.6%		1.6%
Projected service cost (£M's)	0.374	0.392	0.411
Approximate % change in projected service cost	-4.6%		4.8%

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NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

15. EMPLOYEE BENEFIT OBLIGATIONS - continued

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)	20.007	19.967	19.927
% change in present value of total obligation	0.2%		-0.2%
Projected service cost (£M's)	0.392	0.392	0.392
Approximate % change in projected service cost	0.0%		0.0%

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

Adjustment to pension increase rate	+0.1% p.a.	Base Figure	-0.1% p.a.
Present value of total obligation (£M's)	20.247	19.967	19.687
% change in present value of total obligation	1.4%		-1.4%
Projected service cost (£M's)	0.411	0.392	0.374
Approximate % change in projected service cost	4.8%		-4.6%

Post retirement mortality assumption

Adjustment to mortality age rating assumption *	-1 year	Base Figure	+1 year
Present value of total obligation (£M's)	20.426	19.967	19.508
% change in present value of total obligation	2.3%		-2.3%
Projected service cost (£M's)	0.407	0.392	0.377
Approximate % change in projected service cost	3.7%		-3.7%

** 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.*

15. EMPLOYEE BENEFIT OBLIGATIONS - continued

Rhondda Cynon Taf Pension Fund (CWA)

Principal Financial Assumptions	31-03-25 (%)	31-03-24 (%)
Discount rate	5.8	4.8
CPI Inflation	2.5	2.6
Pension increases	2.5	2.6
Pension accounts revaluation rate	2.5	2.6
Salary increases	3.75	3.85

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.

	31-03-25	31-03-24
Males		
Pensioner member aged 65 at accounting date	20.9	21.0
Active member aged 45 at accounting date	21.8	22.3
Females		
Pensioner member aged 65 at accounting date	23.7	23.8
Active member aged 45 at accounting date	24.8	25.2

Asset allocation	31-03-25 (%)	31-03-24 (%)
Equities	65.1	64.0
Property	6.1	6.5
Government Bonds	10.9	12.2
Corporate Bonds	14.7	15.6
Cash	0.5	0.4
Other	2.7	1.3
Total	100	100

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

15. EMPLOYEE BENEFIT OBLIGATIONS - continued

Expected contribution for accounting period ending 31 March 2026 - £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 2025 and the projected service cost for the year ending 31 March 2026 is set out below. In each case, only the assumption mentioned is altered; all other assumptions remain the same.

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)	1.174	1.194	1.214
% change in present value of total obligation	-1.7%		1.7%
Projected service cost (£M's)	0.005	0.005	0.005
Approximate % change in projected service cost	-4.3%		4.4%

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)	1.195	1.194	1.193
% change in present value of total obligation	0.1%		-0.1%
Projected service cost (£M's)	0.005	0.005	0.005
Approximate % change in projected service cost	0.0%		0.0%

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

Adjustment to pension increase rate	**+0.1% p.a.**	**Base Figure**	**-0.1% p.a.**
Present value of total obligation (£M's)	1.213	1.194	1.175
% change in present value of total obligation	1.6%		-1.6%
Projected service cost (£M's)	0.005	0.005	0.005
Approximate % change in projected service cost	4.4%		-4.3%

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NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

15. EMPLOYEE BENEFIT OBLIGATIONS - continued

Post retirement mortality assumption

Adjustment to mortality age rating assumption *	-1 year	Base Figure	+1 year
Present value of total obligation (£M's)	1.220	1.194	1.168
% change in present value of total obligation	2.2%		-2.2%
Projected service cost (£M's)	0.005	0.005	0.005
Approximate % change in projected service cost	3.5%		-3.5%

**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	31-03-25 (%)	31-03-24 (%)
CPI inflation/CARE benefits revaluation	2.6	2.7
Increase in salaries	4.1	4.2
Increase in pensions in payment/deferment	2.7	2.8
Discount rate	5.8	4.9

Mortality assumptions

Life expectancy of a male (female)		
Future pensioner aged 65 in 20 years' time	22.9 (25.7) years	22.9 (25.6) years
Current pensioner aged 65	21.5 (23.9) years	21.5 (23.8) years

Asset allocation	31-03-25 (%)	31-03-24 (%)
Equities	72.5	72.8
Property	10.4	12.3
Government Bonds	0.0	0.0
Corporate Bonds	9.1	9.4
Cash	1.0	0.5
Other	7.0	5.0
Total	100.0	100.0

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Expected contribution for accounting period ending 31 March 2026 - £967k.

Sensitivity analysis

Disclosure item	**Central**	**Sensitivity 1**	**Sensitivity 2**	**Sensitivity 3**	**Sensitivity 4**	**Sensitivity 5**	
		+ 0.5% p.a. discount rate	+ 0.25% p.a. inflation	+ 0.25% p.a. pay growth	1 year increase in life expectancy	+/- 1% change in 2024/25 investment returns	
	£'000	£'000	£'000	£'000	£'000	£'000	
						+1%	-1%
Liabilities	45,647	42,477	47,320	46,065	46,550	45,647	45,647
Assets	(63,982)	(63,982)	(63,982)	(63,982)	(63,982)	(64,620)	(63,344)
Deficit/(Surplus)	(18,335)	(21,505)	(16,662)	(17,917)	(17,432)	(18,973)	(17,697)
Projected Service Cost for next year	668	584	714	668	684	668	668
Projected Net Interest Cost for next year	(1,091)	(1,385)	(994)	(1,067)	(1,039)	(1,128)	(1,054)

Clwyd Pension Fund

Financial assumptions	31-03-25 (%)	31-03-24 (%)
CPI inflation/CARE benefits revaluation	2.6	2.7
Increase in salaries	3.85*	3.95*
Increase in pensions in payment/deferment	2.7	2.8
Discount rate	5.8	4.9

*An adjustment has been made for short term pay restraint in line with the 2022 actuarial valuation.

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15. EMPLOYEE BENEFIT OBLIGATIONS - continued

Mortality assumptions

Life expectancy of a male (female)		
Future pensioner aged 65 in 20 years' time	22.4 (25.4) years	22.4 (25.3) years
Current pensioner aged 65	21.1 (23.6) years	21.0 (23.5) years

Asset allocation	31-03-25 (%)	31-03-24 (%)
Equities	30.7	28.6
Property	4.2	4.6
Government Bonds	0.0	0.0
Corporate Bonds	37.0	36.5
Cash	4.8	5.1
Other	23.3	25.2
Total	100.0	100.0

Expected contribution for accounting period ending 31 March 2026 - £8k.

Sensitivity analysis

Disclosure item	**Central**	**Sensitivity 1** + 0.5% p.a. discount rate	**Sensitivity 2** + 0.25% p.a. inflation	**Sensitivity 3** + 0.25% p.a. pay growth	**Sensitivity 4** 1 year increase in life expectancy	**Sensitivity 5** +/- 1% change in 2024/25 investment returns	
	£'000	£'000	£'000	£'000	£'000	£'000	
						+1%	-1%
Liabilities	19,571	18,278	20,252	19,726	19,970	19,571	19,571
Assets	(23,617)	(23,617)	(23,617)	(23,617)	(23,617)	(23,850)	(23,384)
Deficit/(Surplus)	(4,046)	(5,339)	(3,365)	(3,891)	(3,647)	(4,279)	(3,813)
Projected Service Cost for next year	226	196	242	226	231	226	226
Projected Net Interest Cost for next year	(235)	(336)	(195)	(226)	(212)	(248)	(221)

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Greater Gwent (Torfaen) Pension Fund

Financial assumptions	31-03-25	31-03-24
	% p.a.	% p.a.
Pension Increase Rate (CPI)	2.75	2.75
Salary Increase Rate	3.25	3.25
Discount Rate	5.80	4.85

Mortality assumptions		
Average future life expectancy of a male (female)		
Current pensioners aged 65	20.0 (23.4) years	20.1 (23.4) years
Future pensioners*	21.5 (25.0) years	21.6 (25.0) years

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

	31-03-25	31-03-24
	(%)	(%)
Asset allocation		
Equities	72.7	73.6
Property	1.6	1.7
Government Bonds	0.0	0.0
Corporate Bonds	11.5	12.3
Cash	0.4	3.5
Other	13.8	8.9
Total	100.0	100.0

Expected contribution for accounting period ending 31 March 2026 - £738k.

15. EMPLOYEE BENEFIT OBLIGATIONS – continued

Sensitivity analysis

	Approx. % increase to Defined Benefit Obligation	Approx. monetary amount (£'000)
Changes in assumptions at 31-03-25		
0.1% decrease in Real Discount Rate	2%	538
0.1% increase in the Salary Increase Rate	0%	29
0.1% increase in the Pension Increase Rate (CPI)	2%	524
1 year increase in member life expectancy	4%	1,134

Gwynedd Pension Fund

Financial assumptions	31-03-25	31-03-24
	% p.a.	% p.a.
Pension Increase Rate (CPI)	2.75	2.75
Salary Increase Rate	3.25	3.25
Discount Rate	5.80	4.85

Mortality assumptions

Average future life expectancy of a male (female)	31-03-25	31-03-24
Current pensioners aged 65	19.6 (24.4) years	19.6 (24.4) years
Future pensioners*	21.4 (25.5) years	21.5 (25.5) years

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

15. EMPLOYEE BENEFIT OBLIGATIONS - continued

Asset allocation	31-03-25 (%)	31-03-24 (%)
Equities	60.6	60.8
Property	6.3	7.0
Government Bonds	0.0	0.0
Corporate Bonds	29.4	0.0
Cash	0.7	1.3
Other	3.0	30.9
Total	100.0	100.0

Expected contribution for accounting period ending 31 March 2026 - £353k.

Sensitivity analysis	Approx. % increase to Employer Liability	Approx. monetary amount (£'000)
Changes in assumptions at 31-03-25		
0.1% decrease in Real Discount Rate	2%	428
0.1% increase in the Salary Increase Rate	0%	25
0.1% increase in the Pension Increase Rate (CPI)	2%	415
1 year increase in member life expectancy	4%	868

Amounts for the current and previous period are as follows:

Aggregate defined benefit pension plans	2025 £'000	Restated 2024 £'000
Defined benefit obligation	(173,286)	(197,432)
Fair value of scheme assets	279,884	273,552
Unrecognised Asset	(106,778)	(76,348)
Deficit	(180)	(228)

16. EVENTS AFTER THE REPORTING PERIOD

The Financial Statements were authorised for issue by the Board of Directors on 04 November2025.Under IFRS5 Non-Current Assets Held For Sale, assets that are held for sale should be recognised as “held for sale”. These assets should be removed from the property plant and equipment balance and disclosed separately on the balance sheet. Following approval from the Board and Welsh Government and a red book valuation of the buildings, we are committed to the sale of three of our owned properties at Parc Menai Bangor, Cross Hands and Pembroke Dock. The group of buildings therefore became held for sale within our August management accounts. We are in the process of gaining approval for the sale of a fourth building in Cardiff. However, this has not met the threshold to be classified as an asset held for sale at the date of signing the accounts. We expect the buildings to be sold within the next twelve months.

17. 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.

18. GOING CONCERN

The Financial Statements currently show that the company has positive reserves of £2.80m, it is the view of the Directors that the company continues to be a going concern and we are able to meet our ongoing obligations. We have received confirmation from Welsh Government that they will be providing £32.63m funding in the next financial year.

19. CAPITAL COMMITMENTS

Purchase invoices and orders to the value of £594k (2024: £1,610k) have been raised for capital expenditure relating mainly to the purchase of software licences.

20. CONTINGENT LIABILITY

CCDG currently holds 25 lease agreements that include dilapidation clauses. In accordance with accounting standards and prudent financial management, a reasonable provision has been recognised in the financial statements to cover both short-term and long-term liabilities arising from these obligations, as detailed in Note 14. However, due to future uncertainties a further contingent liability may need to be applied to reflect actual costs,

In June 2023 the High Court found in the Virgin Media case that changes to member benefits in contracted out defined benefit pension schemes between 1996 and 2016 required an actuarial certificate in line with section 37 of the Pension Schemes Act 1983 and that changes without this certification are to be considered void. This requirement applies to past service rights and future service rights, and to changes to the detriment or benefit of scheme members. The judgement was appealed in June 2024, but the appeal was dismissed.

Where there are changes to member benefits that might fall into the scope of the judgement, the actuarial certificates are being sought. Central government have indicated their intention to legislate to retrospectively cover any potentially impacted benefit changes, and hence there is no impact on future IAS19 liabilities.

NOTES TO THE FINANCIAL STATEMENTS – continued

FOR THE YEAR ENDED 31 MARCH 2025

21. 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 £31.4m (2024: £34.72m) and made payments of £Nil (2024: £Nil) to Welsh Government. Of the income of £31.4m, £1,059k (2024: £887k) was deferred to 2025-26 in accordance with IAS20. At the year end, CCDG was owed £1.071m (2024: £2.028m) 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
Erica Cassin	Coleg Sir Gar	£1,045 (2024: £3,000)	Board Member

Chief Executive	Body	Invoices Received by CCDG	Nature of link
Nikki Lawrence	CDI	£40,464 (2024: £39,794)	Co-opted Board Member

Director	Body	Invoices Received by CCDG	Nature of link
Aled Jones-Griffith	Grwp Llandrillo Menai	£Nil (2024: £735)	Principal

SMT	Body	Invoices Received by CCDG	Nature of link
Husband of Mandy Ifans	Aberystwyth University	£Nil (2024: £2,197)	Head of Management School

SMT	Body	Invoices Received by CCDG	Nature of link
Mandy Ifans	Neath Port Talbot College	£Nil (2024: £3,594)	Governor

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NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025

22. PRIOR YEAR ADJUSTMENT – PENSION SURPLUS RECALCULATION

During the current financial year, a reassessment of the pension scheme surplus for the Clwyd Fund was undertaken. The review identified an error in the calculation of pension surplus as at 31 March 2024 due to the secondary contributions originally being calculated in perpetuity and not over the recovery period. This resulted in an overstatement of the net pension surplus and corresponding overstatement of net assets of £2.22m.

As a result, a prior year adjustment has been made to restate the opening balances as at 1 April 2024. The impact of the adjustment is as follows:

- Net pension surplus of £2m was amended to a pension deficit of 228k.
- Retained earnings decreased from £5.66m to £3.44m.

The comparative figures for the year ended 31 March 2024 have been restated accordingly.

23. ADMINISTRATIVE EXPENSES

Breakdown of the administrative expenses are shown below:

	2025 (£000)	2024 (£000)
Wages and Salaries	19,477	21,718
Social Security Costs	1,932	2,041
Pension Costs	3,835	5,147
Depreciation	183	140
Impairment	39	-
Amortisation	1,475	1,563
Depreciation and interest on leases	553	599
Other Admin Expenses	4,514	4,737
Total Expenditure	**32,008**	**35,945**