

REGISTERED COMPANY NUMBER: 02751104 (England and Wales)
REGISTERED CHARITY NUMBER: 1039386

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 MARCH 2017
FOR

CAIS LIMITED

CHARITY COMMISSION
FIRST CONTACT

14 SEP 2017

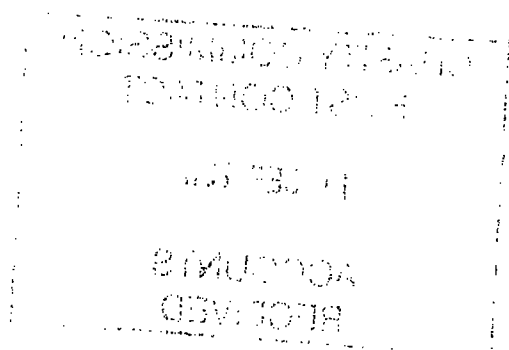
ACCOUNTS
RECEIVED

Williams Denton Cyf
Chartered Certified Accountants
Statutory Auditors
13 Trinity Square
Llandudno
North Wales
LL30 2RB

CAIS LIMITED

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2017**

	Page
Report of the Trustees	1 to 12
Report of the Independent Auditors	13 to 14
Statement of Financial Activities	15
Balance Sheet	16 to 17
Notes to the Financial Statements	18 to 31



**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 March 2017**

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2017 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

OBJECTIVES AND ACTIVITIES

Objectives and aims

CAIS aims to make positive changes in the lives of people affected by drugs, alcohol and other life challenges, through a range of services and support delivered by skilled and experienced staff, in the belief that people can and do change.

The following objects are listed within the Charity's governing document:

1. The treatment, care and support of persons suffering directly or indirectly from problems associated with alcohol or drug misuse and other dependencies
2. The prevention of alcohol and drug misuse through the provision of services for those suffering from or likely to suffer from substance misuse, addiction or other dependencies
3. Education and training for professionals and volunteers in the field and raising the awareness of the public through the media and through education about the incidence and effects on society of substance dependency and misuse affecting Wales and the Marches
4. The support, relief and treatment of persons suffering directly or indirectly from problems associated with mental health psychological and emotional well-being, illness, age, social exclusion or economic inactivity
5. The promotion and provision of advice and advocacy for persons suffering disadvantage either directly or indirectly from the problems caused by and the consequences of alcohol and drug misuse and other dependencies, disability, illness, age or social exclusion.

We achieve this through the following aims and objectives:

- a) Safety will be at the heart of all we do. We will do our utmost to ensure the security, well-being and comfort of our clients. We will take all reasonable steps to protect and safeguard all who work for and with CAIS.
- b) We will assist each other in reaching personal goals, in realising creative potential and in striving for excellence. We will aspire for everyone in CAIS to have a positive regard for their work and colleagues.
- c) We will preserve the core values and mission of CAIS, always subordinating personal and commercial advantage to our charitable goals. We will be reliable and trustworthy in all our dealings.
- d) We will seek to meet and surpass the expectations of commissioners and clients. We will develop and maintain systems and processes that do not fail. We will address short-comings quickly and with good grace.
- e) We will incorporate the needs and views of service users in the planning and delivery of all our provision. We will value and support those who volunteer to assist us. We will strive to understand and meet the needs of different communities who seek our services. We will operate through the medium of both Welsh and English.
- f) We will maximise the use of our assets and minimise the cost of our overheads. We will actively seek partnership and collaboration in the interests of service improvement. We will assess and monitor the environmental consequences of our work reducing the impact wherever possible.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 March 2017**

OBJECTIVES AND ACTIVITIES

Significant activities

CAIS' activities continued to focus on enhancing the quality of existing service provision whilst seeking to develop both geographically and by offering new services. About half of our services are residential whilst the other half represents a diverse range of community based services.

Our residential schemes deliver housing related support, in-patient detoxification and rehabilitation. Our community services include therapeutic interventions, counselling, support, advice and training.

The Charity has extensive relationships with various partners and stakeholders in the pursuance of its charitable goals and for the benefit of its client group. CAIS actively and collaboratively works with the Welsh Government, Local Health Boards, Local Authorities, Community Drug and Alcohol Services, Area Planning Boards, Department of Work and Pensions, young person's commissioners, offender management providers, housing associations, universities, colleges and various independent charities and voluntary councils including other agencies providing services for veterans.

Public benefit

The trustees are satisfied that the objects of the charity, as set out in the company's memorandum of association, are for the public benefit, as defined in the Charities Act 2011.

'Public benefit' is generally provided to those requiring drug, alcohol and other services. In addition to substance misuse, clients often have multiple needs that include unemployment, mental health, offending, homelessness and ex-military. We also deliver specialist services that meet those additional needs including Work Programme (unemployment), Parabl (mental health), Change Step (veterans) and Jigsaw and COSA (ex-offenders).

CAIS does not charge the service user and considers those services to be both needed and beneficial. Specific activities are detailed within the following 'Achievements and Performance' section, which are provided free of charge at the point of delivery.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 March 2017**

STRATEGIC REPORT

Achievement and performance

Charitable activities

During the 12 months to 31st March 2017, CAIS received 7,471 referrals to core services - including substance misuse, mental health, veterans, supported housing and homelessness, recovery, volunteering, criminal justice, training and employment programmes.

Over the course of the year, CAIS delivered 86 contracts for commissioners in government, health, local authorities and elsewhere, and provided a wide and diverse range of interventions for individuals in need. Services were provided directly by CAIS to clients in North Wales, Powys, Swansea, Cardiff and Pembrokeshire. With the award of five of the seven contract lots in the Welsh Government's EU-funded Out of Work Service to the DACW consortium, CAIS now leads the delivery of the Cyflwr Cymru service throughout the length and breadth of Wales (with the exception of the Cwm Taf and Cardiff and the Vale local health board areas). At Hafan Wen and Ty'n Rodyn a proportion of clients requiring residential detox and rehabilitation were referred from across the UK.

The Third Sector continues to experience increasingly competitive tendering arrangements, to which CAIS has responded through the development of a strategy of opportunity and diversification. During 2016-2017, CAIS continued to bid for and implement contracts, developed new strategic partnerships, and increased and expanded existing services.

Although not every service is detailed, a review of the most significant achievements and performance is summarised below.

Therapeutic Interventions

Our community-based interventions offer substance misuse, mental health and dual diagnosis counselling, and other therapies.

Our Wrexham and Flintshire Therapeutic Intervention projects continue to perform well, with 938 referrals received during the year and average caseloads of 80.

In partnership with local mental health charities, CAIS continued to provide contract management and delivery of the Parab Talking Therapies Partnership on behalf of Betsi Cadwaladr University Health Board. There were 3,887 telephone referrals during the year, which represents 55% above the contractual target of 2,500 referrals per year. This innovative service is designed to follow a 'stepped care' approach to interventions, including self-help, groups and counselling, and continues to attract referrals far in excess of those originally anticipated.

Employment Programmes

CAIS has delivered the Work Programme project in North West Wales on behalf of Rehab JobFit since October 2012, and in Wrexham since early 2015. During the year a total of 238 people were referred to the Work programme across the three sites. Our team supported clients from the caseload into a total of 202 jobs.

CAIS successfully delivered the third and final year of the Crew-It programme in 2016-2017. The catering and hospitality scheme delivered formal, accredited training as well as on-the-job work experience at Porters Coffee Shop and Bistro in Colwyn Bay and Troop Café in Llandudno. During the year, the programme welcomed 21 participants, who gained 40 qualifications and achieved 9 job outcomes. With the support of Conwy County Borough Council's Community and Enterprise Development Scheme, over the last three years Crew-it helped 50 people get work-ready, got 25 into jobs, and supported the attainment of 166 work-related qualifications.

Funding from the European Social Fund through the Welsh Government, as part of the WCVA's Active Inclusion Fund, has supported the delivery of two additional training programmes.

Paid supported employment programme At Your Service offered assistance for individuals seeking work in the catering and hospitality industry, and was designed to help develop new skills, gain confidence and encourage people further from the job market to become work ready. The Conwy-focused programme helped participants secure 11 new jobs, 30 qualifications and 5 volunteer posts. Newly-commissioned At Your Service 2 extends this service to include Denbighshire and the new Porter's Coffee Shop at Rhyl Library and One Stop Shop, which is operated by CAIS Social Enterprises.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 March 2017**

STRATEGIC REPORT

Achievement and performance

Charitable activities

Seeds2Grow offers accredited training and activities in horticulture for people who are long term unemployed or who have work-limiting health conditions. Based at the CAIS Farm, near St Asaph, the programme is targeted to people living in Denbighshire, Conwy and Gwynedd.

Cyfle Cymru

CAIS delivers the Cyfle Cymru programme alongside partner Hafal in North Wales, and leads the delivery of the large-scale project by fellow DACW members across all five lot areas throughout Wales. It marks the largest service ever delivered by CAIS - in terms of both value and geographical spread.

Supported by the European Social Fund through the Welsh Government's Out of Work Service, the programme builds on our considerable success in the delivery of effective peer mentoring interventions. Through mentoring, training, employment support and volunteering, Cyfle Cymru aims to help people with experience of substance misuse and mental health difficulties get into or closer to work.

Throughout our delivery of the Cyfle Cymru programme, we will demonstrate the impact of recovery services through visible and valuable voluntary work in the community.

From the commencement of the project in August 2016 to the end of the financial year, Cyfle Cymru had attracted 1,300 registrations across the five lots areas - including 600 in North Wales. More than 1,000 accredited and non-accredited qualifications have been awarded since the programme began.

Supporting People

CAIS delivers 18 Supporting People contracts in Ynys Môn, Gwynedd, Conwy, Denbighshire, Wrexham and Pembrokeshire. During the year, 66 clients accessed the supported accommodation service from 40 move-on properties. We also delivered several floating support contracts to over 449 clients in their own homes.

Residential support helps individuals to develop or maintain skills and confidence to enable them to live independent, fulfilling lives in a safe and secure environment. Across our managed service, we target an occupancy level of at least 90%. Whilst circumstances are sometimes beyond our control, we are pleased to report that occupancy levels exceeded targets in our managed properties across North Wales during the last year.

Young Persons' Services

CAIS delivers a range of young persons' services to clients with experience of the criminal justice system and substance misuse throughout Wales. Our Powys Young Persons' Substance Misuse Service (YPSMS) is available to young people, typically under 18 years old, who are experiencing problems with substance misuse - whilst in South Wales, we deliver the Duke of Edinburgh's Award Scheme to young people within the Swansea Youth Offending Service.

Don't Touch - Tell! and Don't Drink - Think! continue to receive excellent feedback and play an important role within the primary schools of North Wales and Powys, promoting 'keepsafe' messages through the medium of performance.

16,284 children attended 281 performances in 125 schools. Both programmes receive regular positive testimonials from schools and we look forward to delivering this important service for many years to come.

Our Wrexham Homelessness Prevention Service, delivered in partnership with Shelter, continues to deliver outcomes far beyond target, evidencing the clear need for this support within Wrexham. During the year, we provided housing support and advocacy services to 223 clients. Our team resolved hundreds of housing issues, prevented 95 people from becoming homeless, and successfully moved 54 people on into new accommodation. With the ongoing support of a bank of volunteers, the Soup Dragon has become a more tailored and intervention-focused service, to ensure people can access the dedicated help they need as well as a hot nutritious meal. As a result, the number of people accessing the service has fallen from an average of 57 a day in August 2016 to 29 in March 2017.

Tier 4 Residential Services

CAIS LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 March 2017

STRATEGIC REPORT

Achievement and performance

Charitable activities

Hafan Wen - our purpose-built detoxification and treatment centre - is located on the campus of the Wrexham Maelor Hospital. Of the 25 beds available, 13 are contracted to BCUHB - with occupancy averaging 86% during 2016-2017. The overall occupancy level at Hafan Wen was 88%; representing a 2% improvement on the previous year, with local authorities from the north west of England continuing to access the remaining 12 beds.

Bangor residential rehabilitation unit Ty'n Rodyn offers mixed accommodation for seven adults as they seek to continue an alcohol and/or drug-free life. In a safe and supported environment, residents follow a specially-devised therapeutic programme to help them maintain abstinence and progress towards independent living and economic autonomy. Occupancy levels reached 79% last year - a 2% improvement on the previous year.

Volunteering

CAIS was pleased to have its commitment to volunteering recognised by the award of Investors in Volunteers status early in 2017. This prestigious kitemark demonstrates that our approach to volunteers and volunteering is backed by high-quality processes, and makes CAIS one of only a few dozen organisations in Wales entitled to use the Investors in Volunteers badge.

Many of our services rely on the effort and generosity of volunteers. Around 95 volunteers committed thousands of volunteering hours last year, a contribution for which we continue to be very thankful.

Many participants on recovery-focused CAIS programmes engage in voluntary work as part of these projects. Initiatives include restoration work, gardening, cleaning, litter picking and painting. This work can help people to develop confidence, gain new skills and boost self-esteem. Much of our work in the community continues to attract positive media coverage, and has been welcomed by communities across North Wales.

Volunteering is flourishing at Champions' House in Wrexham, where dedicated members have committed to running our active recovery hub in partnership with CAIS staff. The Champions' House Recovery in Action project - which is backed by funding from North Wales Police, the North Wales Police and Crime Commissioner, and Wrexham Council's Together in Wrexham initiative - has attracted considerable positive interest from local media and stakeholders. The highly-visible project has highlighted the power of recovery in the local community and enjoys wide support as it seeks to clear up some of the areas of Wrexham afflicted by anti-social behaviour, drugs paraphernalia and litter.

Similar projects are being undertaken by participants in the Cyfle Cymru service, while members of Jigsaw routinely offer their volunteering services at community events, through diversionary activities and for family prison visits.

Military Veteran Programmes

Our successful Change Step service was awarded £500,000 in the UK Budget in the spring of 2016; a very welcome and significant investment which helped to sustain a service which has come to be regarded as a key part of the veterans' services sector in Wales.

Since launching Change Step in late 2013, our veteran-to-veteran peer mentors have supported more than 1,200 veterans and their families, offering more than 36,000 hours of one-on-one contact. Our approach has been endorsed by the respected Forces in Mind Trust, which called Change Step a "vital bridging mechanism", "cost-effective" and "best-in-class" and highlighted our work in hospitals, the criminal justice system and in supporting former members of the Armed Forces in crisis. Our work was also subject to a review by Chester University.

We continue to seek funding to secure the future of this valuable service on an ongoing basis. Since the year end, we have received funding from the Royal British Legion and established a new partnership with Veterans NHS Wales with the help of funding from BCUHB.

Involvement

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 March 2017**

STRATEGIC REPORT

Achievement and performance

Charitable activities

Commissioned by BCUHB and the North Wales Area Planning Board for Substance Misuse, Caniad - the combined voice for mental health and substance misuse involvement in north Wales - has already engaged with hundreds of service users and made a direct contribution to the development of new mental health strategy.

Dedicated staff are working alongside service providers to ensure participants have a voice in the design, development and delivery of mental health and substance misuse services.

Caniad is jointly hosted by CAIS and mental health charity Hafal, but operates exclusively in the interest of the users of support services.

CAIS LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 March 2017

STRATEGIC REPORT

Achievement and performance

Subsidiary undertakings

Activities and achievements are summarised as follows:

I. CAIS Social Enterprises

During 2016/17, Porter's Coffee Shop in Colwyn Bay and Troop Café in Llandudno continued to deliver training opportunities to CAIS clients, through the provision of two independently funded, catering and hospitality programmes. Trading levels in Porter's have increased on previous year, in line with its growing, quality reputation and involvement in local community events.

During the year, a further three catering outlets opened under the Porter's brand - locally in Rhyl Library and further afield in Cardiff - within both Ely and Llandaff Community Hybs.

The outside catering business increased during the year, with regular deliveries of buffets to local businesses taking place; this element of the business has the potential to develop substantially over the next couple of years. Furthermore, the purchase of a catering trailer in autumn 2016 added an additional income stream to CAIS Social Enterprises. Providing drinks and snacks, the trailer has proved successful at both local events and further afield over the summer of 2017.

During the financial year 2016/17, CAIS Social Enterprises reported an operating loss (before taxation) of £13,316; this deficit reflected the amount 'gifted' back to CAIS relating to the previous year's surplus. Turnover increased in 2016/17, from £118,454 to £132,782.

II. Living Room Cardiff

Over the course of the year, the 'Beat the Odds' gambling service, continued to develop and now supports 58 excessive gamblers in their respective recoveries. Other developments during the year include Enfys, a pilot support service for Medics, in partnership with University Hospital of Wales and Health and Health Workers, Wales, providing ongoing aftercare and psychosocial support for all qualified doctors in Wales and Cynnal, a counselling service for clergy, ministers of religion and their families.

In October 2016, Living Room Cardiff delivered three modules of Recovery Coaching through Work Based Learning at the University of Wales, Trinity Saint David. In the long term, Living Room Cardiff hopes to establish a Foundation Degree in Addictions Counselling at the University.

Therapeutic interventions continued to be delivered during the year, via both group therapy and one-to-one sessions, as did the Telephone Recovery Support Service, which saw an increase in calls made over the year, from 320 calls in 2015/16 to 552 calls in 2016/17.

Living Room Cardiff reported a deficit for the year ended 31st March 2017 of £14,445. Turnover levels remained consistent at £187,534.

Total funds carried forward are £14,933.

III. Jigsaw

Although Jigsaw operated as part of CAIS' during the year, The Jigsaw Organisation Ltd remains dormant with zero net assets.

IV. Adferiad Recovery Limited

Adferiad Recovery Limited was incorporated in December 2016 with CAIS Limited being a 50% shareholder alongside Hafal. The company did not trade during the financial year to 31 March 2017 but CAIS Limited did loan money to Adferiad Recovery Limited as reported in the related parties note.

Financial statements of the subsidiaries have been omitted from the Statement of Financial Activities as allowed by the small company regulations, but do form part of the consolidated group accounts.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 March 2017**

STRATEGIC REPORT

Achievement and performance

Internal and external factors

CAIS' greatest asset is its staff, which is recognised as integral to both internal functions of the organisation and its operational services. Successful service delivery is largely attributed to a level of internal factors such as adequate training, personnel management, quality, information systems, safeguarding and health & safety within CAIS.

Following on from the 2015/16 programme of assessment and coaching delivered to eight senior managers in CAIS, a second phase of Leadership and Management training was introduced in 2016/17 for its junior managers, with a view to strengthening the skills and knowledge of the CAIS management team and planning for its future leaders.

A process of dynamic and informative internal communication underpins the company ethos, which is delivered through a range of media such as the quarterly newsletter, staff away days, intranet updates and a range of meetings which cascade information both up and down the organisational structure. Much of this information is shared externally with project partners and stakeholders through similar methods.

External factors influencing performance and achievement are largely influenced by public sector commissioners such as the Welsh Government, Local Authorities and the Health Boards. Through its diverse range of services, CAIS has been able to maintain its core position during the year whilst increasing other areas in delivering programmes to the highest standards.

Financial review

Financial position

There was an overall increase in Total Funds for 2016/17 of £67,641 to £1,022,942. The movement in funds is affected by the Gwynedd Pension Fund actuarial valuation, which although predicts long term future liabilities saw a decrease in its liability value during 2016/17 to £519,000 (from £554,000 in 2015/16).

A significant investment in the purchase of Move-On properties during the financial year contributed to an increase in Fixed Assets of £263,576.

Increases in both Debtors and Creditors were as a result of pending claims on the Cyfle Cymru project and the respective amounts due to partners.

Principal funding sources

Income levels remained constant for the financial year, at £7,103,895 compared to £7,193,270 in the previous year.

Investment income, derived from deposits, bonds and the Gwynedd Pension revaluation is in deficit by £20,000. This is due to the actuarial net pension fund interest cost against expected return on assets.

Donations and fundraising of £25,088 (£14,546 - 2015/16) were from various sources for which CAIS is most grateful for the generosity of those individuals and organisations in assisting the work of the charity.

Investment policy and objectives

In accordance with the CAIS Financial Regulations, the charitable company has a investment policy of investing liquid funds or short-term deposits, which can be accessed fairly readily. The charity's finance department monitors the return on investment ensuring income is maximised whilst remaining at low risk.

This year has seen CAIS continued to invest in additional properties, although rentals are received these were purchased to further the charity's aims and objectives and not for financial return.

CAIS LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 March 2017

STRATEGIC REPORT

Financial review

Reserves policy

CAIS held an unrestricted reserve fund of £1,180,660 (pre-Pension) at the year end, which is invested in both tangible fixed assets and current assets. Based on the annual cost of funding the organisation's staff and accommodation, the trustees consider that the aforementioned level of reserves would be adequate to cover CAIS for 2.7 months.

Although the current level of reserves may prove sufficient, the Board recognises the need to improve this to a more conventional minimum level of 3 months (as stated in CAIS Financial Regulations). CAIS has adequate reserves to provide financial flexibility in meeting any forthcoming challenges. This includes temporary delays in cash receipts, changes to staffing levels (eg due to maternity leave), working capital fluctuations and responding to emergencies.

Principal risks and uncertainties

Major risks to which the charity is exposed are reviewed by the trustees and systems established to manage those risks. Identified risks at a strategic level are benchmarked against the Charity's reserves, objectives, materiality and external factors; any material decisions being taken with the full support of the board of trustees.

The risk management process is administered by means of a Corporate Risk Register which is reviewed and updated by Directors on an annual basis or as potential risks arise. The process considers the following:

- * Probability of the risk
- * Performance impact
- * Mitigating actions
- * Contingency plans
- * Stakeholders affected
- * Associated internal / external risks
- * Risk owner

The risk management process is further underpinned by the following CAIS Policies:

Policy No. 048 - Risk Management:

Considers and allocates responsibility relating to

- * Corporate Risk
- * Clinical Risk
- * Commercial Risk
- * Health & Safety Risk

Policy No. 059 - Business Continuity Plan

A set of procedures and information intended to deliver continuity of critical activities in the event of major disruption

Service resourcing is assessed and careful financial planning occurs at regular meetings between senior managers and the finance team. Each new project is assessed on its own merits and funding is procured before any new contracts or services commence.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 March 2017**

STRATEGIC REPORT

Future plans

It is clear that the Welsh Government, Local Authorities, Health Boards and other commissioners continue to have the will and commitment to tackle problems with social deprivation including drug and alcohol misuse. This commitment should have positive implications for CAIS and other similar providers throughout Wales.

The Wales European structural funding streams leading up to 2020, will enable clients to be fully supported throughout their programme of engagement with the aim of enabling them to become more economically active within their communities. This has particularly been the aim of our Peer Mentoring, Crew-It and Active Inclusion Schemes, providing opportunities for work experience, education and training, whilst empowering clients to change their lives and gain economic independence.

CAIS remains committed to partnership working within the statutory and voluntary sector in pursuance of the best possible service to our client group. Partnerships allow CAIS to respond in the following ways:

- a) On a national Wales level, such as through membership of DACW (Drug and Alcohol Charities Wales)
- b) Seek joint working relationships with providers based in England to deliver services in the Welsh Marches
- c) Strengthen targeted joint bids for particular groups such as mental health, veterans, older people, offending and families with organisations such as Mind, the Royal British Legion and Age Concern
- d) Deliver national contracts locally by joining prime contractor supply chains such as Rehab JobFit.

Overall, CAIS seeks to consolidate its position through prudent financial and operational management. We will continue to provide an effective, caring and dedicated enhanced service to those people seeking the charity's help.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

CAIS is the operating name for Cyngor Alcohol Information Service, which registered with the Charity Commission on 12 July 1994 (number 1039386). The organisation has been operating as a charity since 1976 when it was called Clwyd and Gwynedd Council on Alcoholism. It is also a company limited by guarantee, not having any share capital; it was incorporated on 28 September 1992 (number 02751104). CAIS is regulated by its governing document; Memorandum and Articles of Association as amended on 4th March 2014. The company's name was changed by resolution on 5th June 2015 to CAIS Ltd.

Recruitment and appointment of new trustees

Recruitment is carried out on a needs basis with the emphasis on maintaining a balanced membership. Candidates are identified and interviewed to confirm their key skills and contribution to both the board and the organisation. Applications for membership shall be submitted in writing to the Company and are considered and voted upon by the Directors at the next board meeting. Membership of the Company is open to any individual or organisation resident within Wales. One third of the Directors retire from office annually by rotation, in order of those serving the longest in office. Those Directors can offer themselves up for re-election at the meeting.

There were two additions to the trusteeship during the year and one resignation.

Organisational governance

The governance structure is that of a Board of Trustees, who together with the Executive Directors manage the Charity's strategic direction and policies. Board attendance comprises the Chairperson, Company Secretary and the Member/Trustees, which are elected/re-elected at Annual General Meetings. Day to day affairs of the Charity are delegated to the Chief Executive and Deputy Chief Executive.

Induction and training of new trustees

Members are invited to receive the same level of induction and training as an employee, which allows them to carry out their duties with the benefit of understanding. In execution of their duties every member is entitled to be indemnified against relevant costs incurred.

CAIS LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 March 2017

STRUCTURE, GOVERNANCE AND MANAGEMENT

Key management remuneration

Directors are appointed as part of a recruitment process led and implemented by the board, their salaries are benchmarked by industry levels, they have received a 1% pay increase, which is inline with all staff, they receive no additional benefits.

Related parties

CAIS has a controlling interest in the following three subsidiaries:

CAIS Social Enterprises Limited

Wholly owned. Operating as a trading company

Living Room Cardiff Limited

CAIS become the sole member on 7th October 2013. Registered Charity.

The Jigsaw Organisation Limited

Wholly owned. Whilst the legal entity is dormant, Jigsaw operates as part of CAIS within restricted reserves.

These subsidiary undertakings operate for the benefit of CAIS' objects. Further details are disclosed in Related Party Transactions.

Since 2010 CAIS has been one of five substance misuse agencies in Wales whose senior management were appointed as trustee of DACW (Drug and Alcohol Charities Wales). The registered office of DACW is at CAIS' registered address in Llandudno.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02751104 (England and Wales)

Registered Charity number

1039386

Registered office

12 Trinity Square
Llandudno
North Wales
LL30 2RA

Trustees

Dr Dyfrig Morgan Ap Dafydd
Miss Lucille Margaret Hughes

Doctor Dafydd Alun Jones
Ms Veronica Mary Mowat
Mr Geoffrey Peter Simpson
Mr Brian Smith
Mrs Avril Margaret Owen Wayte
Mr Robert Cledwyn Williams

Mr Simon Paul Green
Rev Christopher Prew
Mrs Carys Roberts

General Practitioner	
Retired Director of Social Services	
Psychiatrist	
Retired Civil Servant	- resigned 21.9.16
Finance Director	
Board Director	- appointed 7.6.16
Consultant Biochemist	
Retired Director of Social Services	
Training Consultant	
Minister of Religion	- appointed 20.12.16
Student Mentor	- appointed 20.12.16

Key Management

Clive Wolfendale - Chief Executive
Lynn Bennoch - Commercial Director and Deputy Chief Executive
Geraint Jones - Director - Tier 4 and Veterans' Services

CAIS LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 March 2017

REFERENCE AND ADMINISTRATIVE DETAILS

Company Secretary
Ms Sandra Ackers

Auditors
Williams Denton Cyf
Chartered Certified Accountants
Statutory Auditors
13 Trinity Square
Llandudno
North Wales
LL30 2RB

Bankers
Barclays Bank
84 Mostyn Street
Llandudno
LL30 2SH

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of CAIS Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

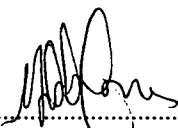
In so far as the trustees are aware:

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

AUDITORS

The auditors, Williams Denton Cyf, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, or and signed on the board's behalf by:



.....
Doctor Dafydd Alun Jones - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CAIS LIMITED

We have audited the financial statements of CAIS Limited for the year ended 31 March 2017 on pages fifteen to thirty one. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities set out on page twelve, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CAIS LIMITED**

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Martin Steven Barrett (Senior Statutory Auditor)
for and on behalf of Williams Denton Cyf
Chartered Certified Accountants
Statutory Auditors
13 Trinity Square
Llandudno
North Wales
LL30 2RB

Date: 5/9/11

CAIS LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 March 2017**

	Notes	Unrestricted funds £	Restricted funds £	31.3.17 Total funds £	31.3.16 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	25,088	-	25,088	14,546
Charitable activities	4				
Community Services		4,611,590	-	4,611,590	4,582,347
Residential Services		2,487,217	-	2,487,217	2,613,812
Investment income	3	(20,000)	-	(20,000)	(17,435)
Total		7,103,895	-	7,103,895	7,193,270
EXPENDITURE ON					
Raising funds	5	10,584	-	10,584	13,801
Charitable activities	6				
Community Services		4,575,381	17,660	4,593,041	4,720,239
Residential Services		2,383,808	-	2,383,808	2,311,693
Governance		102,821	-	102,821	79,919
Total		7,072,594	17,660	7,090,254	7,125,652
NET INCOME/(EXPENDITURE)		31,301	(17,660)	13,641	67,618
Other recognised gains/(losses)					
Actuarial gains/losses on defined benefit schemes		54,000	-	54,000	298,000
Net movement in funds		85,301	(17,660)	67,641	365,618
RECONCILIATION OF FUNDS					
Total funds brought forward		576,359	378,942	955,301	589,683
TOTAL FUNDS CARRIED FORWARD		661,660	361,282	1,022,942	955,301

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

CAIS LIMITED
BALANCE SHEET
At 31 March 2017

	Notes	Unrestricted funds £	Restricted funds £	31.3.17 Total funds £	31.3.16 Total funds £
FIXED ASSETS					
Tangible assets	12	903,240	215,587	1,118,827	855,252
Investments	13	3	-	3	2
		<u>903,243</u>	<u>215,587</u>	<u>1,118,830</u>	<u>855,254</u>
CURRENT ASSETS					
Debtors	14	1,435,407	-	1,435,407	1,023,237
Cash at bank		<u>1,246,446</u>	<u>145,695</u>	<u>1,392,141</u>	<u>1,368,147</u>
		<u>2,681,853</u>	<u>145,695</u>	<u>2,827,548</u>	<u>2,391,384</u>
CREDITORS					
Amounts falling due within one year	15	(1,658,281)	-	(1,658,281)	(962,610)
NET CURRENT ASSETS		<u>1,023,572</u>	<u>145,695</u>	<u>1,169,267</u>	<u>1,428,774</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,926,815</u>	<u>361,282</u>	<u>2,288,097</u>	<u>2,284,028</u>
CREDITORS					
Amounts falling due after more than one year	16	(310,200)	-	(310,200)	(316,800)
PROVISIONS FOR LIABILITIES	18	(435,955)	-	(435,955)	(457,927)
PENSION LIABILITY	20	(519,000)	-	(519,000)	(554,000)
NET ASSETS		<u>661,660</u>	<u>361,282</u>	<u>1,022,942</u>	<u>955,301</u>
FUNDS	19				
Unrestricted funds				661,660	576,359
Restricted funds				<u>361,282</u>	<u>378,942</u>
TOTAL FUNDS				<u>1,022,942</u>	<u>955,301</u>

The notes form part of these financial statements

CAIS LIMITED

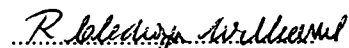
BALANCE SHEET - CONTINUED

At 31 March 2017

The financial statements were approved by the Board of Trustees on5/9/17..... and were signed on its behalf by:



.....
Doctor Dafydd Alun Jones -Trustee



.....
Mr Robert Cledwyn Williams -Trustee

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 March 2017**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

The financial statements contain information about CAIS Limited as an individual charity and do not contain consolidated financial information as a parent of a group.

Financial reporting standard 102 - reduced disclosure exemptions

The charity has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Income

Income from service level agreements, grants, fees and rents; including capital grants, is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably except for:

When it is specified that income from service level agreements and grants received by the charitable company are to be used in future periods, then the income is deferred until that period.

When conditions are imposed which have to be fulfilled before the charitable company becomes entitled to use such income the income is deferred and not included in incoming resources until the pre-conditions for use have been met.

When specified, income including capital grants, is for a particular restricted purpose, which does not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

Voluntary income is recognised as it is received unless it has a specific future purpose.

Investment Income

Investment income is included when receivable by the charitable company.

The trustees have considered the most appropriate policy for investing funds and have invested in risk free reserve accounts and other investments designed for the charity sector.

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 March 2017**

1. ACCOUNTING POLICIES - continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Donations paid are payments made to group members in the furtherance of the charitable objects of the charity.

Raising funds

Raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes cost of all fundraising activities, events and non-charitable trading.

Charitable activities

Charitable expenditure comprises costs incurred by the charity in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support direct activities.

Governance costs

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Expenditure that can be directly attributed to specific activities has been categorised in accordance with their associated cost type.

Allocation and apportionment of costs

Expenditure that can be directly attributed to specific activities has been categorised in accordance with their associated cost type.

Shared costs, which are attributable to more than one activity, are apportioned across charitable categories on the basis of the proportion of time spent by staff on those activities for the whole year.

Operating leases and their related payments are included in the Statement of Financial Activities on a straight line basis over the term of the lease.

Tangible fixed assets

Tangible fixed assets for use by the charity are stated at cost or in cases where fixed assets have been donated at valuation at the time of acquisition, less depreciation.

Depreciation has been provided at the following rates in order to write down the cost or valuation less estimated residual value, of all tangible fixed assets by equal annual instalments over their expected useful lives: -

Freehold Buildings	50 years - Straight line method
Office Equipment	3 years - Straight line method
Fixtures and Fittings	10 years - Straight line method
Motor Vehicles	4 years - Straight line method

Investment Property

Where freehold property is considered a mixed motive property as defined by SORP 2016 the entire property has been accounted for as property within tangible fixed assets.

Taxation

The charity is exempt from corporation tax on its charitable activities.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 March 2017

1. ACCOUNTING POLICIES - continued

Fund accounting

Funds held by the charitable company are either:

Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds- these are funds set aside by the trustees out of unrestricted general funds for specific future purposes projects and fixed assets. Future pension commitments are also held as designated funds.

Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charitable company. Restrictions arise when donors state the specific purpose of the funds or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the accounts.

Pension costs and other post-retirement benefits

Defined Contribution Scheme - Standard Life

The charitable company operates a defined contribution pension scheme. Contributions payable to this scheme are charged to the income and expenditure account in the period to which they relate. These contributions are invested separately from the company's assets. The scheme is administered by Standard Life.

Defined Benefit Scheme - National Health Service

The charitable company administers the NHS scheme, on behalf of the employees who transferred from the employment of the Clwydian Community Care Trust during 1996/97. This is provided by the National Health Service. The pension cost represents contributions payable by the company to the fund.

The charitable company is not liable for any deficit on the Standard Life or NHS Pension Fund in respect of its members; therefore no IAS19 disclosures are required.

Defined Benefit Scheme - Gwynedd Pension Fund

Staff are members of the Gwynedd Pension Fund, which is a defined benefit Local Government Pension Scheme. The assets of the scheme are held separately from those of the charity, which is independently administered by Gwynedd Council. Contributions are charged to the SOFA so as to spread the cost of pensions over the employees' working lives with the organisation. Contributions are determined by a qualified actuary on the basis laid out in the triannual Funding Strategy Statement, the most recent of which became effective on 1st April 2014.

This scheme is being accounted for in accordance with IAS19 (amended June 2011) using the actuarial method of valuation. The annually calculated surplus or deficit on the scheme is shown in the accounts as a designated fund, entitled "Pension Reserve", which is included with the unrestricted funds in the balance sheet. The trustees note that the calculated notional deficit or surplus under IAS19 can vary greatly from year to year depending on assumptions made by the Actuary at the valuation date. This sensitivity has very little effect on short - medium term cash flows

Going concern

The charitable company's future is largely dependent on funding from the public sector, such as local authorities and government agencies. The financial statements have been prepared on the basis that it will continue in operational existence for the foreseeable future and therefore the trustees consider it appropriate to publish the financial statements on a going concern basis.

2. DONATIONS AND LEGACIES

	31.3.17	31.3.16
	£	£
Donations	<u>25,088</u>	<u>14,546</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 March 2017

3. INVESTMENT INCOME

	31.3.17	31.3.16
	£	£
Investment income	<u>(20,000)</u>	<u>(17,435)</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	31.3.17	31.3.16
	£	£
Other incoming resources	252,440	190,212
Grants & Contracts	4,359,150	4,392,135
Residents Income	579,039	439,215
Grants & Contracts	1,908,178	2,174,597
	<u>7,098,807</u>	<u>7,196,159</u>

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

	31.3.17	31.3.16
	£	£
Welsh Government	176,241	162,794
Probationary/Prison Services	274,431	574,979
Local/Unitary Authorities	1,686,940	1,792,467
Health Service	1,523,293	1,481,757
WEFO	522,512	9,023
Other	2,083,911	2,545,712
	<u>6,267,328</u>	<u>6,566,732</u>

5. RAISING FUNDS**Raising donations and legacies**

	31.3.17	31.3.16
	£	£
Advertising and promotion	<u>10,584</u>	<u>13,801</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (See note 7)	Totals
	£	£	£
Community Services	4,015,531	577,510	4,593,041
Residential Services	2,216,788	167,020	2,383,808
Governance	-	102,821	102,821
	<u>6,232,319</u>	<u>847,351</u>	<u>7,079,670</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 March 2017

7. SUPPORT COSTS

	Management	Governance	Totals
	£	costs	£
	£	£	£
Community Services	577,510	-	577,510
Residential Services	167,020	-	167,020
Governance	95,340	7,481	102,821
	<u>839,870</u>	<u>7,481</u>	<u>847,351</u>

8. NET INCOME/(EXPENDITURE)

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

	31.3.17	31.3.16
	£	£
Auditors' remuneration	7,481	9,228
Depreciation - owned assets	<u>34,866</u>	<u>30,159</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2017 nor for the year ended 31 March 2016.

Trustees' expenses

Trustees received reimbursement for expenses incurred in the year, which amounted to £5,906 (2016 £3,477).

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 March 2017**

10. STAFF COSTS

	31.3.17	31.3.16
	£	£
Wages and salaries	3,771,899	3,904,186
Social security costs	303,411	314,222
Pension costs	109,673	129,677
IAS19 pension valuation adjustment	(1,000)	18,000
	<u>4,183,983</u>	<u>4,366,084</u>

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

	31.3.17	31.3.16
Support staff	159	164
Governance (including Chief Officers)	2	2
	<u>161</u>	<u>166</u>

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

	31.3.17	31.3.16
£60,001 - £70,000	1	1
£70,001 - £80,000	1	1
	<u>2</u>	<u>2</u>

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	14,546	-	14,546
Charitable activities			
Community Services	4,572,347	10,000	4,582,347
Residential Services	2,613,812	-	2,613,812
Investment income	(17,435)	-	(17,435)
Total	<u>7,183,270</u>	<u>10,000</u>	<u>7,193,270</u>
EXPENDITURE ON			
Raising funds	13,801	-	13,801
Charitable activities			
Community Services	4,683,807	36,432	4,720,239
Residential Services	2,311,693	-	2,311,693
Governance	79,919	-	79,919
Total	<u>7,089,220</u>	<u>36,432</u>	<u>7,125,652</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 March 2017

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
NET INCOME/(EXPENDITURE)	94,050	(26,432)	67,618
Other recognised gains/(losses)			
Actuarial gains/losses on defined benefit schemes	298,000	-	298,000
Net movement in funds	392,050	(26,432)	365,618
RECONCILIATION OF FUNDS			
Total funds brought forward	184,309	405,374	589,683
TOTAL FUNDS CARRIED FORWARD	576,359	378,942	955,301

12. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
COST				
At 1 April 2016	1,005,737	413,860	103,673	1,523,270
Additions	249,732	14,509	34,200	298,441
At 31 March 2017	1,255,469	428,369	137,873	1,821,711
DEPRECIATION				
At 1 April 2016	180,746	383,599	103,673	668,018
Charge for year	17,482	14,071	3,313	34,866
At 31 March 2017	198,228	397,670	106,986	702,884
NET BOOK VALUE				
At 31 March 2017	1,057,241	30,699	30,887	1,118,827
At 31 March 2016	824,991	30,261	-	855,252

CAIS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 March 2017**

13. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1 April 2016	2
Additions	1
At 31 March 2017	<u>3</u>
 NET BOOK VALUE	
At 31 March 2017	<u>3</u>
At 31 March 2016	<u>2</u>

There were no investment assets outside the UK.

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

CAIS Social Enterprises Ltd

Nature of business: Trading subsidiary

	%		
Class of share:	holding		
Ordinary	100		
		31.3.17	31.3.16
		£	£
Aggregate capital and reserves		(45,432)	(28,779)
(Loss)/profit for the year		<u>(13,316)</u>	<u>12,082</u>

The Jigsaw Organisation Ltd

Nature of business: Dormant Company

	%
Class of share:	holding
Ordinary	100

Adferiad Recovery Limited

Nature of business: Trading Subsidiary

	%
Class of share:	holding
Ordinary	50

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 March 2017

14. DEBTORS

	31.3.17 £	31.3.16 £
Amounts falling due within one year:		
Operating debtors	546,450	823,032
Amounts owed by intercompany subsidiary	70,533	50,018
Accrued income	738,311	105,668
Prepayments and other debtors	45,114	44,519
	<u>1,400,408</u>	<u>1,023,237</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	<u>34,999</u>	<u>-</u>
Aggregate amounts	<u>1,435,407</u>	<u>1,023,237</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.17 £	31.3.16 £
Operating creditors	377,736	192,624
Social security and other taxes	76,404	79,980
Other creditors	2,520	3,999
Accruals and deferred income	1,201,621	686,007
	<u>1,658,281</u>	<u>962,610</u>

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

	31.3.17 £	31.3.16 £
Deferred income- capital grant	<u>310,200</u>	<u>316,800</u>

Deferred income from Wrexham County Borough Council for the purchase of Grove Park House.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 March 2017

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.17 £	31.3.16 £
Within one year	107,975	95,746
Between one and five years	151,515	156,817
	<u>259,490</u>	<u>252,563</u>

The following operating lease payments are committed to be paid within one year:

	Land & Buildings		Other Operating Leases	
	31.3.17 £	31.3.16 £	31.3.17 £	31.3.16 £
Expiring:				
Within one year	94,737	82,132	13,238	13,614
Between one and five years	140,501	145,190	11,014	11,627
	<u>235,238</u>	<u>227,322</u>	<u>24,252</u>	<u>25,241</u>

18. PROVISIONS FOR LIABILITIES

	31.3.17 £	31.3.16 £
Provisions	<u>435,955</u>	<u>457,927</u>

19. MOVEMENT IN FUNDS

	At 1.4.16 £	Net movement in funds £	At 31.3.17 £
Unrestricted funds			
General fund	1,120,359	53,198	1,173,557
Research Work	10,000	(2,897)	7,103
Pension Fund	(554,000)	35,000	(519,000)
	<u>576,359</u>	<u>85,301</u>	<u>661,660</u>
Restricted funds			
SMAT Funded Dawn Centre	51,052	(1,154)	49,898
Community Funded Dawn Centre	170,500	(4,811)	165,689
CAMRE Bursary Fund / APB	157,390	(11,695)	145,695
	<u>378,942</u>	<u>(17,660)</u>	<u>361,282</u>
TOTAL FUNDS	<u>955,301</u>	<u>67,641</u>	<u>1,022,942</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 March 2017

19. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	7,123,895	(7,070,697)	-	53,198
Pension Fund	(20,000)	1,000	54,000	35,000
Research Work	-	(2,897)	-	(2,897)
	<u>7,103,895</u>	<u>(7,072,594)</u>	<u>54,000</u>	<u>85,301</u>
Restricted funds				
CAMRE Bursary Fund / APB	-	(11,695)	-	(11,695)
SMAT Funded Dawn Centre	-	(1,154)	-	(1,154)
Community Funded Dawn Centre	-	(4,811)	-	(4,811)
	<u>-</u>	<u>(17,660)</u>	<u>-</u>	<u>(17,660)</u>
TOTAL FUNDS	<u><u>7,103,895</u></u>	<u><u>(7,090,254)</u></u>	<u><u>54,000</u></u>	<u><u>67,641</u></u>

Purposes of the Restricted Fund

Community Funded Dawn Centre

The Big Lottery's Community Fund, financed the refurbishment of the DAWN Centre, Colwyn Bay during 2001/02. The 10 year evaluation has been completed. The fund is being reduced by an annual depreciation charge on the refurbishment cost.

SMAT Funded Dawn Centre

Conwy SMAT funded an extension to the Dawn Centre and much needed repair work to the basement - which was completed in June 2010. This fund is being reduced by an annual depreciation charge.

Camre Bursary Fund

The North Wales Probation fund was set aside in March 2003 for the future benefit of Probation clients. From this, a bursary scheme for ex-offender clients was created in 2009. The scheme aims to provide funding for accessing training and education. Since commencement the fund has disbursed approximately £200,000 to clients seeking assistance.

Purposes of the Designated Fund

Research Work

This was a grant received from Lloyds TSB Foundation in 2006, which was to assist with research work alongside the Community Link Project.

During 2016/17 a proportion of this fund (£2,897) was used towards the costs of the Aged Veteran Co-ordinator who was engaging with and supporting veterans in the local community.

20. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a funded defined benefit scheme providing benefits based on final remuneration and membership period. The assets of the scheme are held separately from those of the charity. CAIS staff are members of the Gwynedd Pension Fund. Contributions are charged to the SOFA so as to spread the cost of pensions over the employees' working lives whilst with the fund.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 March 2017

20. EMPLOYEE BENEFIT OBLIGATIONS
- continued

The latest triennial actuarial valuation of the Fund was carried out by Hymans Robertson as at 31 March 2015. They are a qualified independent actuary and have carried out the annual interim valuation as at 31 March 2017.

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	31.3.17	31.3.16
	£	£
Present value of funded obligations	(519,000)	(554,000)
	<u>(519,000)</u>	<u>(554,000)</u>
Deficit	(519,000)	(554,000)
Liability	<u>(519,000)</u>	<u>(554,000)</u>

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

	Defined benefit pension plans	
	31.3.17	31.3.16
	£	£
Current service cost	(1,000)	18,000
Net interest from net defined benefit asset/liability	20,000	26,000
	<u>19,000</u>	<u>44,000</u>
Actual return on plan assets	-	-
	<u>-</u>	<u>-</u>

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

	Defined benefit pension plans	
	31.3.17	31.3.16
	£	£
Defined benefit obligation	554,000	808,000
Current service cost	(1,000)	18,000
Interest cost	20,000	26,000
Actuarial losses/(gains)	(54,000)	(298,000)
	<u>519,000</u>	<u>554,000</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 March 2017

20. EMPLOYEE BENEFIT OBLIGATIONS
- continued

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

Defined benefit pension plans	
31.3.17	31.3.16
£	£
<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>

The amounts recognised in other recognised gains and losses are as follows:

Defined benefit pension plans	
31.3.17	31.3.16
£	£
Actuarial gains/(losses)	
54,000	298,000
<u>54,000</u>	<u>298,000</u>

The major categories of scheme assets as a percentage of total scheme assets are as follows:

Defined benefit pension plans	
31.3.17	31.3.16
Equity Securities	18%
Debt Securities	19%
Equity Securities	12%
Real Estate	13%
Investment Funds & Unit Trusts	5%
Cash and Cash Equivalents	4%
	8%
	10%
	53%
	51%
	4%
	3%

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

	31.3.17	31.3.16
Discount rate	2.6%	3.5%
Pension Increase Rate	2.4%	2.2%
Salary Increase Rate	2.4%	4.2%

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 March 2017

21. RELATED PARTY DISCLOSURES

Due to the nature of the charity's operations and the composition of the board of trustees it is probable that transactions could take place with organisations in which a member may have an interest. Transactions involving organisations in which a trustee may have an interest are conducted at arm's length. The Charity has a policy that all trustees and directors must declare an interest if a related party transaction occurs. There were no related party transactions during 2016/17 except ones involving the subsidiary undertakings detailed as follows:

During the year, the following related party transactions took place:

CAIS Social Enterprises Ltd:

The balance owed to CAIS Limited as at 31 March 2017 was £70,068 (2016 £70,017)

During the year CAIS Limited issued sales invoices to CAIS Social Enterprises Ltd totalling £67,661 (2016 £53,150) for recharges of employment costs and other expenditure. CAIS Limited was charged £44,039 (2016 £40,733) by CAIS Social Enterprises for desk space and room hire.

Living Room Cardiff

Living Room Cardiff is a charity limited by guarantee. CAIS Limited is the sole member and thus has the controlling interest in the charity. At the balance sheet date the capital and reserves of the charity were:

	31.3.17	31.3.16
	£	£
Aggregate reserves	14,933	29,378
Profit/(Loss) for the year	(14,445)	1,896

During the year CAIS Limited incurred recharges from the Living Room totalling £7,453 (2016 £NIL) and raised sales invoices for recharges of employment costs and other expenditure amounting to £118,964 (2016 £109,206).

At the balance sheet date CAIS Limited was owed £465 by Living Room Cardiff (2016 £20,000 owed to Living Room Cardiff).

Adferiad Recovery Limited

Adferiad Recovery Limited was incorporated in December 2016. CAIS Limited is a 50% shareholder.

During the year a long term loan was made to Adferiad Recovery Limited amounting to £35,000. This balance remains outstanding as at the year end and is the maximum outstanding during the year.