



CHARITY COMMISSION  
FIRST CONTACT

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**CAIS Ltd**  
**Report and Financial Statements**  
**For year ended 31<sup>st</sup> March 2018**

**Company Registration Number 2751104**  
**Charity Registration Number 1039386**

CAIS Ltd is a limited company registered in England and Wales  
Registered Office: 12 Trinity Square, Llandudno, LL30 2RA  
Registered Number: 2751104 Charity Number: 1039386

Mae CAIS Cyl yn gwmni cofrestredig yng Nghymru a Lloegr  
Swyddfa Gofrestredig: 12 Sgwâr y Drindod, Llandudno, LL30 2RA  
Rhif Cofrestru: 2751104 Rhif Elusen: 1039386



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

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR  
ENDED 31 MARCH 2018  
FOR  
CAIS LIMITED**

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

**CAIS LIMITED**

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FOR THE YEAR ENDED 31 March 2018**

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## **CAIS LIMITED**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 March 2018**

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The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report and financial statements of the charity for the year ended 31 March 2018. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' as revised in March 2005.

#### **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.

## **CAIS LIMITED**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 March 2018**

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#### **OBJECTIVES AND ACTIVITIES**

##### **Significant activities**

CAIS' activities continue 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.

## CAIS LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 March 2018

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#### STRATEGIC REPORT

##### Achievement and performance

###### *Charitable activities*

During the 12 months to 31st March 2018, CAIS received 8,152 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 70 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 throughout Wales by CAIS and its subsidiaries. Through Cyfle Cymru, CAIS now leads the delivery of the Welsh Government's EU-funded Out of Work Service in five of the seven Welsh 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.

CAIS has continued to explore new opportunities in residential services; and during the year opened a new detoxification facility at Salus Withnell Hall, near Chorley. This development marks the first CAIS service to be delivered outside Wales. Working in partnership with and on the same site as an established rehabilitation provider, CAIS has been able to create a compelling offer for public sector commissioners and private sector clients. Work to develop new referral streams and new partnerships with commissioners continues.

During the year, CAIS was pleased to represent the wider voluntary sector in Wales by signing the WCVA's new membership charter.

The Third Sector continues to experience increasingly competitive tendering arrangements, to which CAIS has responded through the development a strategy of opportunity and diversification. During 2017-2018, 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 core counselling offer received 490 referrals from throughout North Wales, offering more than 2,900 appointments in the community. Wrexham and Flintshire Therapeutic Intervention projects continue to perform well, with 601 referrals received during the year and average caseloads of 60.

In partnership with local mental health charities, CAIS continued to provide contract management and delivery of the Parabl Talking Therapies Partnership on behalf of Betsi Cadwaladr University Health Board. There were 3,248 telephone referrals during the year, which represents 30% 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. While referrals to this programme have now ceased, CAIS continues to work with claimants to pursue employment opportunities.

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

## CAIS LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 March 2018

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#### STRATEGIC REPORT

##### Achievement and performance

###### *Charitable activities*

Paid supported employment programme At Your Service 2 offered assistance for individuals from Conwy and Denbighshire seeking work in the catering and hospitality industry, and provided help to develop new skills, gain confidence and encourage people further from the jobs market to become work ready.

Seeds2Grow offered accredited training and activities in horticulture for those classed as long-term unemployed or with work-limiting health conditions. The project, based near St Asaph, was targeted at people living in Denbighshire, Conwy and Gwynedd, and came to a close in December 2017.

###### Cyfle Cymru

CAIS delivers the Cyfle Cymru programme alongside Hafal in North Wales, and with Hafal and Kaleidoscope in Powys, 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 4,607 registrations across the five lots areas - including 2,119 in North Wales. More than 4,000 accredited and non-accredited qualifications have been awarded since the programme began.

Cyfle Cymru was successful in securing a two-year contract extension to August 2020. Our focus is now on embedding this valuable service within the substance misuse and mental health sector in Wales, and in pursuing good quality, empowering employment outcomes for our participants.

###### Supporting People

During the year, CAIS delivered 18 Supporting People contracts in Ynys Môn, Gwynedd, Conwy, Denbighshire, Wrexham and Pembrokeshire. A total of 69 clients accessed the supported accommodation service from 34 move-on properties. We also delivered several floating support contracts to over 482 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 period.

###### 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.

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. This year, 7,257 children attended 123 performances in 53 schools. Both programmes receive regular positive testimonials from schools, and we look forward to delivering this important service for many years to come.

## **STRATEGIC REPORT**

### **Achievement and performance**

#### *Charitable activities*

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 204 clients. Our team resolved hundreds of housing issues, prevented 115 people from becoming homeless, and successfully moved 48 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.

#### **Tier 4 Residential Services**

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 78% during 2017-2018. The overall occupancy level at Hafan Wen was 92%; representing a 4% 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 81% last year.

#### **Volunteering**

CAIS is pleased to hold Investors in Volunteers status. 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 153 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.

Highly-visible volunteering projects have also been undertaken by participants in the Cyfle Cymru, while members of Jigsaw routinely offer their volunteering services at community events, through diversionary activities and for family prison visits.

Volunteering is flourishing at Champions' House in Wrexham, where dedicated members have committed to running our active recovery hub in partnership with CAIS staff. Our Wrexham recovery hub was relaunched in November 2017, and now offers a wider range of help for disadvantaged and vulnerable people, and a revitalised programme of training and events. Partners include Wrexham County Borough Council, North Wales Police, HMP Berwyn, Betsi Cadwaladr University Health Board, charities and other agencies.

#### **Military Veteran Programmes**

Since launching Change Step in late 2013, our veteran-to-veteran peer mentors have supported 1,600 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.



## CAIS LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 March 2018

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#### STRATEGIC REPORT

##### Achievement and performance

###### *Charitable activities*

During the year, we received funding for crisis mentoring from the Royal British Legion, and established a new pilot partnership with Veterans NHS Wales with the support of funding from BCUHB. Research conducted as part of this work has indicated the significant social value generated by the project.

Later in the year, this co-production model was replicated in other health board areas with the support or further funding from Help for Heroes. ABF The Soldiers' Charity has provided additional monies to support the management of the service, develop new partnerships, and extend our reach into rural areas.

Our project continues to attract the support of private fundraisers.

##### Involvement

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, made a direct contribution to the development of new mental health strategy, and had a hand

366 service users, ex-service users and carers are signed up to provide representation, feedback and input into services and over 1,500 have attended engagement events across North Wales.

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 2018

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#### STRATEGIC REPORT

##### Achievement and performance

##### *Subsidiary undertakings*

Activities and achievements are summarised as follows:

#### I. CAIS Social Enterprises

The last twelve months have been a period of substantial growth and expansion for CAIS Social Enterprises Ltd. The number of cafes operating has doubled from three in 2016/17 (Troop, Porter's Colwyn Bay and Rhyl) to six in 2017/18, which now includes two businesses in Cardiff plus a second branch of Porter's which opened in Colwyn Bay, at Eirias Park (April 2018).

Partnership working with Hafal and the development of valuable relationships over 2017/18 encouraged not only growth in terms of the number of operating cafes but has also allowed the catering team to demonstrate their ability to provide quality, high volume outside catering. The highlight of the year was the supply of refreshments at the Annual Welsh Social Enterprise Awards and Conference at the Llangollen Pavilion in October 2017.

Alongside the aim to provide a quality catering provision within the local community, the ambition has been throughout the last seven years to use the businesses as a platform to provide work experience and training opportunities to CAIS clients and other disadvantaged individuals living in the community, to assist them in building their skills to enable them to secure sustained employment. In January 2018, the second Active Inclusion training programme drew to a close. Work continues to seek appropriate funding streams to enable another programme of training to begin.

Social impact achieved to date:

Number of participants 124  
Number of qualifications 227  
Job outcomes 55  
Volunteering 8

During the financial year 2017/18, CAIS Social Enterprises reported an operating loss (before taxation) of £16,477; this deficit reflects the low income levels relating to the new businesses, significant repair costs and Agency costs to support the staffing levels in Cardiff. Trading sales increased in 2017/18, from £132,782 to £189,977.

The focus on the next twelve months will be to capitalise on the various opportunities around the Zip World Stadium as well as the relocation of Conwy Council Headquarters to Colwyn Bay Town Centre.

#### II. Living Room Cardiff

##### Intakes and assessments

New intakes totalled 180 of which 111 (75%) were assessed, compared to 168 intakes and 126 (75%) assessments during 2016/17.

Restraints on staff resources continues. The CEO retired in August as did one Project Worker. The Volunteer Counsellor also retired. The Service Manager runs the daily business and approach of the Living Room, and two part-time project workers focus their time on delivering services rather than on promotional work. All staff are accountable to CAIS's Director of Partnerships and Development.

##### Therapeutic Interventions (Group therapy and one-to-ones)

This year the mean average for group attendance stayed at 7. Some groups by now, however, regularly have an attendance of 13 (Family and Men's groups).

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 March 2018**

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**STRATEGIC REPORT**

**Achievement and performance**

*Subsidiary undertakings*

826 one-to-one counselling sessions were held during the year, a slight decrease on 2016/17's figure of 889. Staff available to carry out one-to-one sessions has decreased slightly, whilst the volunteer and recovery coach input to intakes only has increased. One of our students on placement became a part-time member of staff last July, whilst the other has become more experienced and able to undertake individual counselling sessions.

The slight swing in lower group attendance numbers can, on reflection, be attributed to the decreased staffing levels, and the lack of time to maintain the Telephone Recovery Support, which would affect the numbers of attendees in groups and booked 1-1 counselling sessions.

**Telephone Recovery Support (TRS)**

The Telephone Recovery Support pilot began in December 2012 and the number of contacts made has continued to increase year on year. 552 calls were made in 2016/17 compared to 320 during 2015/16.

However, during the latter part of 2017-18, due to less human resource, the Living Room only provided a limited telephone support. We aim to work towards improving on this again, as we realise the impact telephoning has on retaining Service Users. The TRS service is within core services.

Living Room Cardiff reported a surplus for the year ended 31st March 2018 of £5,082. Turnover levels remained consistent at £156,292.

Total funds carried forward are £20,015.

*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. Having strengthened their skills and knowledge, this group of managers are now performing at a high level and contributing to the planning and implementation of new strategies.

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 2017/18 of £106,497 to £1,129,439. 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 2017/18 to £463,000 (from £519,000 in 2016/17).

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 March 2018**

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**STRATEGIC REPORT**

**Financial review**

*Principal funding sources*

Income levels increased for the financial year, at £9,313,055 compared to £7,103,895 in the previous year.

Investment in the purchase of Move-On properties during the financial year contributed to an increase in Fixed Assets of £16,007.

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.

*Investment policy and objectives*

In accordance with the CAIS Financial Regulations, the charitable company has a investment policy of investing liquid funds on 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.

*Reserves policy*

CAIS held an unrestricted reserve fund of £1,235,214 (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.

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 a quarterly 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

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 March 2018**

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**STRATEGIC REPORT**

**Principal risks and uncertainties**

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 services commence.

**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 previously been the aim of our Peer Mentoring, Crew-It and Active Inclusion Schemes, which provided opportunities for work experience, education and training, whilst empowering clients to change their lives and gain economic independence and continues to be the aim of the All Wales Cyfle Cymru Programme.

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 (Developing a Caring 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.

In order to strengthen its independence from a relatively small group of funders, the charity is also seeking to develop services which are not directly commissioned, but which fall within its mission. Initiatives include the acquisition of dwellings for rent by disadvantaged individuals, the expansion of CAIS Social Enterprises and the development of a property renovation programme. It is also planned to open, in north Wales, a substantial new addiction rehabilitation facility available to a wide range of individuals and organisations.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

CAIS was 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.

## **CAIS LIMITED**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 March 2018**

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#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **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.

##### **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.

##### **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 Note 8 - Investments and Note 17 - Related Party Transactions.

Since 2010 CAIS has been one of six agencies in Wales whose senior management were appointed as trustees 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

## **CAIS LIMITED**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 March 2018**

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#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Trustees**

Dr Dyfrig Morgan Ap Dafydd	General Practitioner
Miss Lucille Margaret Hughes	Retired Director of Social Services
Doctor Dafydd Alun Jones	Psychiatrist
Mr Geoffrey Peter Simpson	Finance Director
Mr Brian Smith	Board Director
Mrs Avril Margaret Owen Wayte	Consultant Biochemist
Mr Robert Cledwyn Williams	Retired Director of Social Services
Mr Simon Paul Green	Training Consultant
Rev Christopher Prew	Minister of Religion
Mrs Carys Roberts	Student Mentor

##### **Key Management**

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

##### **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

## CAIS LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 March 2018

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#### 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, on 11/4/2018 and signed on the board's behalf by:



Doctor Dafydd Alun Jones - Trustee



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

---

### **Opinion**

We have audited the financial statements of CAIS Limited (the 'charitable company') for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

## 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.

### Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

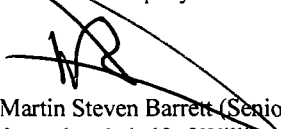
### Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state 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.



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: 15/9/18

CAIS LIMITED

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 March 2018

	Notes	Unrestricted funds £	Restricted funds £	31.3.18 Total funds £	31.3.17 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	56,877	-	56,877	25,090
<b>Charitable activities</b>	4				
Community Services		6,952,451	7,425	6,959,876	4,611,590
Residential Services		2,307,254	-	2,307,254	2,487,217
Investment income	3	(10,952)	-	(10,952)	(20,000)
<b>Total</b>		<b>9,305,630</b>	<b>7,425</b>	<b>9,313,055</b>	<b>7,103,897</b>
<b>EXPENDITURE ON</b>					
Raising funds	5	20,594	-	20,594	10,586
<b>Charitable activities</b>	6				
General		2	11,483	11,485	-
Community Services		6,693,134	-	6,693,134	4,593,041
Residential Services		2,449,387	-	2,449,387	2,383,808
Governance		113,958	-	113,958	102,821
<b>Total</b>		<b>9,277,075</b>	<b>11,483</b>	<b>9,288,558</b>	<b>7,090,256</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>28,555</b>	<b>(4,058)</b>	<b>24,497</b>	<b>13,641</b>
<b>Other recognised gains/(losses)</b>					
Actuarial gains/losses on defined benefit schemes		82,000	-	82,000	54,000
<b>Net movement in funds</b>		<b>110,555</b>	<b>(4,058)</b>	<b>106,497</b>	<b>67,641</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>661,660</b>	<b>361,282</b>	<b>1,022,942</b>	<b>955,301</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>772,215</b>	<b>357,224</b>	<b>1,129,439</b>	<b>1,022,942</b>

The notes form part of these financial statements

**CAIS LIMITED**

**BALANCE SHEET**  
**At 31 March 2018**

	Notes	Unrestricted funds £	Restricted funds £	31.3.18 Total funds £	31.3.17 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	12	925,212	209,622	1,134,834	1,118,827
Investments	13	3	-	3	3
		<u>925,215</u>	<u>209,622</u>	<u>1,134,837</u>	<u>1,118,830</u>
<b>CURRENT ASSETS</b>					
Debtors	14	1,715,726	-	1,715,726	1,435,407
Cash at bank		1,518,537	147,601	1,666,138	1,392,141
		<u>3,234,263</u>	<u>147,601</u>	<u>3,381,864</u>	<u>2,827,548</u>
<b>CREDITORS</b>					
Amounts falling due within one year	15	(2,375,933)	-	(2,375,933)	(1,658,281)
<b>NET CURRENT ASSETS</b>		<u>858,330</u>	<u>147,601</u>	<u>1,005,931</u>	<u>1,169,267</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,783,545</u>	<u>357,223</u>	<u>2,140,768</u>	<u>2,288,097</u>
<b>CREDITORS</b>					
Amounts falling due after more than one year	16	(303,600)	-	(303,600)	(310,200)
<b>PROVISIONS FOR LIABILITIES</b>	18	(244,729)	-	(244,729)	(435,955)
<b>PENSION LIABILITY</b>	20	(463,000)	-	(463,000)	(519,000)
<b>NET ASSETS</b>		<u>772,216</u>	<u>357,223</u>	<u>1,129,439</u>	<u>1,022,942</u>
<b>FUNDS</b>	19				
Unrestricted funds				772,216	661,660
Restricted funds				357,223	361,282
<b>TOTAL FUNDS</b>				<u>1,129,439</u>	<u>1,022,942</u>

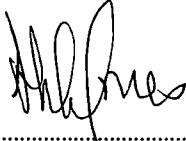
The notes form part of these financial statements

**CAIS LIMITED**

**BALANCE SHEET - CONTINUED**  
**At 31 March 2018**

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The financial statements were approved by the Board of Trustees on .....11/9/2018..... 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

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 March 2018**

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**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 2018

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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 costs 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 2018**

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**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.



**CAIS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 March 2018**

**2. DONATIONS AND LEGACIES**

	31.3.18	31.3.17
	£	£
Donations	<u>56,877</u>	<u>25,090</u>

**3. INVESTMENT INCOME**

	31.3.18	31.3.17
	£	£
Investment income	<u>(10,952)</u>	<u>(20,000)</u>

**4. INCOME FROM CHARITABLE ACTIVITIES**

	31.3.18	31.3.17
	£	£
Other incoming resources <b>Activity</b>		
Grants & Contracts      Community Services	95,271	252,440
Residents Income      Community Services	6,864,605	4,359,150
Other incoming resources      Residential Services	628,966	579,039
Grants & Contracts      Residential Services	3,468	-
	<u>1,674,820</u>	<u>1,908,178</u>
	<u>9,267,130</u>	<u>7,098,807</u>

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

	31.3.18	31.3.17
	£	£
Welsh Government	164,880	176,241
Probationary/Prison Services	160,701	274,431
Local/Unitary Authorities	1,656,332	1,686,940
Health Service	1,655,269	1,523,293
WEFO	3,583,509	522,512
Other	<u>1,318,734</u>	<u>2,083,911</u>
	<u>8,539,425</u>	<u>6,267,328</u>

**5. RAISING FUNDS**

**Raising donations and legacies**

	31.3.18	31.3.17
	£	£
Advertising and promotion	<u>20,594</u>	<u>10,586</u>

**CAIS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 March 2018**

**6. CHARITABLE ACTIVITIES COSTS**

	Direct costs	Support costs (See note 7)	Totals
	£	£	£
General	5,518	5,967	11,485
Community Services	6,114,807	578,327	6,693,134
Residential Services	2,255,994	193,393	2,449,387
Governance	-	113,958	113,958
	<u>8,376,319</u>	<u>891,645</u>	<u>9,267,964</u>

**7. SUPPORT COSTS**

	Management	Governance costs	Totals
	£	£	£
General	5,967	-	5,967
Community Services	574,077	4,250	578,327
Residential Services	191,985	1,408	193,393
Governance	113,958	-	113,958
	<u>885,987</u>	<u>5,658</u>	<u>891,645</u>

**8. NET INCOME/(EXPENDITURE)**

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

	31.3.18	31.3.17
	£	£
Auditors' remuneration	5,658	7,481
Depreciation - owned assets	<u>32,921</u>	<u>34,866</u>

**9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2018 nor for the year ended 31 March 2017.

**Trustees' expenses**

Trustees received reimbursement for expenses incurred in the year, which amounted to £2,257 (2017 £5,906).

**CAIS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 March 2018**

**10. STAFF COSTS**

	31.3.18	31.3.17
	£	£
Wages and salaries	3,846,851	3,771,899
Social security costs	307,219	303,411
Pension costs	119,557	109,673
IAS19 pension valuation adjustment	12,000	(1,000)
	<u>4,285,627</u>	<u>4,183,983</u>

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

	31.3.18	31.3.17
Support staff	212	159
Governance (including Chief Officers)	2	2
	<u>214</u>	<u>161</u>

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

	31.3.18	31.3.17
£60,001 - £70,000	-	1
£70,001 - £80,000	1	1
	<u>1</u>	<u>2</u>

**11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	25,090	-	25,090
<b>Charitable activities</b>			
Community Services	4,611,590	-	4,611,590
Residential Services	2,487,217	-	2,487,217
Investment income	(20,000)	-	(20,000)
<b>Total</b>	<u>7,103,897</u>	<u>-</u>	<u>7,103,897</u>
<b>EXPENDITURE ON</b>			
Raising funds	10,586	-	10,586
<b>Charitable activities</b>			
Community Services	4,575,381	17,660	4,593,041
Residential Services	2,383,808	-	2,383,808
Governance	102,821	-	102,821
<b>Total</b>	<u>7,072,596</u>	<u>17,660</u>	<u>7,090,256</u>

**CAIS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 March 2018**

**11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>NET INCOME/(EXPENDITURE)</b>	<b>31,301</b>	<b>(17,660)</b>	<b>13,641</b>
<b>Other recognised gains/(losses)</b>			
Actuarial gains/losses on defined benefit schemes	54,000	-	54,000
<b>Net movement in funds</b>	<b>85,301</b>	<b>(17,660)</b>	<b>67,641</b>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	<b>576,359</b>	<b>378,942</b>	<b>955,301</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>661,660</b>	<b>361,282</b>	<b>1,022,942</b>

**12. TANGIBLE FIXED ASSETS**

	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
<b>COST</b>				
At 1 April 2017	1,255,469	428,369	137,873	1,821,711
Additions	48,928	-	-	48,928
At 31 March 2018	1,304,397	428,369	137,873	1,870,639
<b>DEPRECIATION</b>				
At 1 April 2017	198,228	397,670	106,986	702,884
Charge for year	17,482	6,889	8,550	32,921
At 31 March 2018	215,710	404,559	115,536	735,805
<b>NET BOOK VALUE</b>				
At 31 March 2018	1,088,687	23,810	22,337	1,134,834
At 31 March 2017	1,057,241	30,699	30,887	1,118,827

**CAIS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 March 2018**

**13. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>MARKET VALUE</b>	
At 1 April 2017 and 31 March 2018	<u>3</u>
<b>NET BOOK VALUE</b>	
At 31 March 2018	<u>3</u>
At 31 March 2017	<u>3</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

	% holding	31.3.18 £	31.3.17 £
Class of share:			
Ordinary	100		
Aggregate capital and reserves		(59,870)	(45,432)
(Loss) for the year		<u>(16,477)</u>	<u>(13,316)</u>

**The Jigsaw Organisation Ltd**

Nature of business: Dormant Company

	% holding
Class of share:	
Ordinary	100

**Ein Cyffle Ltd**

Nature of business: Trading Subsidiary

	% holding
Class of share:	
Ordinary	50

**CAIS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 March 2018**

**14. DEBTORS**

	31.3.18 £	31.3.17 £
Amounts falling due within one year:		
Operating debtors	686,821	546,450
Amounts owed by intercompany subsidiary	70,280	70,533
Accrued income	838,100	738,311
Prepayments and other debtors	45,525	45,114
	<u>1,640,726</u>	<u>1,400,408</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	<u>75,000</u>	<u>34,999</u>
Aggregate amounts	<u>1,715,726</u>	<u>1,435,407</u>

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.18 £	31.3.17 £
Operating creditors	184,417	377,736
Social security and other taxes	83,171	76,404
Other creditors	4,563	2,520
Accruals and deferred income	2,103,782	1,201,621
	<u>2,375,933</u>	<u>1,658,281</u>

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

	31.3.18 £	31.3.17 £
Deferred income- capital grant	<u>303,600</u>	<u>310,200</u>

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

**CAIS LIMITED**
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 March 2018**
**17. LEASING AGREEMENTS**

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

	31.3.18 £	31.3.17 £
Within one year	132,250	107,975
Between one and five years	385,700	151,515
	<u>517,950</u>	<u>259,490</u>

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

	Land & Buildings		Other Operating Leases	
	31.3.18 £	31.3.17 £	31.3.18 £	31.3.17 £
Expiring:				
Within one year	116,697	94,737	15,553	13,238
Between one and five years	376,780	140,501	8,920	11,014
	<u>493,477</u>	<u>235,238</u>	<u>24,473</u>	<u>24,252</u>

**18. PROVISIONS FOR LIABILITIES**

	31.3.18 £	31.3.17 £
Provisions	<u>244,729</u>	<u>435,955</u>

**19. MOVEMENT IN FUNDS**

	At 1.4.17 £	Net movement in funds £	At 31.3.18 £
<b>Unrestricted funds</b>			
General fund	1,173,557	28,556	1,202,113
Research Work	7,103	-	7,103
Pension Fund	(519,000)	82,000	(437,000)
	<u>661,660</u>	<u>110,556</u>	<u>772,216</u>
<b>Restricted funds</b>			
Restricted	-	(2)	(2)
SMAT Funded Dawn Centre	49,898	(1,153)	48,745
Community Funded Dawn Centre	165,689	(4,811)	160,878
CAMRE Bursary Fund / APB	145,695	1,907	147,602
	<u>361,282</u>	<u>(4,059)</u>	<u>357,223</u>
<b>TOTAL FUNDS</b>	<u>1,022,942</u>	<u>106,497</u>	<u>1,129,439</u>

**CAIS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 March 2018**

**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 £
<b>Unrestricted funds</b>				
General fund	9,305,630	(9,277,074)	-	28,556
Pension Fund	-	-	82,000	82,000
	<u>9,305,630</u>	<u>(9,277,074)</u>	<u>82,000</u>	<u>110,556</u>
<b>Restricted funds</b>				
CAMRE Bursary Fund / APB	7,425	(5,518)	-	1,907
Restricted	-	(2)	-	(2)
SMAT Funded Dawn Centre	-	(1,153)	-	(1,153)
Community Funded Dawn Centre	-	(4,811)	-	(4,811)
	<u>7,425</u>	<u>(11,484)</u>	<u>-</u>	<u>(4,059)</u>
<b>TOTAL FUNDS</b>	<u><u>9,313,055</u></u>	<u><u>(9,288,558)</u></u>	<u><u>82,000</u></u>	<u><u>106,497</u></u>

**Comparatives for movement in funds**

	At 1.4.16 £	Net movement in funds £	At 31.3.17 £
<b>Unrestricted Funds</b>			
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>
<b>Restricted Funds</b>			
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>
<b>TOTAL FUNDS</b>	<u><u>955,301</u></u>	<u><u>67,641</u></u>	<u><u>1,022,942</u></u>



**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 March 2018**

**19. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	7,123,897	(7,070,699)	-	53,198
Pension Fund	(20,000)	1,000	54,000	35,000
Research Work	-	(2,897)	-	(2,897)
	<u>7,103,897</u>	<u>(7,072,596)</u>	<u>54,000</u>	<u>85,301</u>
<b>Restricted funds</b>				
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>
<b>TOTAL FUNDS</b>	<u><u>7,103,897</u></u>	<u><u>(7,090,256)</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 2017/18 a proportion of this fund (£7,103) 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.

**CAIS LIMITED****NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 March 2018****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 2018.

The amounts recognised in the balance sheet are as follows:

	<b>Defined benefit pension plans</b>	
	<b>31.3.18</b>	<b>31.3.17</b>
	<b>£</b>	<b>£</b>
Present value of funded obligations	<u>(463,000)</u>	<u>(519,000)</u>
	<u>(463,000)</u>	<u>(519,000)</u>
Deficit	<u>(463,000)</u>	<u>(519,000)</u>
Liability	<u><u>(463,000)</u></u>	<u><u>(519,000)</u></u>

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

	<b>Defined benefit pension plans</b>	
	<b>31.3.18</b>	<b>31.3.17</b>
	<b>£</b>	<b>£</b>
Current service cost	12,000	(1,000)
Net interest from net defined benefit asset/liability	14,000	20,000
	<u>26,000</u>	<u>19,000</u>
Actual return on plan assets	<u>-</u>	<u>-</u>

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

	<b>Defined benefit pension plans</b>	
	<b>31.3.18</b>	<b>31.3.17</b>
	<b>£</b>	<b>£</b>
Defined benefit obligation	519,000	554,000
Current service cost	12,000	(1,000)
Interest cost	14,000	20,000
Actuarial losses/(gains)	(82,000)	(54,000)
	<u>463,000</u>	<u>519,000</u>

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 March 2018**

**20. EMPLOYEE BENEFIT OBLIGATIONS**  
**- continued**

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

<b>Defined benefit pension plans</b>	
<b>31.3.18</b>	<b>31.3.17</b>
<b>£</b>	<b>£</b>
<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>

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

	<b>Defined benefit pension plans</b>	
	<b>31.3.18</b>	<b>31.3.17</b>
	<b>£</b>	<b>£</b>
Actuarial gains/(losses)	<b>82,000</b>	<b>54,000</b>
	<u>82,000</u>	<u>54,000</u>

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

	<b>Defined benefit pension plans</b>	
	<b>31.3.18</b>	<b>31.3.17</b>
Equity Securities	<b>17%</b>	<b>18%</b>
Debt Securities	<b>15%</b>	<b>12%</b>
Private Equity	<b>4%</b>	<b>5%</b>
Real Estate	<b>8%</b>	<b>8%</b>
Investment Funds & Unit Trusts	<b>52%</b>	<b>53%</b>
Cash and Cash Equivalents	<b>4%</b>	<b>4%</b>

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

	<b>31.3.18</b>	<b>31.3.17</b>
Discount rate	<b>2.7%</b>	<b>2.6%</b>
Pension Increase Rate	<b>2.4%</b>	<b>2.4%</b>
Salary Increase Rate	<b>2.4%</b>	<b>2.4%</b>

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 March 2018**

**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 2017/18 except ones involving the subsidiary undertakings detailed as follows:

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

	<b>Sales to related party</b>	<b>Purchases from related party</b>	<b>Amounts owed from related party</b>	<b>Amount owed to related party</b>
Entities over which the group has joint control or significant influence				
<b>CAIS Social Enterprises (06354260)</b>				
2018	103,529	45,601	70,018	-
2017	67,661	44,039	70,068	-
<b>Living Room Cardiff (07742115)</b>				
2018	87,986	500	262	-
2017	118,964	7,453	465	-
<b>Ein Cyfle Limited (10543175)</b>				
2018	41,164	-	75,000	-
2017	-	-	35,000	-