

**Shelter Cymru**

**Annual Report and Accounts  
2011/12**

**Welsh Housing Aid Limited  
Operating as Shelter Cymru**

**Company No. 1830262  
Charity No. 515902**

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## **Chair's introduction**

This is my first report as Chair of Shelter Cymru having taken over from John Killion in the Spring of 2012. John is a hard act to follow given his knowledge and dedication to Shelter Cymru and I thank him for his continued commitment as a fellow Trustee and for his support as I learn the complexities of my new role.

I want to say a heart felt 'THANK YOU' to all of you who have helped Shelter Cymru to achieve so much, so efficiently during 2011-12, the period of these annual accounts. Shelter Cymru faces a huge task and we cannot do this alone – we rely on the support of our staff, supporters, funders, donors, and volunteers, as well as the steady hand of governance from our Board of Trustees. Together we strive to make a real difference to people in housing need in Wales and I thank you all.

It has been yet another challenging year and on behalf of the Board of Trustees I want to pay tribute and thank each and every member of staff, especially the senior management team lead by John Puzey our chief executive. It is their continued efforts that maintains and extends the reach of Shelter Cymru and makes a real difference to those individuals and families that depend on our services.

We have faced another year of roller coaster challenges in the current economic climate. In planning our strategy to face the future we knew that difficult decisions had to be made to ensure the longer term sustainability of our work. Regrettably we had to make decisions to close some posts in 2013 – our staff are our most valuable asset, and we do not take such decisions lightly. It is with regret that we will be losing committed staff in the coming year and we send them our best wishes for the future.

We rely heavily on our supporters, funders and donors to help us secure the funding we need to support people in housing need. We are accountable to you and to those who use our services. These accounts show what we have done in 2011-12 to make the very best use of your support, for which we are most grateful.

Sadly it appears that more people than ever in Wales will face uncertainties over the security of their home, and that more people will be seeking Shelter Cymru's help and advice. As the Board of Trustees we are committed to delivering our strategy and to exploring innovative ways of doing even more with less, in the longer term. We have a wealth of experience around the Board table and each Trustee brings a unique contribution – I am indeed fortunate to have such a great team to work with and thank them for their enthusiasm and determination to govern and guide Shelter Cymru through these difficult times.

I commend this report and the contributions of all those who have worked so hard to make sure that Shelter Cymru met its aspirations and charitable aims in 2011-12. The future will bring more uncertainties. From my position as Chair I feel confident that together we can make a difference to those who need Shelter Cymru's support to secure the safe, affordable home we all deserve.

**Diane McCrea**  
Chair

## **Foreword**

Many people in Wales have been experiencing significant difficulties finding or maintaining a decent home. Austerity measures, reductions in public expenditure and the beginning of the welfare benefit cuts has meant that more people are seeking the services of Shelter Cymru, a trend that will only grow over the coming years.

This growth in demand has come at a time when resources and capacity are starting to diminish. This means that we must become more innovative in the way we deliver services and raise new sources of sustainable income.

Nevertheless, the announcement during the year of the very considerable reductions in legal aid funding understandably led to uncertainty and concern among staff about the future. I want to thank all staff, whether delivering direct services, support services or involved in policy and information work, for maintaining the excellence of that work in the face of growing demand and uncertainty. This past year is a testament to the commitment of staff to the aims and objectives of Shelter Cymru.

Despite the gloomy outlook it was also clear that there were opportunities to take forward improvements in policy and practice with the publication of the Welsh Government Housing White Paper. Many proposals in the White Paper reflected positions that the organisation has been supporting for some time. In the coming period we are looking forward to working with our partners and the Welsh Government in turning proposals into practical measures as the Housing Bill is drafted.

No effective organisation stands alone and I want to thank our strategic partners and other organisations we have worked closely with, in particular the CAB movement in Wales, the Chartered Institute of Housing Cymru, Cymorth Cymru and members of the Homes for All Cymru alliance. I also want to thank our funders, including the Welsh Government and of course the many supporters across Wales who raise funds and/or donate regularly.

I have, of course already thanked the staff but I also want to thank the Senior Management Team for its clear sighted support and leadership over this period.

Finally, the role and importance of a Trustee is often not properly understood. It is important for me to acknowledge the vital role of the Chair, officers and other Trustees in providing the strategic leadership, wisdom and support to me and the SMT during these challenging times.

**John Puzey**  
**Director**

## **Legal and Administrative Information**

Registered charity no 515902

A company limited by guarantee, registered in Cardiff, no 1830262

### **President**

Bryn Terfel CBE

### **Vice Presidents**

Huw Edwards

Rebecca Evans

Robert Maskrey

Samantha Maskrey

Cerys Matthews

### **Board of Trustees**

John Killion (Chair)

Terry Brenig-Jones (Vice Chair)

Jeff Phillips (Treasurer)

Nicholas Colbourne

Stewart Davison

Ranjit Ghoshal (Resigned 8 March 2012)

Shayne Hembrow

Nina Langrish

Diane McCrea

Ana Palazon

Mark Sheridan

Annie Williams (Resigned 9 August 2012)

Jeff Childs (Appointed 7 August 2012)

Philip Harding (Appointed 14 June 2012)

### **Chief Executive**

John Puzey

### **Company Secretary**

Owen Burt (Resigned on 1 December 2011)

John Puzey (Appointed 1 December 2011)

### **Principal and Registered Office**

25 Walter Road, Swansea, SA1 5NN

### **Principal Bankers**

Co-operative Bank, South Wales Corporate Banking Centre, 16-17 High Street, Cardiff CF1 1SW

### **Solicitors**

Douglas-Jones Mercer, 16 Axis Court, Mallard Way, Swansea Vale, Swansea SA7 0AJ

### **Auditors**

Broomfield & Alexander Ltd, Waters Lane Chambers, Waters Lane, Newport, Gwent, NP20 1LA

## Highlights of 2011/12

- Advised over 16,400 people in housing need, including households with over 6,000 dependent children
- Over 24,000 housing problems dealt with
- Over 5,900 households assisted were homeless with 292 people helped street homeless and 1,135 households assisted were within 28 days of becoming street homeless
- Homelessness was prevented in 84% of relevant cases
- The most common problems giving rise to the threat of homelessness were rent arrears, housing benefit problems and other financial difficulties, mortgage arrears, landlord and tenant disputes and poor housing conditions e.g. dampness and disrepair
- Helped 1,282 owner occupier households, 2,300 social housing tenant households, 2,250 private rented households and over 670 households living in temporary accommodation
- 97% of service users were satisfied or very satisfied with the help they received and said they would recommend our services to others
- More than £500,000 was recovered on behalf of our clients, by our specialist debt, benefits advice and support services during the year
- Launched Cyngor 50+ advice in Carmarthenshire (supported by the Big Lottery Fund (BLF)) providing advice on housing and welfare benefits to and recruiting volunteers from older people
- Launched Wrexham Community Money Advice Project (also BLF supported) to provide community based debt advice and support in Wrexham
- Supported and developed a new Citizens Panel able to comment on policy and practice and engage with the design and delivery of services
- Significant research reports launched during the year including facilitating a user response to the Housing White paper and researching into homelessness among BME people in Wales
- Welsh Government Housing White Paper reflects a significant number of key Shelter Cymru policy positions
- Feedback on our training courses and policy seminars reached 99% of delegates satisfied or very satisfied and saying they would attend Shelter Cymru events again

## **Shelter Cymru's vision, mission and values**

### **Vision**

Everyone in Wales should have a decent and affordable home it is the foundation for the health and well being of people and communities

### **Mission**

Shelter Cymru's mission is to improve people's lives through our advice and support services and through training, education and information work. Through our policy, research, campaigning and lobbying, we will help overcome the barriers that stand in the way of people in Wales having a decent affordable home

### **Values**

- Be independent and not compromised in any aspect of our work with people in housing need
- Work as equals with people in housing need, respect their needs, and help them to take control of their own lives
- Constructively challenged to ensure people are properly assisted and to improve good practice

## **Statement of Public Benefit**

Under the Charities Act 2011, charities are required to demonstrate that their aims are for the public benefit

The two key principles that must be met in this context are, first, that there must be an identifiable benefit or benefits, and, secondly, that the benefit must be to the public, or a section of the public

Charity trustees must ensure that they carry out their charity's aims for the public benefit, must have regard to the Charity Commission's guidance, and must report on public benefit in their Annual Report

Shelter Cymru's Board of Trustees regularly monitors and reviews the success of the organisation in meeting its key objectives. The Trustees confirm, in the light of the guidance, that the organisation's aims fully meet the public benefit test and that all the activities of the charity, described in this report under the strategic and corporate development goals, are undertaken in pursuit of its aims

## **Report of the Board of Trustees**

### **What did we achieve in 2011/12?**

The 2011/2012 corporate plan marked the first year of Shelter Cymru's new Three Year Strategic Plan, a period that would clearly be one of the most challenging in the organisation's history but more importantly challenging for the current and future beneficiaries of the charity

The previous year, having faced significant losses in income, the organisation undertook a substantial re-structure of its leadership team and reduced the overall size of its workforce. Although this placed the organisation in a much more viable situation in the year under review, it was also clear that UK Government changes to Legal Aid would lead to a further substantial reduction in funding for legal services from 2013, as such a great deal of work during the year was focussed on planning and preparing for what was forecast to be a significant drop in one of our key areas of income

It was also clear that due to public expenditure reductions we could not expect any increases, even incrementally, in our other sources of statutory income

At the same time, continuing austerity measures, including reductions to welfare benefits, also meant that it was certain that there would be increased demand for our services from people in Wales experiencing homelessness, housing need and debt

Despite this difficult outlook, Shelter Cymru set out a number of key ambitions in its new Statement of Strategic Intent which are practically reflected in the new Three Year Plan, these are

- **Responding to need** We will increase our response to people in housing need by growing our services, making them more accessible, with an emphasis upon helping people with any underlying issues and preventing homelessness through help at an early stage
- **People** We will actively engage people in the design, improvement and delivery of our services, in our campaigning and in the strategic direction and governance of the organisation
- **Homes** We will raise awareness of homelessness and housing need amongst the public and politicians and will utilise support to seek to establish a new framework of citizen-centred rights and practice. In addition to rights, we will press for, and practically seek to contribute to, an increase in the supply of affordable housing
- **The organisation we want to be** We will be the first name that people think of when they want to solve any housing related issue in Wales and will be an innovative, enterprising, responsive, high quality organisation where staff work together to get things done and where there is a commitment to high quality leadership and continuous improvement

The report on the year's achievements is set out under each of the new Three Year Plan strategic aims

## **Responding to Need**

Despite facing significant funding challenges we were able to maintain our national network of housing advice services, assisting almost 16,500 people of which 6,000 were dependent children. Crucially, of the almost 6,000 households facing or experiencing homelessness who sought assistance, we were able to prevent homelessness in 84% of cases, where outcomes were known

Work with people in mortgage and rent arrears continued to be a significant part of our housing advice casework and in addition our face to face debt advice projects assisted over 1,000 new clients during the year. Our Housing Support and Housing Benefit – Income Maximisation services

also assisted a significant number of households in the year with financial gains in excess of half a million pounds

Prison Link Cymru advised over 400 people on release from prison assisting them in finding settled accommodation, a key element in preventing re-offending

### **New projects**

Two new projects were launched during the year with the support of the Big Lottery Fund. The Carmarthen based Cyngor 50+ project aims to advise older people on housing, welfare benefits and debts but crucially also seeks to recruit older people as volunteers who can themselves provide initial advice and support for people in need.

The Wrexham Community Money Advice project offers both advice and support and training for other agencies and volunteers in order to increase knowledge and expertise in this crucial area of work.

A new and innovative project launched in the previous year, *Work it Out*, continued to be funded by the Welsh Government in 2011/12. *Work it Out* is a service aimed at working people and takes housing advice and debt information into the work place with the support of employers and unions. The project is unique and takes information both in terms of advice sessions and intranet links to Advice on Line (see below) to many people who were unaware of such services or who felt they were not eligible to use them.

### **Making services accessible**

With growing demand for advice services and diminishing public expenditure, it is crucial that a range of ways in which to provide people with advice and information are explored. The new projects outlined above are seeking to support and train others to provide advice and help to people in need. But also the use of internet technology is a crucial element in reaching more people.

The Advice on Line resource, which can be accessed through the Shelter Cymru internet, was further improved during the year and linked with email advice. Throughout the period the site received over 80,000 visits.

During the year, foundations were also laid for new innovative services to be developed in the coming period including rural based advice, in conjunction with local authorities, using computer video cameras to directly speak to clients.

More work is scheduled during the coming period to develop further the 'channel shifting' emphasis of our services, including working with Communities 2.0 in the further development of technological opportunities to deliver services, as well as greater use of volunteer staff and the development of triage services to better meet increasing demand.

## **People**

A key element of Shelter Cymru's work during the year was a greater emphasis on engaging people in housing need and people who use our services in all aspects of the organisation's work and planning.

These aims recognise that the most important perspective on the effectiveness or not of services is the people who actually use them, they can also help design more effective services and in some cases help to deliver them. In addition, facilitating people who have actually experienced housing need and homelessness to speak directly to decision makers is the most powerful and effective form of advocacy and campaigning. Finally Shelter Cymru wanted to try and bring people who have experienced the problems we are trying to address, into the heart of the organisation by engaging directly with the strategic direction of the organisation and the Board of Trustees.

### **User engagement panel**

During the year, with Welsh Government funding, we were able to set up the User Engagement Panel which consisted of people who had experienced homelessness and homeless services. The Panel's initial brief was to engage in the consultation exercise over the Welsh Government's Housing White Paper and with Shelter Cymru support they produced a comprehensive response to the homeless proposals in the paper. The consultation exercise also included a session with the Minister for Housing, Regeneration and Heritage as well as a lively session at the Shelter Cymru conference.

In order to achieve our aims of user engagement, with the agreement of the Panel, it has been maintained and refreshed with new members helping with research work and, towards the end of the year, engaging in a 'Mystery Shop' of Shelter Cymru services which will be used as a basis for engagement with the Board of Trustees.

## **Homes**

Much of our work under this heading includes the policy, research and campaigning activities undertaken by Shelter Cymru supporting its aim that everyone in Wales should have a decent, affordable home. Also this section includes the work undertaken to provide information and training to others in order to improve understanding of housing and homelessness issues and to enable people to take action themselves to address housing problems.

### **Housing White Paper**

With the announcement, during the year, that the Welsh Government were committed to introducing a Housing Bill of which a significant component would be new homeless legislation, the focus of the Charity's policy and research work in 2011/12 was clear.

Over the past few years Shelter Cymru had been gathering evidence from the day to day work with people in housing need and developing good practice and policy positions in support of changes to housing and homelessness law that would improve services and opportunities for its direct and indirect beneficiaries.

In the year under review, the consultation over the Housing White Paper provided an opportunity to bring that work together and provide evidence and policy positions for the White Paper working groups and in our final submission to the paper itself.

Importantly, as noted above, we were also able to facilitate a user input into the consultation process.

The Final White Paper reflected a number of key Shelter Cymru positions, particularly a move to more universal homelessness services and a pledge to end intentional homelessness for families with children, issues that Shelter Cymru has been campaigning on for a number of years.

### **Private rented sector**

In addition to the homelessness proposals, a significant amount of work was undertaken on policy options for the private rented sector including a significant input to Welsh Government working groups on the issue. In addition the experiences and outcomes from the Shelter Cymru Empty Homes project, in particular the high profile for the issue achieved in the years running up to 2011/12, was undoubtedly a factor in the launch of the Welsh Government Housing to Homes initiative which provided £5 million of recyclable loans to bring back into use empty properties.

### **Research success**

Our research work is a key element in providing the evidence to support our policy positions and our lobby for fundamental changes to homelessness policy, practice and service culture in Wales

During the year, four major pieces of research work were completed, including the user input into the Housing White Paper response and an investigation of homelessness among BME people in Wales

The year also saw no less than six projects started, including a Welsh Government project to evaluate local authority housing benefit 'mitigation' projects, an evaluation of the Tackling Hate Incident Toolkit and the use of Accessible Housing Registers

### **Alliances**

Shelter Cymru continued to facilitate Homes for All Cymru, the all Wales housing alliance which in turn supports the Welsh Assembly Cross Party Housing Group, jointly serviced with the Chartered Institute of Housing Cymru. During the year, the Group considered issues such as the impact of welfare benefit cuts, possible joint health and housing issues and the provision of more affordable homes

### **Training and events**

Our training and conference service delivered events to 1,100 delegates continuing to inform the housing and voluntary sector of changes to legislation and promoting good policy and practice in the delivery of housing and homelessness services. In this year, many of our in-house courses and events focussed on the changes to housing benefit and the new homelessness code of guidance. Positive feedback from attendees remains high with 99% stating that overall delivery of training courses was between good to excellent

Once again the summer conference, People and Homes 2012, received excellent feedback with a range of speakers from Wales and the UK and Europe, and, with a strong theme of user engagement, the Shelter Cymru User Panel made an important contribution. The Minister for Housing, Regeneration and Heritage gave a keynote speech that outlined both the challenges facing people in Wales who were experiencing homelessness and housing need, and the opportunities afforded by new legislative powers to make a real difference

### **Education**

We continued to deliver the Housemate education resource across schools and youth organisations in Wales, delivering clear messages on how to leave home successfully. The Education service guided the dissemination of Looserville, a new prevention resource and established a new partnership with the Duke of Edinburgh award, resulting in a 'Leaving Home' component being included within the award scheme from 2013

## **Organisation**

The main focus of internal work during the year was to take forward the 'Change Programme' which sought to develop a new impetus in dialogue with staff over ways in which internal processes can be simplified and streamlined and services can be improved

### **Change group and staff developments**

A 'Change Group' was established and a number of developments were introduced or planned. A new Staff review and competency framework was introduced with the aim of simplifying the previous system and improving the quality of the review process. A 'Homeworking' policy was developed for further discussion and similarly an 'Office Rationalisation' programme was developed for consideration

For the first time in a number of years, a staff conference was held which provided opportunities for colleagues from throughout Wales to meet and share ideas and information. Feedback from the conference was very positive.

Management development also continued in 2011/12 with externally facilitated work on change management skills which will be continued in 2012/13. Work also took place on new accountability and feedback processes which will be fully introduced in 2012/13.

All the work on improving internal services and staff development initiatives, along with new service developments as outlined in 'Need' above is overseen by the Quality and Learning Sub-committee, whose remit is to review and identify how the experience of people, both users and staff, can be continually improved.

### **Financial management and infrastructure development**

Improved financial information processes were introduced and new financial procedures were implemented. In addition, work continued to devolve budget management to the appropriate levels in the organisation in order to improve understanding and accountability of budgets and the budgeting process. Central costs services and savings were also improved during the year.

A major development in the year was the successful completion of phase 1 of the new IT strategy which introduced a completely new IT platform for the organisation enabling more effective sharing of information and use of remote access and laying the foundation for further developments which will enhance the capability of our service provision. It is important to acknowledge the excellent working relations we have with DMA, our IT consultants, who helped to implement the strategy.

The Audit Sub-committee (ASC) maintained its quarterly overview of the financial, risk, and health and safety management of the organisation reporting to the Board. Throughout the year the ASC was able to provide positive reports on all aspects of Shelter Cymru's management.

### **Governance and leadership**

Governance and leadership development continued in 2011/12 and included an independent audit of the Board and its governance responsibilities. The audit was very positive and indicated a firm foundation for further development in 2012/13 led by the Governance Development Sub-committee (GDSc).

Further work on Trustee assessment and development policy and practice was identified as a priority for the GDSc in 2012/13 when a new process will be piloted. In addition a new Trustee recruitment campaign will begin, as a result of the work during the year, targeting potential candidates with specific skills and knowledge in order to reinforce the current Board membership.

### **Shelter**

Throughout the year, work continued on improving links and relationships with Shelter, our sister organisation in England and Scotland. This included meetings between the Chairs and Chief Executives to identify areas where greater collaboration will be of mutual benefit to both organisations and our clients.

## **Structure, Governance and Management**

### **The Board and governance developments**

Shelter Cymru (formally registered as 'Welsh Housing Aid Limited') is constituted as a company limited by guarantee and is governed by its Memorandum and Articles of Association

The Board of Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, have overall responsibility for the direction, management and control of the charity. Some of these activities are delegated to sub-committees of the Board and overall operational management is delegated to the Chief Executive and Senior Management Team.

The Board currently has 12 members, out of a maximum of 16. Regular open recruitment programmes are undertaken and applicants are interviewed by the Governance Development Sub-committee and appointed to meet the skills, competencies and experience requirements of the Board. The Trustees may serve two terms of four years before standing down for a minimum of one year.

All new Trustees are given a thorough induction programme and issued with a Trustee's handbook explaining their role and responsibilities as a Trustee. This was reviewed and updated during the year and re-issued to all Board members. All Trustees are also kept up to date with developments through regular bulletins, training where appropriate, attendance at Shelter Cymru events, and are encouraged to visit offices to meet staff and see services in action.

In 2011/12 the Board met on five occasions, with the Audit Sub-committee meeting on four occasions and the Governance Development and Quality & Learning Sub-committees meeting on three occasions. The Officers Group, consisting of the Chair, Vice Chair and Treasurer met a number of times with the Director in between formal Board meetings.

### **Looking Ahead: challenges for 2012/13 and beyond**

- In the face of increasing demand from people in need and diminishing public funding, we will be prioritising new ways of delivering advice and information services to help more people.
- Growing new sources of independent sustainable income will continue to be another key priority for Shelter Cymru. A new Fundraising strategy will be developed in 2012/13 which will identify key areas for investment.
- The new Housing Bill provides significant opportunities to take forward many of the policy positions that support the aims of the organisation to end homelessness and create a more citizen-centred approach to services.
- In the face of growing pressure on services from people in need, and the continued volatility over public funding, it is vital that all staff are engaged in the Change Programme which seeks to continue to streamline services, create efficiencies and provide high quality services.

## **Financial Review**

### **Financial Strategy**

This year represents year one of the Financial Strategy for 2011/14. The Financial Strategy aims to achieve long term financial stability by diversifying income, with a secure base of core services programme funding to cover the key services and generating surpluses, through general fundraising and contract income to invest in core services where full cost recovery can't be achieved, through ensuring efficient use of resources, and to maintain and increase reserves for the future investment by Shelter Cymru. The principles in the strategy have been used to develop the budget each year during this period and it is encouraging that, despite the difficult economic conditions, most targets were achieved.

During the year a new Head of the Strategy and Business Development team was appointed. Work has begun on consolidating existing sources of income and developing new income streams.

### **Financial Performance**

This year has seen significant financial challenges with pressures on funding from all sources, the challenges of meeting the new LSC contract performance targets, and the cost implications of the restructure of the organisation. Despite this, Shelter Cymru was able to maintain its overall income and achieve most budget targets.

The Statement of Financial Activities (SOFA) is set out on page 22 of the financial statements.

Shelter Cymru received incoming resources of £3,825,042 of which £161,573 (4.2%) was spent on generating funds, £3,594,135 (94%) was spent on direct charitable activities, and £5,000 (0.1%) on governance costs. This resulted in net incoming resources of £64,334 (1.7%).

The key results for 2011/12 included:

- fundraising income of £376,560 (comparable with the previous year) which was a very satisfactory outcome in the current economic climate
- Charitable activities income was maintained, despite the difficult economic climate £3.2 million
- interest received reduced slightly to £1,581 because of continuing low base rates
- 98% of all income received was spent on the direct costs of charitable activities

Particular efforts were also made to identify cost savings through efficiency drives to respond to fluctuations in income, and in offsetting the restructure redundancy costs that were provided for. These contributed significantly to Shelter Cymru being able to end the year with general reserve levels in line with its reserve policy.

The outcome for the year was a surplus of £64,334 that increased reserve levels to £642,914.

### **Fundraising**

Whilst 11/12 represented a challenging Welsh fundraising environment, there were a number of notable highlights which lead to the charity's fundraising expectations being met.

The 30<sup>th</sup> Birthday year concluded with an enormously successful concert at St David's Hall in Cardiff featuring our President, Bryn Terfel, Vice Presidents Cerys Matthews and Rebecca Evans and a number of special guests including Only Men Aloud and the Three Welsh Tenors. The Concert was sponsored by our long time supporters Gwalia Housing Association. The evening generated a profit of £30,000 and was broadcast by S4C.

Individuals continued to be very generous through regular and one off donations and throughout Wales there were a number of small third-party events which combined to make a considerable financial contribution in support of our work

We are particularly grateful to the Charitable Trusts that have so generously supported us in the past year and also local Religious Groups and Community Councils whose regular donations throughout the year are so vital to our work. We again were fortunate to receive a number of legacies

The day to day support we receive throughout the year enables Shelter Cymru to maintain its independent voice and particularly supports our Policy and Campaigning work

Our own fundraising events generated considerable attention with a number of highlights during the year

The flagship series of Annual Welsh Art Auctions, which visited London for the first time and which was nearly cancelled in North Wales due to extreme weather conditions, attracted a record number of donated works and achieved a record by selling for in excess of £25,000

The weather played a significant part in our golf-based activities with Junior Golf Championship events being cancelled through snow, Mini Masters events being rained off and the adult golf day being played in 'very difficult conditions'. Nevertheless, significant funds were raised, with the Mini Masters being supported by Swansea based staff of HSBC who kindly produced £4,000 in matched funding, helping the event to raise a record amount

Perhaps the highlight of the year was saved for the very last week when our cyclists rode from Cardiff to Paris, some Paris to Cardiff and three intrepid riders both ways. Always set to be a challenge, the cyclists on the way to Paris faced some of the worst autumn weather on record. While storms caused flooding and structural damage across the UK, they continued on to Paris all arriving safely. The event achieved a profit of over £20,000

To everyone who has contributed over the past year may we say a big thank you. We would in particular like to acknowledge the following donations in excess of £5,000

John Gareth Lee - Deceased	£11,961 40
The Tolkien Trust	£10,000 00
The Jane Hodge Foundation	£5,000 00
Next Plc	£5,000 00

## **Reserves**

Under the requirements of the Statement of Recommended Practice on Accounting and Reporting by Charities 2005, Shelter Cymru segregates its funds into those that are restricted and those that are unrestricted. Further details of these funds and how they are segregated are included in the notes to these accounts

The Trustees, in line with current best practice, review the Reserves policy on a regular basis and this is supported by a Reserves strategy linked to the Strategic Plan 2011/14. When undertaking this review, the Trustees considered the financial impact of those risks identified as part of the ongoing risk management process which is reported to the Audit sub-committee on a quarterly basis

The Reserves policy requires the organisation to hold defined levels of reserves to ensure that ongoing and future activities are reasonably protected from unexpected changes in income and expenditure. The level of reserves required will also fluctuate as the size and operations of the organisation vary.

For 2011/12 the target level was set at £492,000 for general reserves. At the year-end, actual General Reserves were £578,152.

### **Risk Management and Internal Control**

The Trustees have overall responsibility for ensuring that the organisation operates an appropriate system of controls, financial and otherwise, to provide reasonable assurance that

- the Charity is operating efficiently and effectively
- its assets are safeguarded against unauthorised use or disposal
- proper records are maintained and financial information is reliable
- the Charity complies with relevant laws and regulations

The Audit sub-committee is responsible for monitoring the effectiveness of the internal controls and reports on this to the Board. The systems of control operated within Shelter Cymru are designed to provide reasonable assurance against material misstatement or loss. They include

- a three-year strategic plan
- an annual business plan, budget and cash flow forecast
- a system of key performance indicators
- regular consideration by the Trustees of actual results compared with budgets, forecasts and trends, cash flow and reserve levels
- segregation of duties
- a business risk register and systematic process for identifying and managing risks
- regular reviews of financial procedures and delegated authority

The Trustees, in partnership with the Senior Management Team, monitor risk through a formal management process that assesses and attempts to control areas of defined risk. As part of this process, we have instituted policies on internal controls covering

- identification of the risks that Shelter Cymru faces,
- the level of risks materialising,
- the likelihood of these risks materialising,
- our ability to reduce the incidence and impact on the organisation of the risks that do materialise by maintaining adequate levels of reserves, and
- developed key risk indicators to assist with early warning and effective control of potential risks

Shelter Cymru is committed to its risk management processes and Senior Managers and Trustees are continuing to develop and refine risk management and control processes. A new format Risk Register was introduced in 2010/11 and reviewed quarterly by the Trustees.

## **Responsibilities of the Board of Trustees**

The trustees (who are also directors of Shelter Cymru for the purposes of company law) are responsible for preparing the Trustees' Report 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 these financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- 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 adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the 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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **Members of the Board of Trustees**

The Board of Trustees, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 4

In accordance with company law, as the company's directors, we certify that

- So far as we are aware, there is no relevant audit information of which the company's auditors are unaware, and
- As the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information

Approved by the Board of Trustees on 8/3/13 and signed on its behalf by

A handwritten signature in black ink, appearing to read 'John Puzey', written over the printed name.

John Puzey (Secretary)

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
WELSH HOUSING AID LIMITED OPERATING AS SHELTER CYMRU  
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

We have audited the financial statements of Welsh Housing Aid Ltd operating as Shelter Cymru for the year ended 30 September 2012 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

***Respective responsibilities of trustees and auditor***

As explained more fully in the Trustees' Responsibilities Statement, 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. The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly, we have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 (APB'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 Annual Report to identify material inconsistencies with the audited financial statements. 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

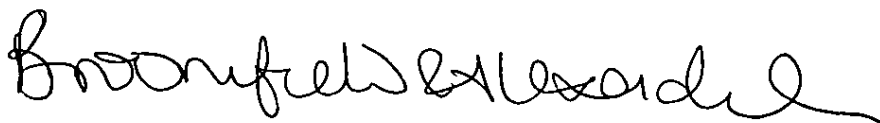
- give a true and fair view of the state of the charitable company's affairs as at 30 September 2012 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
WELSH HOUSING AID LIMITED OPERATING AS SHELTER CYMRU  
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

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

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements,
- the charitable company has not kept adequate accounting records,
- the financial statements are not in agreement with the accounting records and returns, or
- we have not received all the information and explanations we require for our audit



**Broomfield & Alexander Limited**  
***Chartered Accountants and Statutory Auditors***  
Waters Lane Chambers  
Waters Lane  
Newport  
Gwent  
NP20 1LA

Dated 8/3/13

Broomfield & Alexander Ltd is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

**WELSH HOUSING AID LIMITED OPERATING AS SHELTER CYMRU**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2012**

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2012 £	Total Funds 2011 £
<b>INCOMING RESOURCES</b>					
<b>Incoming Resources From Generated Funds</b>					
Voluntary Income	2	501,560	-	501,560	522,664
Investment Income	2	1,581	-	1,581	1,766
<b>Incoming Resources From Charitable Activities</b>	3	<b>1,143,979</b>	<b>2,177,922</b>	<b>3,321,901</b>	<b>3,329,362</b>
<b>Total Incoming Resources</b>		<b><u>1,647,120</u></b>	<b><u>2,177,922</u></b>	<b><u>3,825,042</u></b>	<b><u>3,853,792</u></b>
<b>RESOURCES EXPENDED</b>					
<b>Cost Of Generating Funds</b>					
Costs of Generating Voluntary Income	4	161,573	-	161,573	171,526
Charitable Activities	3	1,416,213	2,177,922	3,594,135	3,754,391
Governance Costs	5	5,000	-	5,000	6,833
<b>Total Resources Expended</b>		<b><u>1,582,786</u></b>	<b><u>2,177,922</u></b>	<b><u>3,760,708</u></b>	<b><u>3,932,750</u></b>
<b>Net Incoming/Outgoing Resources</b>		<b>64,334</b>	<b>-</b>	<b>64,334</b>	<b>(78,958)</b>
Funds Brought Forward at 1 October 2011	15/16	<u>578,580</u>	<u>-</u>	<u>578,580</u>	<u>657,538</u>
Funds Carried Forward at 30 September 2012	16/17	<u>642,914</u>	<u>-</u>	<u>642,914</u>	<u>578,580</u>

The Statement of Financial Activities includes all gains and losses recognised in the year

The notes on pages 25 to 39 form part of the financial statement

**WELSH HOUSING AID LIMITED OPERATING AS SHELTER CYMRU  
BALANCE SHEET AT 30 SEPTEMBER 2012**

	Notes	2012 £	2011 £
<b>FIXED ASSETS</b>			
Tangible Assets	8	80,376	45,987
<b>CURRENT ASSETS</b>			
Stocks and Work-In-Progress	9	225,164	208,698
Debtors	10	421,474	492,558
Cash at Bank and in Hand		521,087	307,820
		<u>1,167,725</u>	<u>1,009,076</u>
<b>CREDITORS</b>			
Amounts Falling Due Within One Year	11	<u>(577,624)</u>	<u>(476,483)</u>
<b>Net Current Assets</b>		<u>590,101</u>	<u>532,593</u>
<b>Total Assets Less Current Liabilities</b>		<u>670,477</u>	<u>578,580</u>
<b>CREDITORS</b>			
Amounts Falling Due After More Than One Year	13	<u>(27,563)</u>	<u>-</u>
		<u>642,914</u>	<u>578,580</u>
<b>CAPITAL &amp; FUNDS</b>			
<b>Unrestricted Funds:-</b>			
General Funds	16/17	578,152	497,329
Designated Funds	16/17	64,762	81,251
<b>Restricted Funds</b>	15/17	-	-
<b>Total Funds</b>		<u>642,914</u>	<u>578,580</u>

For the year in question, the charitable company was entitled to exemption from an audit under section 477 of the Companies Act 2006

The members have not required the charitable company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act

The trustees/directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved by the Board of Directors/Trustees on

8/3/13

Jeff Phillips, Treasurer



The notes on pages 25 to 39 form part of the financial statement

**WELSH HOUSING AID LIMITED OPERATING AS SHELTER CYMRU**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2012**

**1. ACCOUNTING POLICIES**

**Basis of Accounting**

The financial statements have been prepared under the historical cost convention and in accordance with the Charities (Accounts and Reports) Regulations, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (revised 2008), and with the Financial Reporting Standard for Smaller Entities (effective April 2008), and include the results of the activity described in the directors' report, which is continuing

**Cash Flow**

The accounts do not include a cash flow statement because the Charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under FRS 1 "Cash Flow Statements"

**Fund Accounting**

Unrestricted Funds are available for use at the discretion of the directors in furtherance of the general objectives of the Charity and which have not been designated for other purposes

The Trustees have a reserves policy that requires the organisation to hold defined levels of reserves to ensure that ongoing and future activities are reasonably protected from unexpected reductions in income and increases in expenditure (Funds currently earmarked by the Trustees for particular purposes falling in future time periods are set out in note 16)

Restricted funds comprise donations received subject to specific restrictions and grants received in relation to specific housing advice projects

**Incoming Resources**

Restricted funds are included in the Statement of Financial Activities when the Charity is entitled to the income and the income can be quantified with reasonable accuracy

Grant income is accounted for on an accruals basis and shown in the Financial Statements when the Charity earns the unconditional right to funds

Donations and voluntary income are credited to the Financial Statements in the year in which they are received. Legacies are credited to the Financial Statements when there is reasonable assurance to a valuation

Investment income is credited to the Financial Statements when received

**Resources Expended**

Resources expended are included in the Financial Statements on an accruals basis as a liability is incurred, including irrecoverable VAT. The cost of generating funds comprises direct costs directly associated with attracting grant and fundraising income, being the proportion of time spent for direct headcount costs. Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities, being both costs directly attributable and indirect support costs. Governance costs include those costs associated with meeting constitutional and statutory requirements, principally accounting, audit and AGM expenses

Repairs and renewals to rented properties are written off in the period in which they are incurred

**WELSH HOUSING AID LIMITED OPERATING AS SHELTER CYMRU**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2012(Continued)**

**1. ACCOUNTING POLICIES (continued)**

**Tangible Fixed Assets and Depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows

Fixtures & Fittings	15% reducing balance
Computer Equipment	33.5% straight line
Building Improvements	over the period of the lease

Assets below £500 are not capitalised, but included within expenses

The Trustees do not believe that any assets are impaired and do not carry out impairment reviews

**Pensions**

The pension costs charged in the accounts represent the contributions payable by the Charity during the year in accordance with FRS17

**Operating Leases**

Payments made in respect of operating leases are charged to the accounts in the year in which they are paid

**Liabilities Policy**

Liabilities are recognised in the Financial Statements as they become payable

**Netting off of Income and Expenditure**

Income and expenditure are stated gross

**Stock and Work in Progress**

Stock is valued at the lower of cost or market value

Work in Progress is valued at between 80-85% of costs outstanding

**WELSH HOUSING AID LIMITED OPERATING AS SHELTER CYMRU**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2012**

**2. INCOMING RESOURCES FROM GENERATED FUNDS**

	Unrestricted Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
<b>Voluntary Income</b>				
Legacies	-	-	-	47,710
Sale of Goods	132	-	132	2,298
Donations received from individuals, corporate bodies etc	360,120	-	360,120	328,179
Tax refunds	16,308	-	16,308	19,477
Shelter Grant	125,000	-	125,000	125,000
	<u>501,560</u>	<u>-</u>	<u>501,560</u>	<u>522,664</u>
<b>Investment Income</b>				
Bank Interest	1,581	-	1,581	1,766
	<u>1,581</u>	<u>-</u>	<u>1,581</u>	<u>1,766</u>

**3. CHARITABLE ACTIVITIES**

**Income was received for:**

	Unrestricted Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
Housing Services	972,380	1,996,687	2,969,067	2,972,080
Policy & Campaigning	-	63,309	63,309	101,882
Training & Conferences	76,786	113,756	190,542	149,166
Research	94,813	-	94,813	80,570
Other Income	-	4,170	4,170	25,664
	<u>1,143,979</u>	<u>2,177,922</u>	<u>3,321,901</u>	<u>3,329,362</u>

**WELSH HOUSING AID LIMITED OPERATING AS SHELTER CYMRU**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2012**

**3. CHARITABLE ACTIVITIES (continued)**

**Income was provided by:**

	Unrestricted Funds	Restricted Funds	Total 2012 £	Total 2011 £
Big Lottery Fund				
Peer Learning Project	-	-	-	24,875
Valleys Inclusion Project	-	23,278	23,278	111,646
Valleys Inclusion Project-NEW	-	61,970	61,970	-
Email Advice Project	-	15,982	15,982	15,419
Advantage Project	-	57,923	57,923	522
Debt Advice	-	66,807	66,807	-
Bridgend CBC	-	35,810	35,810	35,810
Caerphilly CBC	-	13,364	13,364	14,125
Caerphilly CBC VIP	-	16,447	16,447	6,250
CAIS	-	44,620	44,620	44,620
Carmarthenshire CC	-	5,000	5,000	5,436
Charter Housing	-	23,828	23,828	23,589
City & County of Swansea	-	12,000	12,000	12,300
Ceredigion CC	-	2,220	2,220	-
Children in Need	-	4,721	4,721	-
Denbighshire CC	-	27,157	27,157	29,314
Flintshire CC	-	36,720	36,720	37,470
Flintshire CC Supporting People				
Revenue Grant	-	119,603	119,603	121,606
Gwalia Housing Group	-	33,479	33,479	36,075
Gwynedd CC Supporting People				
Revenue Grant	-	102,358	102,358	97,876
Hafod Housing Association	-	-	-	10,158
Melin Housing Association	-	18,355	18,355	17,856
Oak Foundation	-	-	-	5,080
Powys CC	-	34,000	34,000	34,000
Probation Service – North Wales	-	22,000	22,000	22,000
Probation Service – South Wales	-	7,500	7,500	7,516
Welsh Government – S180 Housing Act	-	972,788	972,788	972,788
Welsh Government - Project Funding	24,500	392,919	417,419	299,328
Wales Council for Voluntary Action	-	4,000	4,000	-
Wrexham CBC	-	-	-	11,397
Other income – Research, training, etc	147,099	23,073	170,172	210,102
<b>Legal Services Commission:</b>				
Legal Aid Certificated income	176,627	-	176,627	161,863
Legal Services Commission Contracts	763,583	-	763,583	833,603
LSC WSSS & Projects	32,170	-	32,170	126,738
	<b>1,143,979</b>	<b>2,177,922</b>	<b>3,321,901</b>	<b>3,329,362</b>

Actual income received from BIG Lottery during the year was VIP Phase 2 £64,134, Advantage £79,986, Wrexham Community Money £81,052, Email Advice £18,833

**WELSH HOUSING AID LIMITED OPERATING AS SHELTER CYMRU**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2012**

**3. CHARITABLE ACTIVITIES (continued)**

**Expenditure on projects**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2012 £</b>	<b>Total 2011 £</b>
Housing Services	1,276,754	1,692,775	2,969,529	2,133,774
Policy & Campaigning	-	307,114	307,114	414,995
Training & Conferences	53,357	79,048	132,405	84,128
Research	69,613	-	69,613	121,494
Strategy & Service Development	-	98,985	98,985	-
IT Designated Reserve	16,489	-	16,489	-
	<u>1,416,213</u>	<u>2,177,922</u>	<u>3,594,135</u>	<u>3,754,391</u>

**Expenditure on projects comprised:**

	<b>Direct cost of activities £</b>	<b>Support costs £</b>	<b>Total 2012 £</b>	<b>Total 2011 £</b>
Housing Services	2,301,562	667,967	2,969,529	2,133,774
Policy & Campaigning	274,442	32,672	307,114	414,995
Training & Conferences	114,254	18,151	132,405	84,128
Research	62,352	7,261	69,613	121,494
Strategy & Services Development	84,464	14,521	98,985	-
IT Designated Reserve	16,489	-	16,489	-
	<u>2,853,563</u>	<u>740,572</u>	<u>3,594,135</u>	<u>3,754,391</u>

**WELSH HOUSING AID LIMITED OPERATING AS SHELTER CYMRU**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2012**

**3. CHARITABLE ACTIVITIES (continued)**

	Basis of Allocation	Housing Services £	Policy & Campaigning £	Training & Conferences £	Research £	Strategy & Services Development £	IT Costs Designated £	Total 2012 £	Total 2011 £
<b>Direct Costs</b>									
Staff Costs	Direct	1,994,654	221,888	77,702	50,106	80,412	-	2,424,762	2,478,251
Staff Training & Welfare	Direct	5,834	868	1,048	229	861	-	8,840	12,457
Staff Costs – Other	Direct	26,280	1,110	1,984	2,081	-	-	31,455	-
Travel	Direct	59,471	12,200	5,327	2,037	2,783	-	81,818	83,041
Other Direct Costs	Direct	104,427	27,313	21,682	2,435	-	-	155,857	155,959
Buildings	Direct	30,927	199	450	72	-	-	31,648	27,388
Office Equipment	Direct	6,802	715	82	-	-	3,914	11,513	18,712
Telephone	Direct	16,036	752	80	304	155	-	17,327	16,226
Other Administration	Direct	47,733	8,612	5,507	4,990	156	-	66,998	57,656
Depreciation	Direct	9,398	785	392	98	97	12,575	23,345	26,103
		<u>2,301,562</u>	<u>274,442</u>	<u>114,254</u>	<u>62,352</u>	<u>84,464</u>	<u>16,489</u>	<u>2,853,563</u>	<u>2,875,793</u>
<b>Support Costs</b>									
Staff Costs	Headcount	162,058	7,927	4,404	1,762	3,523	-	179,674	307,969
Staff Training & Welfare	Headcount	9,656	472	262	105	210	-	10,705	12,154
Staff Costs – Other	Headcount	76,234	3,729	2,072	829	1,657	-	84,521	135,147
Travel	Headcount	3,600	176	98	39	78	-	3,991	9,399
Other Direct Costs	Headcount	-	-	-	-	-	-	-	9,085
Buildings	Headcount	176,451	8,631	4,795	1,918	3,836	-	195,631	202,671
Office Equipment	Headcount	56,259	2,752	1,529	612	1,223	-	62,375	101,607
Telephone	Headcount	87,967	4,303	2,390	956	1,912	-	97,528	87,887
Other Administration	Headcount	90,893	4,445	2,469	987	1,977	-	100,771	10,880
Depreciation	Headcount	4,849	237	132	53	105	-	5,376	1,799
		<u>667,967</u>	<u>32,672</u>	<u>18,151</u>	<u>7,261</u>	<u>14,521</u>	<u>-</u>	<u>740,572</u>	<u>878,598</u>

**WELSH HOUSING AID LIMITED OPERATING AS SHELTER CYMRU**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2012**

**4. COST OF GENERATING FUNDS**

	Unrestricted Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
Staff Costs	65,834	-	65,834	85,656
Staff Training & Welfare	-	-	-	131
Staff Costs - Other	33	-	33	-
Travel	5,004	-	5,004	5,045
Other Direct Costs	67,525	-	67,525	71,052
Office Equipment	59	-	59	-
Telephone	155	-	155	155
Other Administration	8,246	-	8,246	1,706
Depreciation	196	-	196	457
Support Costs Allocated to Activities	14,521	-	14,521	7,324
	<u>161,573</u>	<u>-</u>	<u>161,573</u>	<u>171,526</u>

**5. GOVERNANCE COSTS**

	Unrestricted Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
Audit Fees	5,000	-	5,000	6,833
	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>6,833</u>

**6. STAFF AND TRUSTEE COSTS**

	2012 £	2011 £
Wages & Salaries	2,320,692	2,447,705
Social Security Costs	211,713	229,774
Pension Costs & Life Assurance Costs	141,387	155,898
Restructure Redundancy Costs	77,000	135,148
Agency, Redundancy & Recruitment Costs	40,666	38,496
	<u>2,791,458</u>	<u>3,007,021</u>

**WELSH HOUSING AID LIMITED OPERATING AS SHELTER CYMRU**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2012**

**6. STAFF AND TRUSTEE COSTS (continued)**

	2012 No.	2011 No
Housing Services	92	97
Policy & Campaigning	5	12
Training & Conferences	2	3
Research	1	2
Fundraising	2	2
Infrastructure	6	8
	<u>108</u>	<u>124</u>

	2012 No.	2011 No
Number of employees salaries between £60,000 - £70,000	<u>1</u>	<u>1</u>

**Trustees**

Trustees were not reimbursed for any services in the year

During the year, 9 trustees were reimbursed for travel costs amounting to £2,067 (2011 5 trustees £3,154).

**7. NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS**

	2012 £	2011 £
Audit Remuneration		
- Audit Services	5,000	6,200
- Non Audit Services	225	633
Depreciation of Owned Assets	29,022	28,348
Operating Leases – Land and Buildings	<u>135,657</u>	<u>123,048</u>

**WELSH HOUSING AID LIMITED OPERATING AS SHELTER CYMRU**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2012**

**8. TANGIBLE FIXED ASSETS**

	Building Improvements £	Computer Equipment £	Fixtures & Fittings £	Total £
<b>Cost</b>				
At 1 October 2011	2,273	80,372	37,930	120,575
Additions	-	63,411	-	63,411
Disposals	-	(38,910)	-	(38,910)
At 30 September 2012	<u>2,273</u>	<u>104,873</u>	<u>37,930</u>	<u>145,076</u>
<b>Depreciation</b>				
At 1 October 2011	1,406	64,888	8,294	74,588
Charge for Year	339	24,238	4,445	29,022
Released on Disposal	-	(38,910)	-	(38,910)
At 30 September 2012	<u>1,745</u>	<u>50,216</u>	<u>12,739</u>	<u>64,700</u>
<b>Net Book Value</b>				
At 30 September 2012	<u>528</u>	<u>54,657</u>	<u>25,191</u>	<u>80,376</u>
At 30 September 2011	<u>867</u>	<u>15,484</u>	<u>29,636</u>	<u>45,987</u>

**9. STOCK AND WORK IN PROGRESS**

	2012 £	2011 £
Goods For Resale	2,263	767
Work In Progress – Certificated Income	123,526	111,080
Work In Progress – Legal Help	85,899	96,851
Work In Progress - Research	13,476	-
	<u>225,164</u>	<u>208,698</u>

**WELSH HOUSING AID LIMITED OPERATING AS SHELTER CYMRU**  
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**10. DEBTORS**

	2012 £	2011 £
Trade Debtors	252,011	276,947
Provision for Bad Debts	(8,070)	-
Tax Refund Due	16,309	19,477
Grants Receivable	62,040	115,356
Other Debtors & Prepayments	99,184	80,778
	<u>421,474</u>	<u>492,558</u>

**11. CREDITORS DUE WITHIN ONE YEAR**

	2012 £	2011 £
Bank and Other Loans	16,996	-
Trade Creditors	59,426	44,580
Other Taxes and Social Security	94,035	113,927
Grants Received in Advance and Deferred Grants	262,935	213,339
Other Creditors	29,611	11,792
Accruals	114,621	92,845
	<u>577,624</u>	<u>476,483</u>

**12. GRANTS RECEIVED IN ADVANCE AND DEFERRED GRANTS**

	At 1 October 2011 £	Received in year £	Released to income £	At 30 September 2012 £
Performance Grants Where Services Not Yet Provided	213,339	2,227,518	(2,177,922)	262,935
	<u>213,339</u>	<u>2,227,518</u>	<u>(2,177,922)</u>	<u>262,935</u>

**13. CREDITORS – AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2012 £	2011 £
Bank and Other Loans	27,563	-
	<u>27,563</u>	<u>-</u>

The bank loan is secured by a Debenture over the assets of the Charity

**WELSH HOUSING AID LIMITED OPERATING AS SHELTER CYMRU**  
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**14. ANNUAL COMMITMENTS UNDER NON CANCELLABLE OPERATING LEASES ARE AS FOLLOWS**

	2012		2011	
	Land and buildings	Other	Land and buildings	Other
<i>Operating Leases Which Expire</i>				
Within One Year	23,776	1,817	76,877	-
In One to Two Years	36,500	3,234	9,000	13,202
In Two to Five Years	-	22,842	-	-
	<u>60,276</u>	<u>27,893</u>	<u>85,877</u>	<u>13,202</u>

**WELSH HOUSING AID LIMITED OPERATING AS SHELTER CYMRU**  
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**15. FUNDS**

<b>Restricted Grants</b>	<b>Note</b>	<b>Balance at 1 October 2011 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Balance at 30 September 2012 £</b>
Big Lottery Fund					
Peer Learning Project	6	-	-	-	-
Valleys Inclusion Project	6	-	23,278	(23,278)	-
Valleys Inclusion Project – Phase 2	6	-	61,970	(61,970)	-
Email Advice Project	6	-	15,982	(15,982)	-
Advantage Project	6	-	57,923	(57,923)	-
Debt Advice	6	-	66,807	(66,807)	-
Bridgend CBC	2	-	35,810	(35,810)	-
Caerphilly CBC	2	-	13,364	(13,364)	-
Caerphilly CBC VIP	6	-	16,447	(16,447)	-
CAIS	2	-	44,620	(44,620)	-
Carmarthenshire CC	2	-	5,000	(5,000)	-
Charter Housing	5	-	23,828	(23,828)	-
City & County of Swansea	2	-	12,000	(12,000)	-
Ceredigion CC	2	-	2,220	(2,220)	-
Children in Need	6	-	4,721	(4,721)	-
Denbighshire CC	2	-	27,157	(27,157)	-
Flintshire CC	2	-	36,720	(36,720)	-
Flintshire CC – Supporting People					
Revenue Grant	3	-	119,603	(119,603)	-
Gwalia Housing Group	5	-	33,479	(33,479)	-
Gwynedd CC Supporting People					
Revenue Grant	3	-	102,358	(102,358)	-
Hafod Housing Association		-	-	-	-
Melin Housing Association	5	-	18,355	(18,355)	-
Oak Foundation		-	-	-	-
Powys CC	2	-	34,000	(34,000)	-
Probation Service – North Wales	4	-	22,000	(22,000)	-
Probation Service – South Wales	4	-	7,500	(7,500)	-
Welsh Government – S180 Housing Act	1	-	972,788	(972,788)	-
Welsh Government – Project Funding	1	-	392,919	(392,919)	-
Wales Council for Voluntary Action	6	-	4,000	(4,000)	-
Wrexham CBC		-	-	-	-
Other Income – Research, Training, etc	6	-	23,073	(23,073)	-
		<u>-</u>	<u>2,177,922</u>	<u>(2,177,922)</u>	<u>-</u>

Actual income received from BIG Lottery during the year was VIP Phase 2 £64,134, Advantage £79,986, Wrexham Community Money £81,052, Email Advice £18,833

**WELSH HOUSING AID LIMITED OPERATING AS SHELTER CYMRU  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2012 (Continued)**

**15. FUNDS (continued)**

**Notes To The Restricted Grants**

**Note 1 Specialist Housing Advice Service network**

Funding from the Welsh Assembly Government to cover staff and support costs to provide Housing Advice services throughout Wales

**Note 2 Specialist Housing Advice Services (Local Authorities)**

Funding from Local Authorities to cover staff and support costs to provide Housing Advice services within specific Local Authority areas

**Note 3 Independent Housing Support Services**

Funding from the WAG (Supporting People Revenue Grant) via Local Authorities to cover staff and support costs to provide independent housing support services within specific local authority areas

**Note 4 Housing Advice Services to probation service clients**

Funding from the National Probation Service to cover staff and support costs to provide housing advice services in specific probation service areas

**Note 5 Housing Benefit advice services to tenants of Registered Social Landlords**

Funding from registered social landlords to cover staff and support costs to provide housing benefit advice services to their tenants

**Note 6 Other projects**

Grants from various agencies to fund specific projects

**WELSH HOUSING AID LIMITED OPERATING AS SHELTER CYMRU**  
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**16. MOVEMENT IN UNRESTRICTED FUNDS**

	At 1 October 2011 £	Income £	Expenditure £	Transfers £	At 30 September 2012 £
<b>Designated Funds</b>					
Infrastructure Improvements	81,251	-	(16,489)	-	64,762
	<u>81,251</u>	<u>-</u>	<u>(16,489)</u>	<u>-</u>	<u>64,762</u>
General Fund	497,329	1,647,120	(1,566,297)	-	578,152
	<u>578,580</u>	<u>1,647,120</u>	<u>(1,582,786)</u>	<u>-</u>	<u>642,914</u>

**17. ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS**

	Restricted Funds £	Unrestricted General Funds £	Unrestricted Designated Fund £	Total 2012 £
Tangible Fixed Assets	-	29,540	50,836	80,376
Current Assets	262,935	846,305	58,485	1,167,725
Creditors Amounts Falling Due Within One Year	(262,935)	(297,693)	(16,996)	(577,624)
Creditors Amounts Falling Due After More Than One Year	-	-	(27,563)	(27,563)
	<u>-</u>	<u>578,152</u>	<u>64,762</u>	<u>642,914</u>

**18. PENSION SCHEMES**

The company provided a defined contribution scheme through AEGEON. During the year ended 30 September 2012, employers contributions charged for these schemes amounts to £131,246 (2011 - £155,898). The amount outstanding at the year end was £11,739 (2011 £nil).

**19. LEGACY INCOME**

The charity has been notified of a legacy which has been bequeathed to them. The amount of the legacy is currently uncertain, as is the payment date of the legacy. Therefore, in line with the charity's accounting policy, the legacy has not been recognised in these financial statements.

**20. RELATED PARTY TRANSACTIONS**

During the year Mr I Puzey, the son of Mr J Puzey (Chief Executive Officer), was paid £339 as a casual researcher. The post was advertised and the rate paid was at the same commercial rate as other researchers. Mr J Puzey took no part in the decision making process. The Charity Commission guidance on managing Conflicts of Interest is followed by the Charity.

**WELSH HOUSING AID LIMITED OPERATING AS SHELTER CYMRU  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

**21. CONTINGENT LIABILITY**

The charity are in the process of appealing against a decision by one of its funders to a reduction in funding totalling £91,765 for the year ending April 2012. These financial statements do not reflect a provision as the outcome is uncertain.