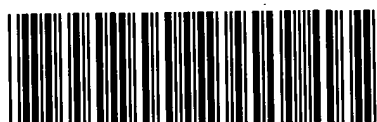


CAIS empowering change
grymuso newid

**Cyngor Alcohol Information Service Ltd
Report and Financial Statements
For year ended 31st March 2015**

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

MONDAY



A20 *A4HVPYJ* #16
12/10/2015
COMPANIES HOUSE

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



<u>Contents</u>	<u>Page</u>
Legal and Administrative Information	1
Report of the Trustees	2
Report of the Independent Auditors'	12
Statement of Financial Activities	13
Balance Sheet	14
Notes to the Financial Statements	15

Legal and Administrative Information

Registered Charity Number:	1039386
Registered Company Number:	2751104 (England & Wales)
Registered Office & Principal Address:	12 Trinity Square, Llandudno, Conwy LL30 2RA
Independent Auditors:	Williams Denton Cyf - Chartered Certified Accountants, 13 Trinity Square, Llandudno, Conwy, LL30 2RB
Bankers:	Barclays Bank Plc, 84 Mostyn Street, Llandudno, LL30 2SH
Honorary Solicitors:	John Owens Solicitors, Unit 13, Ffordd Richard Davies, St Asaph Business Park, St Asaph LL17 0LJ

Directors and Trustees:

The directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The directors serving during the period and since the period end were as follows:

Dr Dafydd A Jones, MDB	(Chairperson)
Robert C Williams	
Lucille M Hughes	
Dr Dyfrig ap Dafydd	
Christine H Dukes	
Veronica Mowat	
Dr Avril Wayte	
Geoffrey P Simpson	
Rev Susan A Stevenson	(Appointed 20 May 2014)
Simon Green	(Appointed 28 May 2014)
Victoria Lindley-Jones	(Appointed 17 December 2014)

No trustee has any beneficial interest in the charitable company. All trustees are members of the company. The Company is limited by guarantee and does not have a share capital. The limit of the members' guarantee is £1 per person.

Company Secretary:

Mr John T Owens

Report of the Trustees

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 2015. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' as revised in March 2005.

Structure, Governance and Management

Governing Document

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

Appointment of Trustees

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

There were three additions to the trusteeship during the year.

Trustee Induction and Training.

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.

Organisational Governance

The governance structure is that of a Board of Trustees, who together with the Company Secretary 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.

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 seven substance misuse 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.

Risk Management

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.

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

Aims and Objectives

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.

Significant Activities

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

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

The Charity has extensive relationships with various partners and stakeholders in the pursuance of its charitable goals and for the benefit of its client group. CAIS actively and collaboratively works with the Welsh Government, Local Health Boards, Local Authorities, Community Drug and Alcohol Services, Area Planning Boards, Department of Work and Pensions primes, 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.

How the Company's Activities Deliver 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 (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.

Achievements and Performance

For the year to 31st March 2015 8,206 referrals were made into the various CAIS services - including mental health, veterans as well substance misuse. 286 of these were unemployed participants accessing the Work Programme and 115 were young people accessing services in Powys.

During the year, CAIS delivered 50 projects covering a diverse range of activities to individuals. Services were provided to clients residing in North Wales, Powys and Pembrokeshire with the exception of Hafan Wen and Ty'n Rodyn whereby a proportion of clients requiring residential detox and rehabilitation were referred from across the UK.

The Third Sector has experienced an increase in competitive tendering in recent years, for which CAIS has responded by developing a strategy of opportunity and diversification. 2014/15 was another year for implementing new contracts, facilities and new regions whilst increasing and developing existing services.

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

Therapeutic Interventions

These are community based interventions that include substance misuse, mental health and dual diagnosis counselling and other therapies. Our substance misuse counselling service enjoyed a 15% improvement in waiting times during the year, following a restructure of the services aimed at delivering in the right place at the right time.

Our Wrexham and Flintshire Therapeutic Interventions Service projects continue to perform well with 768 referrals received during the year and average caseloads of 26.

In partnership with local mental health charities, CAIS continued to provide contract management and delivery of mental health talking therapy services for the Betsi Cadwaladr University Health Board. There were 3,749 referrals during the year, a 44% increase compared to the previous year. This innovative service called Parabl is designed to follow a 'Stepped Care' approach to interventions, including self-help, groups and counselling continues to attract referrals far in excess of those originally anticipated.

Employment Programmes

CAIS has delivered the Rehab JobFit, Work Programme project in North West Wales since October 2012. This is the main DWP unemployment scheme. During 2014/15 CAIS also began delivering the service in Wrexham. During the year CAIS supported some 564 unemployed individuals 206 of whom secured employment.

During the year CAIS was successful in an application for funds to implement and deliver 'Crew-IT', a hospitality and catering training opportunity for service users who are interested in this area of work. The programme provides formal and 'on the job' training and

experience in Porters Coffee Shop and Bistro, Colwyn Bay as well as in the Troop Café (previously known as Caffi CAIS) in Llandudno. During the year there were 24 participants on the programme who; gained 44 qualifications and achieved 5 job outcomes to date. A second year of funding has been secured to enable the project to continue.

Recovery Coaching

This is a service which was set up in August 2014 to provide ongoing support to individuals whose ultimate aim was to become 'work ready'. The service provides advice, guidance, support, training and volunteering opportunities to individuals who have been disadvantaged. As at 31st March 2015 the service had; supported 668 individuals, 180 of whom had been involved in various volunteering projects, 507 were able to evidence that they were attending meaningful activities aimed at helping them to make positive lifestyle changes, 255 had completed satisfaction questionnaires after 3 months detailing how the service had enabled them to move forward, 99 had gained more appropriate accommodation, 252 had completed a training course, 190 had reported an improvement in their physical health and 33 were successful in gaining employment.

Supporting People

CAIS provides 19 supported accommodation projects across 6 counties in North Wales and Pembrokeshire. During the year we had a caseload of 31 clients in supported accommodation. We also delivered several floating support contracts to over 200 clients in their own homes. Residential support is provided in helping people to develop or maintain skills and confidence to live independent, fulfilling lives in a safe and secure environment. Our target occupancy level is to achieve at least 90%. Whilst circumstances are sometimes beyond our control we are pleased to report that occupancy levels exceeded targets, which resulted in zero claw-backs for the year.

Young Persons Services

CAIS delivers a range of young persons' contracts across five counties, to both criminal justice and substance misuse clients. 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! continues to have an important role to play within primary schools of North Wales, promoting 'keepsafe' messages through the medium of performance. During the year 7,472 children attended 161 performances in 62 schools.

Our relatively new scheme, Don't Drink, Think! continues to receive excellent feedback following its first year of delivery. Both programmes receive regular positive testimonials from the schools and we look forward to continuing the good work for many years to come.

Our S180 Young Persons Homelessness Scheme in Wrexham underwent an evaluation as part of an all-Wales, Welsh Government initiative. The findings reported *'The project is a high-cost, high impact scheme which exceeds its performance targets in all areas of operation. Valued by the Local Authority, the project operates with suitable performance management and monitoring procedures'*. During the year 165 drop-in clients were provided with housing advice, with 638 problems dealt with. With the generous support of volunteers our Soup Dragon provided 7,665 meals to individuals in the region - an increase of 12% compared to the previous year.

Tier 4 Residential Services

Hafan Wen is a purpose built detoxification and treatment centre, located on the campus of the Wrexham Maelor District General Hospital. Just over half of the 25 beds are contracted to the North Wales Health Board, which averaged 75% occupancy during the year. Overall occupancy levels of 82% represents a 14% improvement on last year and this continues to increase as CAIS continues to gain framework contracts and promote the services.

Ty'n Rodyn is a mixed residential unit for seven adults who wish to maintain an alcohol/drug free life. It aims to improve the quality of life for residents by providing a safe, supportive environment. Occupancy levels continue to improve, which averaged 88% during the year; an increase of 2% on the previous year.

Volunteering

Two schemes in the Wrexham area employ over 20 volunteers. Averaging 2 hours each per week the notional value is approximately £20,000. Donations help towards catering for the homeless and needy, which the volunteers help to distribute.

During the year, many of the participants registered on the Recovery Coaching Scheme also engaged in volunteering work. Initiatives include restoration work, gardening, cleaning, litter picking and painting. This work attracts positive media coverage and has been welcomed by all within communities across North Wales.

Jigsaw operates solely on the generosity of volunteers and there are over 150 participant members at any one time. We provide regular groups, diversionary activities and family prison visits to people affected by offending and substance misuse.

Armed Forces Veterans

Following the success of various funding applications our Change Step charity commenced delivering services to armed forces veterans during the year. Change Step was officially launched by our patron, Brigadier Gerhard Wheeler CBE on 31st May 2014.

The MoD awarded CAIS funding for a 2-year pan-Wales peer mentoring service, which commenced in February 2014 along with our North Wales Listen-In project for veterans' families. We have teamed up with the DACW consortium to deliver Peer Mentoring in Mid and South Wales to enable a Wales wide peer mentoring service.

We are grateful to Conwy Council who joined the MoD's Community Covenant. This enabled Change Step to apply for Remember Our Heroes funding to integrate veterans and other community members in tidying up war graves and create genealogy web pages. Work commenced in April 2014 and we are proud to report that the number of graves cleared was 1,033 compared to a target of 660. The veterans involved were extremely proud to be part of such a worthwhile project.

The WCVA awarded CAIS' Change Step funding to upskill veteran Peer Mentors through its Volunteering in Wales scheme. The targeted recruitment numbers for mentors and volunteers were exceeded and the WCVA awarded funding for a second year.

We confirm that all grants, including the WCVA grants were spent in accordance with their specified purposes.

Subsidiary Undertakings

Activities and achievements are summarised as follows:

I. CAIS Social Enterprises

2014/15 saw the continued operation of Caffi CAIS in Llandudno and Porters Coffee Shop and Bistro in Colwyn Bay. During the year both trading establishments continued to engage CAIS service users in training and volunteering opportunities. After a disappointing trading season and following the temporary closure of Caffi CAIS over the winter period, the facility was rebranded with a military theme. The re-named 'Troop Café' was officially launched on Friday May 8th 2015 and now includes military memorabilia and other information on offer to its customers. The Troop Café takes its name from a café established for some time in Milwaukee, USA. The Troop Café in Milwaukee was part of the official opening via a skype link. Links will continue to be embraced from both sides of the globe.

II. Living Room Cardiff

Provision of various all-addictions recovery services such as groups, one-to-one therapies, peer mentoring and telephone support take place at the Living Room in Cardiff. During the year a gambling service 'Beat the odds' was developed and will be officially launched on Wednesday 24th June 2015. Other recent developments include a pilot support service for Medics providing on-going aftercare and psychosocial support to General Practitioners in Cardiff and Cynnal, a churches counselling service for clergy, ministers of religion and their families.

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.

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

There was an overall decrease in total funds for 2014/15 of £341,991 to £554,683 due in the main part to the decreased value of the Pension Reserve Fund. The Unrestricted General Reserve increased by £79,167. The movement in funds was affected by the Gwynedd Pension Fund actuarial valuation, which predicts long term future liabilities. The £808,000 pension fund deficit is being addressed through implementing new Local Government Pension Scheme reforms from 1st April 2014 and increasing employee contributions by 3.3% in the coming years.

Principal Funding Sources

CAIS had incoming resources of £6,014,019 which represents an increase of 1.2% from the previous year. This increase represents relatively new contracts becoming more operational such as the Work Programme and Tier 4 framework agreements.

Investment income, derived from deposits, bonds and the Gwynedd Pension revaluation is in deficit by £16,463. This was largely affected by the £34,000 actuarial net pension fund interest cost against expected return on assets.

Donations and fundraising of £5,476 (£3,061 - 2013/14) were from various sources for which CAIS is most grateful for the generosity of those individuals and organisations in assisting the work of the charity.

Subsidiaries

CAIS Social Enterprises Limited was incorporated in 2007 for the purposes of benefiting the charitable objects of CAIS. During 2014/15 it reported an operating loss of £35,155. An operating surplus of £803 was reported in 2013/14.

The loss is due to: -

1. The full cost of providing training and work experience opportunities to CAIS clients; that is, all salaries of those staff involved in delivering the in-house training, supervision and support.
2. All governance costs incurred, i.e. Solicitors' fees, audit costs and bank charges.
3. Volunteer costs (travel and training).

Since the year end, a full review of the method of apportionment for the various costs is underway to ensure that in future, a fairer position will be represented in the accounts, i.e. one that more accurately reflects the support to CAIS in achieving its charitable objectives

The two trading establishments were Caffi CAIS and Porters café/bistro. On Friday 8th May 2015, CAIS Social Enterprises Ltd was very proud to win the Conwy Social Enterprise of the Year Award.

Living Room Cardiff received income of £181,665 during the year, which after operating costs, provided a net surplus of £3,347. CAIS donated £25,000 which was expended against charitable activities. Since becoming part of CAIS in October 2013 we have made a commitment to support Living Room Cardiff whilst sustainable funding is sourced for the longer term.

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

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

Investment Policy

The charitable company has a 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 free of risk.

Reserve Policy

CAIS held an unrestricted reserve fund of £957,308 (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 2.5 months. Although the current level of reserves may prove sufficient, the board recognise the need to improve this to a more conventional minimum level of 3 months. 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.

Plans for Future Developments

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

The Wales European structural funding streams leading up to 2020, will enable clients to be fully supported throughout their programme of engagement with the aim of enabling them to become more economically active within their communities. This has particularly been the aim of our Peer Mentoring, Crew-It and Engagement Gateway schemes; providing opportunities for work experience, education and training, whilst empowering clients to change their lives and gain economic independence. During 2014/15 we have established Recovery Coaching as the forerunner to further developments in this area.

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

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

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

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Cyngor Alcohol Information Service Ltd (CAIS) 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 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 the 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 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.

DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

Williams Denton Cyf (the Charity's current auditor), having completed the audit of the Charity's 2015 financial statements, will not seek reappointment and will therefore cease to hold office at the conclusion of the Annual General Meeting. The Charity will undertake a competitive tender process to appoint an external auditor for 2016 onwards, Williams Denton Cyf have been invited to tender.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD


.....
John T Owens, Company Secretary

8 Sep 2015
.....
Date

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF CYNGOR ALCOHOL INFORMATION SERVICES LIMITED

This report is issued in respect of an audit carried out under section 495 of the Companies Act 2006.

We have audited the financial statements of Cyngor Alcohol Information Services Ltd (CAIS) for the year ended 31 March 2014 which comprise of the Statement of Financial Activities, Balance Sheet and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008).

This report is made solely to the charitable company's members, as a body, in accordance with Section 495 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described in the Statement of Trustees Responsibilities the trustees (who are also the directors of CAIS for the purposes of company law) are responsible for the preparation of the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the charity's financial statements give a true and fair view.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Report of the Trustees is consistent with the financial statements.

In addition, we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if disclosure of trustees' specified by law regarding trustees' remuneration and other transactions is not disclosed.

We read the Report of the Trustees and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, of the state of the charity's affairs as at 31 March 2014, and of its incoming resources and application of resources, including its income and expenditure, in the year then ended; and
- the financial statements have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been properly prepared in accordance with the Companies Act 2006;
- the information given in the Report of the Trustees is consistent with the financial statements.

Mr Martin Barrett (Senior Statutory Auditor)

for and on behalf of Williams Denton Cyf
Chartered Certified Accountants

Statutory Auditors

13 Trinity Square, Llandudno, LL30 2RB

Date 8/4/2015

Statement of Financial Activities (Including the Income & Expenditure Account)

	<u>Notes</u>	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total Year to 31/03/2015</u>	<u>Total Year to 31/03/2014</u>
		£	£	£	£
Incoming Resources					
<i>Incoming resources from generated funds:</i>					
Voluntary income	2	5,476	-	5,476	3,061
Investment income		(16,463)		(16,463)	(17,839)
<i>Incoming resources from charitable activities:</i>					
Residents Income		490,077	-	490,077	461,208
Grants & Contracts	3	5,457,226	-	5,457,226	5,339,911
Other incoming resources:		77,702	-	77,702	154,569
Total Incoming Resources		<u>6,014,019</u>	<u>-</u>	<u>6,014,019</u>	<u>5,940,911</u>
Resources Expended					
<i>Costs of generating funds:</i>					
Fundraising and Publicity		19,613		19,613	46,748
<i>Charitable Activities:</i>					
Operation Costs		5,163,951	112,249	5,276,200	5,065,323
Support Costs		625,788	6,909	632,697	674,135
Governance Costs:		124,500		124,500	87,094
Total Resources Expended	4	<u>5,933,852</u>	<u>119,158</u>	<u>6,053,010</u>	<u>5,873,301</u>
Net Incoming / (Outgoing) Resources Before Transfers	5	80,166	(119,158)	(38,992)	67,611
Transfers				-	-
Net Incoming / (Outgoing) Resources Before other recognised gains/(losses)		80,166	(119,158)	(38,992)	67,611
Pension Scheme Actuarial gains/(losses) on defined benefit schemes	18	(268,000)	-	(268,000)	(21,000)
Net movement in funds		(187,834)	(119,158)	(306,992)	46,611
Total Funds at 31 March 2014		372,141	524,533	896,674	850,063
Total funds at 31 March 2015	13	<u>184,307</u>	<u>405,375</u>	<u>589,682</u>	<u>896,674</u>

There were no recognised gains or losses for 2014/15 other than those included in the Statement of Financial Activities.

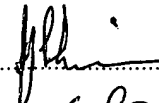
The Statement of Financial Activities includes all gains and losses in the year. All incoming resources and resources expended are derived from continuing activities.

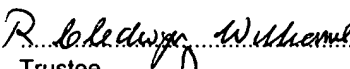
Balance Sheet as at 31 March 2015

	Notes	31/03/2015		31/03/2014	
		£	£	£	£
Fixed Assets					
Tangible Assets	7		760,777		795,294
Investments	8		<u>2</u>		<u>2</u>
			760,779		795,296
Current Assets					
Debtors	9	673,702		1,133,106	
Cash at bank and in hand		<u>1,891,747</u>		<u>1,528,269</u>	
		2,565,449		2,661,375	
Creditors: amounts falling due within one year	10	<u>(1,086,116)</u>		<u>(1,362,821)</u>	
Net Current Assets			<u>1,479,333</u>		<u>1,298,554</u>
Total assets less current liabilities			2,240,112		2,093,850
Creditors: amounts falling due after more than one year	11		(323,400)		(330,000)
Provisions for Liabilities and Charges	12		<u>(519,030)</u>		<u>(361,176)</u>
Total Net Assets before pension liability			1,397,682		1,402,674
Pension Scheme Funding Liability			(808,000)		(506,000)
Total Net Assets after pension deficit			<u><u>589,682</u></u>		<u><u>896,674</u></u>
The Funds of the Charity					
Restricted Funds					
Fixed Assets		227,969		237,835	
Other Restricted Assets		<u>177,406</u>		<u>286,698</u>	
			405,375		524,533
Unrestricted Funds:					
Fixed Assets		532,810		557,461	
Other Charitable Funds		<u>459,497</u>		<u>320,680</u>	
Unrestricted funds Excluding Pension Liability			992,307		878,141
Pension Reserve			(808,000)		(506,000)
Total Funds	13		<u><u>589,682</u></u>		<u><u>896,674</u></u>

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

Approved by the board on 8.12.2015 and signed on its behalf by:


Trustee
Name in print G.P. SIMPSON


Trustee
Name in print ROBERT CLEDWYN WILLIAMS

Notes to the Financial Statements

1. ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

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.

Incoming Resources

Income from service level agreements, grants, fees and rents; including capital grants, is included in incoming resources when these are receivable, except as follows:

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.

Resources Expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT that cannot be recovered.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs for fundraising purposes, including advertising and publicity.

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 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.

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.

Notes to the Financial Statements

Pensions

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.

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.

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

Notes to the Financial Statements

Group Exemption

The financial statements contain information about Cyngor Alcohol Information Services Limited as an individual charitable company and do not contain consolidated financial information as the parent of a group.

2. Voluntary Income

	Unrestricted £	Restricted £	2015 £	2014 £
Private donations	1,766		1,766	76
Labour Party	20		20	-
Eglwys Seilo Llandudno	30		30	-
Bangor Cathedral	56		56	-
Gogledd Ddwyrain	190		190	-
Aico Money	500		500	-
Just Giving	613		613	-
Sionai Ltd	670		670	-
St Asaph Rotary Club	50		50	-
NYE	385		385	-
Llandudno Area Womens Group	30		30	-
Private Donations - Fundraising Activities	946		946	2,378
Ball Packaging Europe	121		121	-
Intuitive Recovery Money	100		100	-
Asda Life	-		-	50
Cartrefi Conwy	-		-	500
Llanfairfechan Church	-		-	58
	<u>5,476</u>	<u>-</u>	<u>5,476</u>	<u>3,061</u>

3. Grants and Contracts

	Unrestricted £	Restricted £	2015 £	2014 £
Welsh Government	178,024	-	178,024	179,077
Supporting People Programme Grant		-		-
Probationary/Prison Services		-		-
Local/Unitary Authorities	1,869,311	-	1,869,311	1,631,969
Health Service	1,435,495	-	1,435,495	1,444,269
WEFO	99,754	-	99,754	857,266
Other	1,874,641	-	1,874,641	1,227,330
Total grants and contracts	<u>5,457,226</u>	<u>-</u>	<u>5,457,226</u>	<u>5,339,911</u>

4. Total Resources Expended

		Charitable Activities				
	<u>Basis of Allocation</u>	<u>Community Services</u>	<u>Residential Services</u>	<u>Governance</u>	<u>2015</u>	<u>2014</u>
		£	£	£	£	£
Costs Directly Allocated to Activities:						
Staff and Associated Costs	Direct & Hours	2,200,535	1,244,994		3,445,529	3,409,111
Accommodation and Property	Direct & Hours	400,698	455,581		856,279	788,193
Subcontracted Services	Direct	499,298	31,131		530,429	399,720
Client Costs & Treatment	Direct	122,903	231,526		354,429	290,336
Advertising and Fundraising	Direct	18,901	712		19,613	46,748
Depreciation	Direct & Hours	16,991	6,667		23,658	29,349
Other Direct Costs	Direct & Hours	27,098	13,779		40,877	63,971
Donation (Subsidiary)	Direct	25,000	-		25,000	84,642
Support Costs Allocated to Activities:						
Staff and Associated Costs	Staff Hours	361,628	144,345	112,237	618,210	525,642
Accommodation and Property	Staff Hours	41,460	16,549	2,816	60,825	125,258
Legal and Professional	Staff Hours	46,067	18,388	8,493	72,947	105,093
Depreciation	Staff Hours	3,045	1,216	954	5,215	5,237
Total Resources Expended		3,763,624	2,164,887	124,500	6,053,010	5,873,301

Notes to the Financial Statements

5. Net Outgoing / Incoming Resources for the Period

This is stated after charging	<u>2015</u>	<u>2014</u>
	£	£
Auditors' remuneration - audit	9,045	8,938
- non-audit	-	-
Operating lease rentals		
Land and buildings	110,686	101,246
Other - Vehicles	11,875	9,260
Trustee remuneration		
Trustee expenses	4,693	6,914

6. Staff Costs and Numbers

	<u>2015</u>	<u>2014</u>
	£	£
Wages and salaries	3,060,251	2,944,425
Social security costs	262,960	240,443
Pension costs	118,495	97,085
IAS19 pension valuation adjustment	12,000	16,000
	<u>3,453,706</u>	<u>3,297,953</u>

Employees with earnings more than £60,000 were as follows:

	<u>2015</u>	<u>2014</u>
£60,001-£70,001	1	2
£70,001 +	0	0

The average number of employees (full time equivalent) during the period, was as follows:

	<u>2015</u>	<u>2014</u>
Average number of staff during the year	166	148
Governance (including Chief Officers)	2	2
	<u>168</u>	<u>149</u>

The trustees of CAIS received no remuneration from the charity. Trustees received reimbursement for expenses incurred in the year, which amounted to £4,693 for this period.

Notes to the Financial Statements

7. Tangible Fixed Assets	Freehold land & buildings	Fixtures & Equipment	Motor Vehicles	Total
	£	£	£	£
<u>Cost or valuation:</u>				
At 1 April 2014	894,321	399,686	103,673	1,397,679
Additions		956		956
Disposal				-
At 31 March 2015	<u>894,321</u>	<u>400,642</u>	<u>103,673</u>	<u>1,398,635</u>
<u>Depreciation:</u>				
At 1 April 2014	145,782	356,832	99,771	602,386
Charge for the period	17,482	14,090	3,901	35,472
Disposals				-
At 31 March 2015	<u>163,264</u>	<u>370,922</u>	<u>103,672</u>	<u>637,858</u>
<u>Net book value:</u>				
At 31 March 2014	748,538	42,854	3,902	795,294
At 31 March 2015	<u>731,057</u>	<u>29,720</u>	<u>0</u>	<u>760,777</u>

8. Investments

Shares in Subsidiary Undertakings

The Charity has a 100% controlling interest in each of the following subsidiary companies. These subsidiaries were incorporated in England and Wales to carry out activities that would benefit the purposes of the Charity.

<u>Name</u>	<u>Managed by</u>	<u>Ownership</u>	<u>Status during the year</u>
CAIS Soical Enterprises Ltd	CAIS	£1 share	Ongoing trading activities
The Jigsaw Organisation Ltd	CAIS	£1 share	Dormant
Living Room Cardiff Ltd	CAIS/LRC	Sole member	Ongoing charitable activities

The financial affairs of CAIS Social Enterprise Limited were:

	<u>2015</u>	<u>2014</u>
	£	£
Opening Capital and Reserves	(5,705)	(6,508)
Profit/(Loss) for the year	(35,155)	803
Closing Capital and Reserves	<u>(40,860)</u>	<u>(5,705)</u>

Jigsaw operated under CAIS' restricted reserves during the year (see overleaf).

The financial affairs of Living Room Cardiff were:

	<u>2015</u>	<u>2014</u>
	£	£
Opening Capital and Reserves	24,135	18,182
Surplus/(Deficit) for the year	3,348	5,953
Closing Capital and Reserves	<u>27,483</u>	<u>24,135</u>

9. Debtors

	<u>2015</u>	<u>2014</u>
	£	£
Operating Debtors	389,889	776,101
Accrued Income	140,294	258,297
Prepayments and other debtors	24,761	13,689
Intercompany subsidiary	118,759	85,018
	<u>673,702</u>	<u>1,133,106</u>

Notes to the Financial Statements

10. Creditors: Amounts Falling Due Within One Year:	2015 £	2014 £
Taxation and social security	69,823	85,321
Accruals and deferred income	901,615	1,103,712
Operating creditors	112,140	173,052
Other creditors	2,538	736
	<u>1,086,116</u>	<u>1,362,821</u>

11. Creditors: Amounts Falling Due More Than One Year:	2015 £	2014 £
Deferred income (Capital Grants)	<u>323,400</u>	<u>330,000</u>
Deferred income from Wrexham County Borough Council for the purchase of Grove Park House.		

12. Provisions for Liabilities and Charges	2015 £	2014 £
Provision for claw-back on ILM projects	21,122	21,122
Provision for claw-back on Training Programme	52,472	64,807
Provision for claw-back Breakfast Club		1,622
Provision for Grove Park House Refurbishment Contingency		18,609
Provision for Reception area and Tool Shed at the DAWN Centre		5,380
Provision for Storage Unit at Station Court		3,000
Provision for Restructuring		6,385
Provision for Recovery Coaching	163,500	55,000
Provision for Beat the Odds (New Venture)	10,000	50,000
Provision for Work Programme (Wrexham)		21,250
Provision for Living Room Cardiff Operating Costs	45,000	99,000
Provision for CAIS Social Enterprise Operating Costs	15,000	15,000
Provision for redundancies - SP Projects	45,681	
Provision for redundancies - Work programme	23,071	
Provision for costs associated with CJIW merger	9,450	
Provision for development of CJIW Farm training programme	35,000	
Provision for Jigsaw costs	25,000	
Provision for development of Assistive Technology	30,000	
Provision for Green Dragon / PQASSO costs	38,734	
Provision for costs associated with online charity shop	5,000	
	<u>519,030</u>	<u>361,175</u>

13. Analysis of the Movement in Funds

	At 01/04/2014 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31/03/2015 £
Restricted Funds:					
Community Funded Dawn Centre	180,123		(4,811)		175,312
SMAT Funded Dawn Centre	53,359		(1,154)		52,206
CAMRE Bursary Fund / APB	210,582		(33,176)		177,406
WATCH Funded Outreach Vehicle	451				451
The Big Lottery Fund	62,813		(62,813)		(0)
Conwy SMAT Mini Bus	3,902		(3,902)		
Service User Group (LINK)	2,295		(2,295)		
All Wales Service User Movement	156		(156)		
Jigsaw Organisation - Service User Fund	4,075		(4,075)		
Jigsaw Organisation - Diversionary Activities	6,777		(6,777)		
	<u>524,533</u>		<u>(119,158)</u>		<u>405,375</u>
Unrestricted Funds:					
General Fund	860,141	6,036,019	(5,914,445)		981,715
Designated Funds:					
- Donation for Volunteering	8,000		(7,408)		592
- Research Work	10,000				10,000
- Pension Reserve	(506,000)	(290,000)	(12,000)		(808,000)
	<u>372,141</u>	<u>5,746,019</u>	<u>(5,933,853)</u>		<u>184,307</u>
Total Funds	<u>896,674</u>	<u>5,746,019</u>	<u>(6,053,011)</u>		<u>589,682</u>

Notes to the Financial Statements

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.

WATCH Funded Outreach Vehicle

In March 2010, Wrexham Action Trust for the Homelessness (WATCH) donated funds for a new outreach vehicle. This enabled the Soup Dragon project to continue, which is part of our S180 Young Persons Homelessness Scheme.

Purposes of the Designated Fund

Donation for Volunteering

The St Asaph Diocesan donated this fund in 2006 to help towards volunteers expenses. Our families and carers service (FFACT), which is assisted by volunteers, has been drawing down this funding during 2014/15 for helpline support.

Research Work

This is a grant received from the Lloyds TSB Foundation in 2006, which was to assist with research work alongside the Community Link project. Although the Project was abandoned at the time, it is expected to be expended in the near future.

14. Analysis of Net Assets Between Funds

	<u>Tangible Fixed Assets</u> £	<u>Net Current Assets</u> £	<u>Creditors more than One Year</u> £	<u>Total</u> £
Restricted Funds:				
Community Funded Dawn Centre	175,312			175,312
SMAT Funded Dawn Centre	52,206			52,206
CAMRE Bursary Fund		177,406		177,406
WATCH Funded Outreach Vehicle	451			451
The Big Lottery Fund		(0)		(0)
Conwy SMAT Mini Bus				
Service User Group (LINK)				
All Wales Service User Movement				
North Wales Service User Fund				
Jigsaw (Wrex / Flint)				
	227,969	177,406		405,375
General Fund	532,810	1,291,335	(323,400)	1,500,745
Contingency for liabilities and charges			(519,030)	(519,030)
Designated Funds		10,592		10,592
Designated - Pension Liability			(808,000)	(808,000)
Total Funds	760,779	1,479,333	(1,650,430)	589,682

Notes to the Financial Statements

15. Taxation

The charitable company is exempt from corporation tax on its charitable activities. No tax charges have arisen in the Charity during the year.

16. Operating Lease Commitments

At 31 March 2015 the charity had annual commitments under non-cancellable operating leases set out below :-

	<u>2015</u> £	<u>2014</u> £
Operating leases which expire:		
<i>Land & Buildings</i>		
Within one year	58,229	42,844
Between one and two years	26,000	28,976
Between two and five years	3,333	29,248
<i>Other Leases</i>		
Within one year		8,968
Between one and two years	12,845	8,968
Between two and five years	2,269	2,269

17. Related Parties

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 2014/15 except ones involving the subsidiary undertakings detailed as follows:

During the year, the following transactions took place with our subsidiary, CAIS Social Enterprises (CSE):
- Loan advances to CSE £35,000 (Inter Company Balance 2013: £80,017)

On 7th October 2013 Living Room Cardiff became a subsidiary undertaking of CAIS. There were no shares issued because Living Room Cardiff is a charity and company limited by guarantee. CAIS became the sole member and thus has the controlling interest in the charity. During the year, CAIS donated £25,000 in support of Living Room Cardiff's all-addictions services.

Notes to the Financial Statements

18. Pension Scheme

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. The service cost in the year was £66,000 (£81,000 in 2013/14).

The latest triennial actuarial valuation of the Fund was carried out by Hymans Robertson as at 31 March 2014. They are a qualified independent actuary and have carried out the annual interim valuation as at 31 March 2015. The financial assumptions used by the actuary were as follows:

Financial Assumptions.

	<u>31-Mar-15</u>	<u>31-Mar-14</u>	<u>31-Mar-13</u>
Pension Increase Rate	2.40%	2.80%	2.80%
Salary Increase Rate	4.30%	4.60% *	5.10% **
Discount Rate	3.20%	4.30%	4.50%

* Salary increases are assumed to be 1% p.a. until 31 March 2016, reverting to the long term assumption shown thereafter. **

Mortality

Life expectancy is based on VitaCurves assumptions, with long term improvements already peaked, converging at 1.25% pa, the average life expectancy at age 65 is as follows:

	<u>Males</u>		<u>Females</u>	
	<u>31-Mar-15</u>	<u>31-Mar-14</u>	<u>31-Mar-15</u>	<u>31-Mar-14</u>
Current Pensioners (Years)	22.0	22.0	24.0	24.0
Future Pensioners (Years)*	24.4	24.4	26.6	26.6

* Assumes members aged 45 as at the last formal valuation date.

Please note that the mortality assumptions have been changed since the previous accounting period.

Commutation

An allowance is included for future retirements to elect to take 50% of the maximum additional tax-free cash up to HMRC limits for pre-April 2008 service and 75% of the maximum tax-free cash for post-April 2008 service.

Notes to the Financial Statements

Pension Scheme continued.....

Change in the Fair Value of Plan Assets, Defined Benefit Obligation and Net Liability for the Year end 31 March 2014.

Period ended 31 March 2015	Assets	Obligations	Net (Liability)/ Asset
£(000s)	£(000s)	£(000s)	£(000s)
Opening Position as at 31 March 2014			
Fair value of employer assets	2,127		2,127
Present value of funded liabilities		2,633	(2,633)
Present value of unfunded liabilities			
Opening Position as at 31 March 2014	2,127	2,633	(506)
Service cost			
- Current service cost*		66	(66)
- Past service cost (including curtailments)			
- Effect of settlements			
Total service cost		66	(66)
Net interest			
- Interest income on plan assets	90		90
- Interest cost on defined benefit obligation		112	(112)
- Impact of asset ceiling on net interest			
Total net interest	90	112	(22)
Total defined benefit cost recognised in Profit or (Loss)	90	178	(88)
Cashflows			
- Plan participants' contributions	18	18	
- Employer contributions	54		54
- Contributions in respect of unfunded benefits			
- Benefits paid	(158)	(158)	
- Unfunded benefits paid			
Expected closing position	2,131	2,671	(540)
Remeasurements			
- Change in demographic assumptions			
- Change in financial assumptions		443	(443)
- Other experience		(8)	8
- Changes in asset ceiling	167		167
Total remeasurements recognised in Other			
Comprehensive Income (OCI)	167	435	(268)
Exchange differences			
Effect of business combinations and disposals			
Fair value of employer assets	2,298		2,298
Present value of funded liabilities		3,106	(3,106)
Present value of unfunded liabilities			
Closing position as at 31 March 2015	2,298	3,106	(808)

* The current service cost includes an allowance for administration expenses of 0.5% of payroll.

Information about the Defined Benefit Obligation

	Liability Split		Duration
	£000's	Percentage	
Active members	2,542	81.80%	18.1
Deferred members	414	13.30%	22.8
Pensioner members	151	4.90%	11.9
Total	3,107	100.00%	18.4

Above are funded obligations only. Durations are effective as at previous valuation, 31 March 2014

Notes to the Financial Statements

Pension Scheme continued.....

Change in the Fair Value of Plan Assets, Defined Benefit Obligation and Net Liability for year end 31 March 2014

<u>Period ended 31 March 2014</u>	<u>Assets</u> £(000s)	<u>Obligations</u> £(000s)	<u>Net (Liability)/ Asset</u> £(000s)
Opening Position as at 31 March 2013			
Fair value of employer assets	2,007		2,007
Present value of funded liabilities		2,456	(2,456)
Opening Position as at 31 March 2013	2,007	2,456	(449)
Service cost			
- Current service cost*		81	(81)
- Past service cost (including curtailments)			
- Effect of settlements			
Total service cost		81	(81)
Net interest			
- Interest income on plan assets	92		92
- Interest cost on defined benefit obligation		112	(112)
- Impact of asset ceiling on net Interest			
Total net interest	92	112	(20)
Total defined benefit cost recognised in Profit or (Loss)	92	193	(101)
Cashflows			
- Plan participants' contributions	22	22	
- Employer contributions	65		65
- Contributions in respect of unfunded benefits			
- Benefits paid	(21)	(21)	
- Unfunded benefits paid			
Expected closing position	2,165	2,650	(485)
Remeasurements			
- Change in demographic assumptions		31	(31)
- Change in financial assumptions		80	(80)
- Other experience		(128)	128
- Return on assets excluding amounts included in net Interest	(38)		(38)
- Changes in asset ceiling			
Total remeasurements recognised in Other			
Total remeasurements recognised in Other Comprehensive Income (OCI)	(38)	(17)	(21)
Exchange differences			
Effect of business combinations and disposals			
Fair value of employer assets	2,127		2,127
Present value of funded liabilities		2,633	(2,633)
Present value of unfunded liabilities			
Closing position as at 31 March 2014	2,127	2,633	(506)

* The current service cost includes an allowance for administration expenses of 0.5% of payroll.

Please see previous years' report from for history greater than 1 year