

LLAMAU LIMITED

A company limited by guarantee

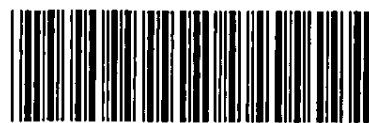
Report and Financial Statements

Year Ended 31 March 2008

Charity Number 701772

Company Number 2396224

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**LLAMAU LIMITED
COMPANY LIMITED BY GUARANTEE**

**FINANCIAL STATEMENTS
Year Ended 31 March 2008**

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**LLAMAU LIMITED
COMPANY LIMITED BY GUARANTEE**

**TRUSTEES ANNUAL REPORT
Year Ended 31 March 2008**

The trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2008

Reference and administrative details

Charity Number	701772	
Company Number	2396224	
Registered Office	23 Cathedral Road, Cardiff, CF11 9HA	
Auditors	HWCA Limited	24 Gold Tops, Newport, NP20 4PG
Bankers	Co-Operative Bank Plc	PO Box 75, The Hayes, Cardiff, CF10 1SW
	Anglo Irish Bank Corporation Plc	10 Old Jewry, London, EC2 8DN
	CAF	25 Kings Hill Avenue, Kings Hill West Malling, Kent, ME19 4TA
Solicitors	Passmores	21 Tynewydd Road, Barry, Vale of Glamorgan, CF62 8HB
	Loosemores	18/19 High Street, Cardiff, CF10 1PT
	Eversheds	1 Callaghan Square, Cardiff, CF10 5BT

Directors and Trustees

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

The trustees serving throughout the year and since the year end were as follows

Chair	Ms Tamsin Stirling	
Vice Chair	Dr Jim Wright Angela Gascoigne	Resigned June 2007
Treasurer	Ms Carol Ravenscroft	
Trustees	Mr Alun Bull Mr John Hewings Mr Grenville Holmes Ms Shelagh Iles Mr Steve James Ms Helen John Mr John Hughes Reverend Terry Flynn	Resigned October 2007 Sabbatical May 2008 – November 2008 Resigned May 2008
Secretary and Chief Executive	Ms Frances J Beecher	

LLAMAU LIMITED COMPANY LIMITED BY GUARANTEE

**TRUSTEES ANNUAL REPORT (*continued*)
Year Ended 31 March 2008**

Structure, Governance and Management

Governing Document

Llamau Limited is a company limited by guarantee governed by its Memorandum and Articles of Association dated 19th June 1989. Llamau Limited is also a charity registered with the Charity Commission.

Appointment of trustees

As set out in the Articles of Association the Chair, Vice Chair, Treasurer and Company Secretary are elected by the Trustees. The collective name for the trustees is the Board of Trustees. The Board of Trustees have the power to co-opt up to two further members in any one year.

All members are circulated with invitations to nominate trustees prior to the AGM advising them of retiring trustees and requesting nominations for the AGM. A target of three new members of the Board of Trustees is set in each three year period to foster renewal. When considering co-opting trustees, the Board of Trustees has regard for any specialist skills needed.

All Trustees are selected on the basis of their skills and experience and the contribution they can make to the organisations long term governance. In addition to this all Trustees (as with all employees) hold an enhanced CRB, due to the nature and environment in which Llamau operate. During the past financial year the trustees recognised Llamau would benefit from additional strategic experience and backgrounds with particular regard to Women and Youth Offending issues and as a result a new trustee with experience in Women's Issues is due to join the board in 2008.

Trustee induction and training

All new trustees undergo an induction programme, which includes if appropriate

- A visit to the Cardiff central office to meet with the Chief Executive, Operational Director, Director of Central Services, Heads of Section and Managers,
- Site visits to area offices,
- Induction and governance guidance via Llamau's comprehensive induction pack for trustees, and,
- Any other training which may have been highlighted in the skills audit,

In addition all trustees now undertake an online governance committee training programme within six months of starting as committee member.

Following the AGM each year a skills audit is carried out by the Chair and Chief Executive. This seeks to identify any training needs for existing trustees and highlight any future skills required of potential new members. As part of good practice all trustees are encouraged to renew their skills every three years by undertaking recommended training. An induction pack is given to new trustees, which includes policy and procedures such as Declaration of Interest, Equal Opportunities and Confidentiality, in addition to this, all new Trustees are issued with a Financial Governance pack which ensures that they are aware of the responsibility they have for overseeing the organisations finances.

Organisation

The board of trustees, which can have up to 15 members, administers the Charity. The board meet every six to eight weeks and there is a finance sub group which meets on a regular basis. A Chief Executive is appointed by the trustees to manage the day to day operations of the Charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and operational activity within the organisation.

LLAMAU LIMITED COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*
Year Ended 31 March 2008

Related parties

The Charity receives funding from The Wright Trust, one of whose trustees was the Vice-Chairs of Llamau until June 2007. The Wright Trust provided grant funding to the Charity this financial year in the sum of £41,011 (2007 £40,354)

These interests have been declared and signed in the Trustees Declaration of Interests pro-forma as required under Llamau's code of governance

Risk Management

The Leadership and Support Team are currently working on Llamau's risk management strategy. Part of the Chief Executive's delegated authority is to ensure that the Charity has adequate policies and procedures in place to mitigate any potential risk.

The trustees are confident that these policies and procedures are in place and are all working well and, that there is a regular review period as well as adequate staff consultation.

Objectives and activities

Llamau's principal activity is to promote the welfare and well being of people in need in the South Wales area by assisting them to meet their holistic needs in the areas of accommodation, advice, advocacy, education, training, counselling and the reduction and prevention of offending.

Llamau's overall mission is that

No young person, or woman, whatever their problems and background, will be without a comprehensive and holistic package of support, until they are truly capable of sustaining an independent and acceptable lifestyle within their chosen community.

Llamau fulfils that mission by

- seeking to prevent homelessness wherever possible,
- achieving the full potential of service users,
- delivering the highest quality of support possible,
- ensuring organisational systems are open and transparent to all stake holders, and,
- being a fit for purpose organisation

In each Local Authority area of operation, Llamau tries to develop an interlinked 'holistic' range of services, a continuum of provision, from addressing street homelessness through to long term sustainable independent living. Llamau does so quite simply because it is what the Charity's service users state they need and because providing a full range of provision works, preventing people falling through the net and allowing them to retry if certain services are not right for them at any one time. This is one of the benefits of being a voluntary sector charitable organisation. Llamau has the freedom to work innovatively as compared with the statutory sector which is often constrained to working with specific client groups in specific ways.

Llamau therefore

- seeks to resolve any immediate homelessness,
- defines the problems that have resulted in homelessness,
- re-establishes positive family contact where appropriate,
- works to reintegrate the young people with their families where appropriate,
- supports its service users to develop living skills,
- works with service users supporting them to independence,
- ensures service users are getting the statutory service support and financial assistance to which they are entitled,

LLAMAU LIMITED COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)* Year Ended 31 March 2008

- encourages and motivates service users to take up education, training and work,
- provides bonds in the Vale of Glamorgan,
- provides Young Persons Advisors to 'look after' young people in the Vale of Glamorgan, and,
- offers those not ready for mainstream training, our own unique Learning 4 Life service

Achievements and performance

Llamau's strategic Away Day is part of the annual business planning. At the 2007 'Away day' it was agreed that as an organisation Llamau needed to continue to emphasise that the organisation and the work undertaken proved that investing in Llamau was sound, balanced, exciting and worthwhile, and needed to be continued and further developed. Strategically it was agreed that again Llamau would over the next three years

- recognise the problems with Supporting People funding, maximise its potential but mitigate against its risks,
- aim to be a market leader in Best Practice, Service Delivery and Innovation,
- aim to develop alternative funding streams and partners,
- position the organisation to be well placed for new opportunities and,
- ensure the organisation keeps an eye on the bigger picture, politically and economically

The review identified some key short term targets in furtherance of the charity's objectives, these being

- further develop financial information including working towards full cost recovery,
- strategically link financial information to Llamau's fundraising strategy,
- to look at ways of further evaluating Board Members performance,
- to organise a Board Members meeting to discuss performance contributions and governance,
- further development of qualitative and quantitative long term outcome monitoring in terms of distance travelled,
- to continue to expand the whole range of services beyond historical areas of operation, aiming to achieve a steady increase in the provision of services, ensuring they are prudently affordable and,
- to increase charitable income (non-governmental) by at least 4 % during the following financial year

Llamau performed extremely well against the short term targets set at the prior year's away day

Llamau further developed its financial information and has strategically linked in fundraising with finance

Llamau has continued to be recognised as market leaders and were awarded the 2007 Cymorth Homelessness Innovation Award. Llamau were also highly commended runners up in five other categories

Whilst Llamau was successful in increasing new charitable income by 2.56% the organisation lost a further 1.49% in funding that had finished. This demonstrates the difficulty Llamau experiences on a yearly basis

Llamau has further developed its outcome monitoring systems and is currently working towards a Knowledge Transfer Partnership bid (KTP) with the University of Wales Institute Cardiff to further review and academically analyse its monitoring

Llamau can now amalgamate its databases' statistical information including hard and soft outcomes, distance travelled for each service user, alongside annual evaluation of services by stakeholders, service users and staff, which will give a comprehensive overall evaluation, enabling Llamau to demonstrate clearly how it has achieved project aims and objectives with specific outcomes

LLAMAU LIMITED COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)* Year Ended 31 March 2008

Llamau's comprehensive annual evaluation and comparison of previous years enable the organisation to evidence trends and gaps in provision, which impact on future development of services, whether that is redefining projects or the development of new ones. Good practise and positive outcomes can be identified and extended across the organisation.

During 2007-08, Llamau housed and/or supported 870 service users, provided housing related advice to an additional 1,162 people and issued 106 bonds. Within our mediation services we provided family mediation to 639 young people and their families with an average 63% remain/return home rate.

During 2007-08 Llamau had an increase in the number of positive/neutral outcomes to an all time high of 90% (neutral outcomes ensure a true representation of the excellent support and work achieved with individual service users regardless of move-on).

We expanded our range of services by

- Developing a new 12 unit project in partnership with Monmouthshire Supporting People Team, Youth Offending Team and Social Services. The project named CHYPS (Crisis Housing & Young People's Support) provides a service for young people being supported by Monmouthshire Aftercare Team and Youth Offending Team. The aim is to provide housing crisis related intervention and support to young people, supporting them through the homelessness systems and agencies in the Monmouthshire area, and to advocate on their behalf when dealing with these agencies and systems,
- The development of a new Young Person's Advisor (YPA) service in Caerphilly. Recruitment is now complete and we have two new Advisors and a Team Leader who co-ordinates the service in Caerphilly and the Vale of Glamorgan,
- Opening two new mediation projects, within Monmouthshire in August 2007 and Neath Port Talbot in February 2008 and,
- We were successful in obtaining Comic Relief Funding to develop specialist Mental Health Services for 16/17 year olds across the Bro Taf Health Authority.

Financial Review

The net unrestricted incoming resources for the year from operating activities amount to £263,217 (2007 £500,809). The surplus was a target set by the trustees to enable the charity to build up its levels of available reserves in accordance with the reserves policy. The trustees were also aware of the possible cuts in some of the Charity's funding during the 2007/08 financial year and wished to have the necessary level of reserves to maintain the current level of service.

The surplus on restricted funds related to the depreciation charge for those fixed assets funded by specific grants. This charge reduces the level of those grants which will be written off at the same time as the related assets are written off. The full details of all restricted funds can be found in Note 13 to the financial statements.

Investment Powers and Policy

Under the Memorandum and Articles of Association, the Charity has the power to invest in any way the trustees wish, in furtherance of the Charity's principal activity.

The trustees, having regard to the liquidity requirements of the charity have operated a policy of keeping surplus cash balances as liquid as possible and any surplus balances will be invested in fixed term deposit accounts.

The invested funds held on deposit achieved an average rate of 5.98% against the retail prices measure of inflation for the year to March 2008 of 4.13%.

**LLAMAU LIMITED
COMPANY LIMITED BY GUARANTEE****TRUSTEES ANNUAL REPORT** *(continued)*
Year Ended 31 March 2008**Reserves Policy**

The trustees have established a level of available reserves (that is those funds that are freely available) to ensure uninterrupted service delivery that the charity ought to meet should the charity's funding levels fall, or be deferred and/or to meet employment obligations

The reserves level has been established at three months running costs, although it is the trustees' wishes that Llamau build this level up to the equivalent of six months running costs over time, which ties in with recommended good practice from the Charity Commission. At the balance sheet date, three months running costs equated to £1,516,435, the level of available reserves equalled £1,586,868

The available reserves figure is the level of unrestricted reserves, less the amounts invested in fixed assets and designated reserves. The 2007-08 surplus was budgeted for in anticipation of the forecast cuts in statutory funding over the next few years. With this in mind, the trustees agreed to set aside a designated fund of £243,110 for 2008-09 as a contribution towards a cost of living award to its employees and to aid towards the running costs of our Learning 4 Life section

Plans for the future

At this year's 'Away Day' the trustees together with the senior management team assessed the previous year's performance against the organisations business plan and focused on the main priorities and plans for the charities future. At this year's away day the main outcome from these discussions was the recognition that we had reached a cross-roads in our future and that the key strategic target for 2008 would be to review our current identity and strategy as a Charity and achieve a business planning support partnership to consider Llamau's position

Llamau's over arching concern is to ensure long term financial viability rather than continue to be wholly dependant on the vagaries of government priorities and available pots of funding. Llamau is working towards the development of financial security that would allow us to continue to develop, create and provide innovative support and homeless prevention services which we can then hone, improve and perfect

**LLAMAU LIMITED
COMPANY LIMITED BY GUARANTEE**

TRUSTEES ANNUAL REPORT *(continued)*
Year Ended 31 March 2008

Trustees Responsibilities in relation to the financial statements

The trustees are responsible for preparing 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 affairs of the charity at the end of the year and of the incoming and outgoing resources for the year then ended

In preparing those financial statements, the trustees are required to select suitable accounting policies and then apply them consistently, making judgements and estimates that are reasonable and prudent. The trustees must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 1985. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

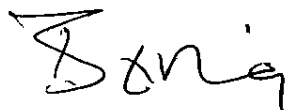
In accordance with company law, as the company's directors, we certify that

- 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 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

Auditors

HWCA Limited have expressed their willingness to continue in office as auditors and in accordance with section 384 of the Companies Act 1985 a resolution proposing their re-appointment will be submitted at the annual general meeting

Signed by order of the trustees



Ms Tamsin Stirling
Chair

Approved by trustees on

260608

**LLAMAU LIMITED
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LLAMAU LIMITED
Year Ended 31 March 2008**

We have audited the financial statements of Llamau Limited for the year ended 31 March 2008 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity's members 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 company and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Trustees and Auditors

As described in the Statement of Trustees Responsibilities the trustees (who also act as directors of Llamau Limited 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).

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 are properly prepared in accordance with the Companies Act 1985. We also report to you, if in our opinion, the Trustees Annual Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding remuneration of the trustees and other transactions is not disclosed.

We read the Trustees Annual Report 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 charity'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.

**LLAMAU LIMITED
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LLAMAU LIMITED *(continued)*
Year Ended 31 March 2008**

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable charity's affairs as at 31 March 2008 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Trustees Annual Report is consistent with the financial statements

HWCA Limited

**HWCA LIMITED
Chartered Accountants
& Registered Auditors**
Pagefield House
24 Gold Tops
Newport
South Wales
NP20 4PG

Approved by Auditors

26 June 2008

**LLAMAU LIMITED
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES
Year Ended 31 March 2008**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2008 £	Total Funds 2007 £
INCOMING RESOURCES					
Incoming Resources from Generated Funds:					
Voluntary Income		3,220	18,548	21,768	-
Investment Income		100,153	-	100,153	67,116
Incoming Resources from Charitable Activities.					
	2	4,997,624	1,222,495	6,220,119	5,860,559
TOTAL INCOMING RESOURCES		5,100,997	1,241,043	6,342,040	5,927,675
RESOURCES EXPENDED					
Charitable activities:					
Costs in furtherance of charitable objects	3	4,785,434	1,227,959	6,013,393	5,389,021
Governance costs	5	52,346	-	52,346	30,523
TOTAL RESOURCES EXPENDED	6	4,837,780	1,227,959	6,065,739	5,419,544
NET INCOMING/(OUTGOING) RESOURCES FOR THE YEAR					
	7	263,217	13,084	276,301	508,131
Total funds brought forward		1,732,580	38,845	1,771,425	1,263,294
Total funds carried forward		1,995,797	51,929	2,047,726	1,771,425

The charity has no recognised gains or losses other than the results for the year as set out above

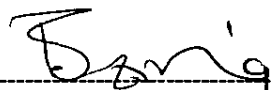
All of the activities of the charity are classed as continuing

**LLAMAU LIMITED
COMPANY LIMITED BY GUARANTEE**

**BALANCE SHEET
AT 31 March 2008**

		2008		2007
		£	£	£
FIXED ASSETS				
Tangible assets	8		171,810	184,741
CURRENT ASSETS				
Debtors	9	248,915		252,094
Cash at bank and in hand		1,978,186		1,605,826
		<u>2,227,101</u>		<u>1,857,920</u>
CREDITORS: Amounts falling due within one year	10	<u>(351,185)</u>		<u>(271,236)</u>
NET CURRENT ASSETS			<u>1,875,916</u>	1,586,684
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,047,726</u>	<u>1,771,425</u>
NET ASSETS			<u>2,047,726</u>	<u>1,771,425</u>
FUNDS				
Unrestricted				
Designated funds	12		243,110	128,000
Other charitable funds			1,752,687	1,604,580
Restricted	13		51,929	38,845
TOTAL FUNDS			<u>2,047,726</u>	<u>1,771,425</u>

These financial statements were approved by the members of the committee on the 26th June 2008 and are signed on their behalf by



Ms Tamsin Stirling - Chair



Ms C Ravenscroft - Treasurer

LLAMAU LIMITED
COMPANY LIMITED BY GUARANTEE

CASH FLOW STATEMENT
Year Ended 31 March 2008

	2008	2007
	£	£
NET CASH INFLOW FROM INCOMING RESOURCES		514,854
Returns on investments and servicing of finance		
Interest received	104,811	52,416
Interest paid	-	-
	<u>104,811</u>	<u>52,416</u>
Investing Activities		
Payments to acquire fixed assets	(31,060)	(50,950)
Proceeds from sale of fixed assets	250	-
Financing Loans		
Loans repaid	-	(74,163)
Increase in cash and cash equivalents	<u>372,360</u>	<u>442,157</u>

NOTE 1 – RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2008	2007
	£	£
Operating surplus	276,301	508,131
Interest received	(104,811)	(52,416)
Interest paid	-	-
Depreciation charges	43,741	42,749
(Increase)/Decrease in debtors	3,179	(64,095)
Increase/(Decrease) in creditors	79,949	80,485
Net cash inflow from operating activities	<u>298,359</u>	<u>514,854</u>

NOTE 2 – RECONCILIATION OF NET CASHFLOW TO MOVEMENT IN DEBT

	2008	2007
	£	£
Increase in cash	372,360	442,157
Cash outflow from decrease in debt	-	74,163
Change in net debt from cash flows	<u>372,360</u>	<u>516,320</u>
b/f from previous year	1,605,826	1,089,506
Movement in net debt in year	<u>1,978,186</u>	<u>1,605,826</u>

NOTE 3 – ANALYSIS OF CHANGES IN NET DEBT

	01/04/07	Cash flows	31/03/08
Cash in Bank and in hand	1,605,826	372,360	1,978,186
Loans	-	-	-
Change in Net Debt	<u>1,605,826</u>	<u>372,360</u>	<u>1,978,186</u>
	01/04/06	Cash flows	31/03/07
Cash in Bank and in hand	1,163,669	442,157	1,605,826
Loans	(74,163)	74,163	-
Change in Net Debt	<u>1,089,506</u>	<u>516,320</u>	<u>1,605,826</u>

**LLAMAU LIMITED
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS
Year Ended 31 March 2008**

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) and the Companies Act 1985

Incoming resources

Grants

Grants are included on a receivable basis. Those given for a specific purpose are shown as restricted funds. All other grants are shown as unrestricted and used in the furtherance of the objectives of the charity. This includes Supporting People Revenue Grant, which has been classified as unrestricted by the donor, the Welsh Assembly Government. This grant is given to enable the Charity to meet the needs of service users in supported housing projects allowing them to live independently and maintain a tenancy. Grant income is deferred where the income is provided for a period, which differs from the accounting period of the charity.

Voluntary Income

Donations and similar incoming resources are recognised when they are received. Any donations in kind are included as income at a fair value. Donated time by volunteers is not included.

Taxation

As a registered charity, the charity is not liable to income or corporation tax on its primary purpose trading income.

Designated funds

The trustees may designate funds from time to time for purposes they deem appropriate.

Resources expended

Costs of charitable activities include the direct costs of running the facilities and providing staff for the various projects. Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Charity to the expenditure as described in FRS5 and FRS12. As the Charity is not registered for VAT all tax suffered is included as part of the relevant expense.

Governance costs are the costs associated with the governance of the Charity as opposed to the costs associated with charitable activities. Such costs include legal fees for Trustees, audit and accountancy fees, staff time spent arranging Trustee meetings and other costs associated with constitutional and statutory requirements.

Operating Leases

The rentals under the terms of the operating leases are charged on a straight line basis over the lease term.

Pension Costs

The Charity makes payment to defined contribution schemes for the benefit of its employees. The assets of such schemes are held separately from those of the charitable company in independently administered funds. The pension costs charge represents contribution payable by the Charity during the year.

**LLAMAU LIMITED
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS
Year Ended 31 March 2008**

Fixed Assets

All tangible fixed assets are capitalised on initial acquisition and included in the balance sheet at cost. They include costs that are directly attributable to bringing the assets into working condition for their intended use.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	2% Straight Line
Office Equipment	20% Straight Line
Fixtures and Fittings	25% Straight Line
Motor Vehicles	25% Straight Line
Information Technology Equipment	33% Straight Line

2. GRANTS AND OTHER FUNDING

	Unrestricted Funds	Restricted Funds	Total Funds 2008	Total Funds 2007
	£	£	£	£
Big Lottery Fund	-	-	-	14,240
Big Lottery Fund - Bridging the Gap	-	182,525	182,525	105,490
Big Lottery Fund - Make it Happen	-	5,000	5,000	-
Bond income	-	9,028	9,028	10,306
Boston Foundation	14,454	-	14,454	-
Comic Relief	-	6,238	6,238	-
Community Safety	-	-	-	29,900
Cymorth CCYPS	-	26,131	26,131	-
Cymorth NCYPS	-	15,000	15,000	14,490
Cymorth TDG	-	43,644	43,644	46,122
Equitable Trust	-	-	-	10,000
Esmee Fairbairn Trust	-	10,417	10,417	25,000
Gateway	-	6,275	6,275	3,545
GAVO	-	-	-	3,000
John Lewis Partnership	-	10,000	10,000	-
LA Mediation	-	84,564	84,564	83,881
Lankelly Foundation	-	-	-	9,000
Oak Foundation	-	92,549	92,549	-
Rent & Service Charges	1,371,707	-	1,371,707	1,304,366
Section 180	-	87,043	87,043	123,446
Social Services	-	296,793	296,793	217,504
Supporting People Grant	-	8,198	8,198	-
Supporting People Revenue Grant	3,197,806	-	3,197,806	3,123,453
Tenancy Support Schemes	377,843	-	377,843	411,744
The Arts Council for Wales	-	-	-	3,200
The Henry Smith Charity	-	-	-	15,000
The Wright Trust	-	41,011	41,011	40,354
Volant Charitable Trust	-	-	-	10,000
WAG S180	-	252,499	252,499	164,846
Youth Offending Team	-	45,580	45,580	67,669
Other Income	35,814	-	35,814	24,003
	<u>4,997,624</u>	<u>1,222,495</u>	<u>6,220,119</u>	<u>5,860,559</u>

**LLAMAU LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
Year Ended 31 March 2008**

3 COSTS IN FURTHERANCE OF CHARITABLE OBJECTS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2008 £	Total Funds 2007 £
Staff salary costs	3,660,026	1,106,873	4,766,899	4,232,054
Staff training	51,165	2,854	54,019	42,767
Rent, rates, light and heat, insurance and cleaning	218,368	25,819	244,187	249,714
Telephone, advertising, stationery, postage, printing, office costs	179,740	7,652	187,392	160,731
Repairs, renewals and maintenance	111,957	3,367	115,324	86,438
Travel and subsistence	76,648	12,286	88,934	69,876
HA Management charges	431,013		431,013	412,494
Other costs	21,950	59,934	81,884	92,198
Re-apportionment of costs	-	-	-	-
Depreciation	34,567	9,174	43,741	42,749
	<u>4,785,434</u>	<u>1,227,959</u>	<u>6,013,393</u>	<u>5,389,021</u>

4. COSTS OF CHARITABLE ACTIVITIES

	Activities Undertaken Directly £	Support Costs £	Total Funds 2008 £	Total Funds 2007 £
Charitable activity costs	<u>5,545,476</u>	<u>467,917</u>	<u>6,013,393</u>	<u>5,389,021</u>

5. GOVERNANCE COSTS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2008 £	Total Funds 2007 £
Salaries	19,652	-	19,652	16,000
Accountancy fees	-	-	-	-
Audit fees	8,636	-	8,636	8,636
Audit fee re prior year	-	-	-	559
AGM/ Annual report costs	24,058	-	24,058	5,328
	<u>52,346</u>	<u>-</u>	<u>52,346</u>	<u>30,523</u>

6 TOTAL RESOURCES EXPENDED

	Staff costs £	Depreciation £	Other costs £	Total Funds 2008 £	Total Funds 2007 £
Direct charitable expenditure	4,766,899	43,741	1,202,753	6,013,393	5,389,021
Governance costs	19,652	-	32,694	52,346	30,523
	<u>4,786,551</u>	<u>43,741</u>	<u>1,235,447</u>	<u>6,065,739</u>	<u>5,419,544</u>

**LLAMAU LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
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The aggregate payroll costs were:

	2008	2007
	£	£
Wages and salaries	4,111,557	3,675,330
Social security costs	397,588	331,521
Pension costs	277,406	241,203
	<u>4,786,551</u>	<u>4,248,054</u>

None of the Trustees received any remuneration for their services and did not claim any expenses. No one employee earned more than £60,000 in this financial year.

Pension defined contribution scheme

The Charity makes payments to a defined contribution schemes for the benefit of its employees. The assets of such schemes are held separately from those of the charitable company in independently administered funds.

	2008	2007
	£	£
Pension costs	277,406	241,203
Outstanding contributions	28,456	25,662

Particulars of employees

The average number of full time equivalent staff employed by the charity during the financial year amounted to

	2008	2007
	No	No
Management and administration staff	26	21
Service staff	149	143
	<u>175</u>	<u>164</u>

7 OPERATING SURPLUS

Operating surplus is stated after charging

	2008	2007
	£	£
Staff pension contributions	277,406	241,203
Depreciation	43,741	42,749
Auditors' remuneration		
- as auditors	8,636	9,195
- for other services	-	-
	<u>-</u>	<u>-</u>

**LLAMAU LIMITED
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS
Year Ended 31 March 2008**

8 TANGIBLE FIXED ASSETS

	Freehold property £	Equipment £	Fixtures & fittings £	Motor vehicles £	IT equipment £	Total £
COST						
At 1 April 2007	115,000	182,337	146,179	11,960	40,430	495,906
Additions	–	–	10,896	–	20,164	31,060
Disposals	–	141,054	83,037	5,850	–	229,941
At 31 March 2008	115,000	41,283	74,038	6,110	60,594	297,025
DEPRECIATION						
At 1 April 2007	7,667	166,323	128,255	4,490	4,430	311,165
Disposals	–	141,054	83,037	5,600	–	229,691
Charge for the year	2,300	7,839	11,323	4,165	18,114	43,741
At 31 March 2008	9,967	33,108	56,541	3,055	22,544	125,215
NET BOOK VALUE						
At 31 March 2008	105,033	8,175	17,497	3,055	38,050	171,810
At 31 March 2007	107,333	16,014	17,924	7,470	36,000	184,741

9. DEBTORS

	2008 £	2007 £
Rent debtors	69,237	92,916
Grant debtors	126,242	82,566
Prepayments	53,436	76,612
	248,915	252,094

10. CREDITORS: Amounts falling due within one year

	2008 £	2007 £
Trade creditors	49,707	68,731
PAYE and social security	118,771	104,033
Payroll and pension creditors	76,160	61,054
Deferred Income and accruals	106,547	37,418
	351,185	271,236

**LLAMAU LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
Year Ended 31 March 2008**

11 LEASE COMMITMENTS

	2008 £	2007 £
Due < 1 year		
Property	118,641	109,539
Van	2,519	
Photocopiers	15,189	6,274
	<u>136,349</u>	<u>115,813</u>
 Due 2 – 5 years		
Property	450,732	391,766
Van	7,348	
Photocopiers	53,048	16,022
	<u>511,128</u>	<u>407,788</u>
 Due > 5 years		
Property	271,743	320,859
Van	-	-
Photocopiers	-	-
	<u>271,743</u>	<u>320,859</u>

Properties

Llamau currently lease five properties within South Wales. The office lease in Newport expires in 2012, the properties in Caerphilly and the Vale of Glamorgan have been reviewed in the past year and have been re-leased for a further six year period until 2013, whilst the two offices in Cardiff have leases which expire in 2016.

Van

A lease on a van has been taken out in the past financial year for the maintenance worker within Llamau.

Photocopiers

Llamau currently lease eight photocopiers, all of which are leased over five years.

12. DESIGNATED FUNDS

	2008 £	2007 £
Funds B/fwd	128,000	120,000
Utilised In Year	(128,000)	(120,000)
Transferred from other unrestricted	243,110	128,000
	<u>243,110</u>	<u>128,000</u>
Funds C/fwd		

During 2008-09 a designated fund of £104,508 has been created to provide a cost of living award for staff salaries and a designated fund of £138,602 has been created for the Learning 4 Life project.

**LLAMAU LIMITED
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS
Year Ended 31 March 2008**

13. RESTRICTED FUNDS

	Balance at 1 Apr 2007	Movement in resources:		Balance at 31 Mar 2008
		Incoming	Outgoing & Transfers	
	£	£	£	£
Big Lottery Fund – Bridging the Gap	4,563	182,525	181,965	5,123
Big Lottery Fund – Make it Happen	–	5,000	4,707	293
Bond Income	–	9,028	9,028	–
Capital Asset Funding	2,959	–	2,959	–
Comic Relief	–	6,238	3,964	2,274
Community Against Drugs	1,333	–	1,333	–
Cymorth CCYPS	–	26,131	–	26,131
Cymorth NCYPS	–	15,000	15,000	–
Cymorth TDG	–	43,644	43,644	–
Voluntary Income	–	18,548	16,583	1,965
Esmee Fairbairn Trust	–	10,417	10,417	–
Furniture and Fittings Grant	2,599	–	2,599	–
Gateway	–	6,275	6,275	–
GAVO	2,850	–	2,850	–
John Lewis Partnership	–	10,000	10,000	–
Mediation	–	84,564	84,564	–
Oak Foundation	–	92,549	92,549	–
Other Income	1,001	–	1,001	–
Section 180	17,500	87,043	104,543	–
Social Services	–	296,793	286,393	10,400
Supporting People Grant	–	8,198	8,198	–
The Arts Council for Wales	1,165	–	297	868
The Wright Trust	–	41,011	41,011	–
The Wright Trust (Fundraising)	4,875	–	–	4,875
WAG S180	–	252,499	252,499	–
Youth Offending Team	–	45,580	45,580	–
	38,845	1,241,043	1,227,959	51,929

Big Lottery

We were awarded a Lottery grant in 2006/07, under the 'Bridging the Gap' funding stream, this grant is being used to set and fund a project called Emphasis, working across three local authorities, Newport, Caerphilly and Torfaen, working with young people between the ages of 14 – 19 years, who are either homeless or facing the real possibility of homelessness. The 'Make it Happen' funding stream was awarded to the Emphasis team to provide funding for projects, activities and equipment that make a difference to the lives of 10–19 year olds in Wales.

Capital Asset Funding

This fund represents grants received to fund the purchase of office and other equipment. This grant will be written back to revenue over the life of the asset in line with the depreciation charge.

Comic Relief

We were successful in obtaining Comic Relief Funding to develop specialist Mental Health Services for 16-17 year olds across the Bro Taf Health Authority.

Cymorth Grant – CCYPS & NCYPS

This funding was awarded to promote and implement programmes to increase opportunity for children, young people and their families by providing child care, social, educational and health facilities in Newport and Cardiff.

**LLAMAU LIMITED
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS
Year Ended 31 March 2008**

Cymorth Grant – TDG

This grant was awarded under a pilot scheme to our Learning 4 Life Project for pre-vocational training

Esmee Fairbairn Trust

Grant awarded to the Learning 4 Life Project to help towards the employment of a Training and Development worker

Furniture and Fittings Grant

This funding was provided to assist homeless people to buy furniture where no other grant was available

Gateway

Attendance and travel allowance for service users who attend the Learning 4 Life Project

John Lewis Partnership

This funding was given to assist in the running of the Learning 4 Life Project

Oak Foundation

The Oak Foundation Ltd approved a 2 year grant for our project 'Meeting the Needs of Homeless Young People through a Partnership with Local Authorities' The service consists of family mediation, information and education and ongoing resettlement support

S180

Grant for Voluntary Sector Homelessness Schemes within specific Local Authority areas

Social Services

Grants to assist the Local Authorities in their duty to safeguard and promote the welfare of children and young people who are in need

The Arts Council for Wales

Capital Grant awarded to purchase media equipment for the use in our Learning 4 Life project

The Wright Trust

This grant was awarded to aid the running costs and fund a part-time administrative worker within our Housing Options Project

The Wright Trust (Fundraising)

The Wright Trust Money which was given via the Wright Trust to cover any expenses associated with the development and subsequent activities of the fundraising group

WAG S180

Grant awarded to two projects for providing family mediation workers Grant awarded to JIGSO and HOPs to provide housing related advice and support to people who are homeless or threatened with homelessness

Youth Offending Team (YOT)

Funding towards the running costs of two Cardiff projects, this enables YOT to have sole access to certain projects There is also an element of funding from one of our support workers who is on secondment with Caerphilly YOT

WAG Mediation

Grants awarded to provide mediation services in Torfaen, Monmouth and Caerphilly to contribute towards the staffing of mediation workers

**LLAMAU LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
Year Ended 31 March 2008**

14 ANALYSIS OF NET ASSETS (between restricted and unrestricted funds)

	Tangible fixed assets	Other net assets	Total
	£	£	£
Big Lottery Fund – Bridging the Gap	5,123	–	5,123
Big Lottery Fund – Make it Happen	–	293	293
Comic Relief	–	2,274	2,274
Cymorth CCYPF	–	26,131	26,131
Voluntary Income	–	1,965	1,965
Social Services	–	10,400	10,400
The Arts Council for Wales	868	–	868
The Wright Trust (Fundraising)	–	4,875	4,875
Restricted Funds	<u>5,991</u>	<u>45,938</u>	<u>51,929</u>
Unrestricted Funds	<u>165,819</u>	<u>1,829,978</u>	<u>1,995,797</u>
Total	<u>171,810</u>	<u>1,875,916</u>	<u>2,047,726</u>

15. RELATED PARTY TRANSACTIONS

One of the Trustees J Wright, provided grant funding from the Wright Trust amounting to £41,011 (2007 £40,354) The funding provided this year is restricted to the HOPS Project to fund one of the workers These interests have been declared and signed in the Trustees declaration of interests pro-forma as required under Llamau's Code of Governance J Wright also provided £4,875 for the fundraising group

16 COMPANY LIMITED BY GUARANTEE

The Charity is a company limited by guarantee with no share capital

