

**Cyngor Alcohol Information Services Limited**

(A company limited by guarantee)

**Report and Financial Statements**

**For the Year Ended 31 March 2006**

Company number 2751104  
Charity number 1039386



**Cyngor Alcohol Information Services Limited**

**For the Year Ended 31 March 2006**

**Contents**

	<b>Page</b>
Trustees' Report	1
<i>Independent Auditors' Report</i>	7
Statement of Financial Activities	8
Balance Sheet	9
Notes	10

**Report of the Trustees  
For the Year Ended 31 March 2006**

The trustees are pleased to present their report together with the financial statements of the charity for the year ended 31st March 2006.

**Reference and Administrative Details**

Charity Number : 1039386

Company Number: 2751104

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: National Westminster Bank Plc  
62 Mostyn Street, Llandudno, LL30 2SN

Honorary Solicitors: J Owens  
Hanover House, The Roe, St Asaph

**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 (Chairman)  
Paul Braid FIMI  
Rev Evan R Lloyd-Jones  
Robert C Williams  
Edward R Jones (Resigned 24/02/06 )  
Lucille M Hughes  
Anne L Roberts DL OBE  
Michael F Tonkin (Appointed 05/05/05)

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:**

A D White

**Director General:**

On 1<sup>st</sup> April 2005 Mr Aneurin Owen was appointed Director General. As the senior management person he has the delegated powers to carry out those policies, which are set by the board and reports to the Trustees at regular board meetings.

**Report of the Trustees**

**For the Year Ended 31 March 2006**

**Structure, Governance and Management**

Governing Document

CAIS is a charity, number 1039386, which registered under its current name on 12 July 1994. The organisation has been a charity since 1976 and was previously called Clwyd and Gwynedd Council on Alcoholism. It is also a company limited by guarantee, Number 02751104, not having a share capital and incorporated on 28 September 1992. It is regulated by its Memorandum and Articles of Association as amended most recently on 20 July 2004.

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 shall be considered and voted on at the next meeting of the Board. Membership of the Company shall be open to any person resident within Wales. In accordance with the Articles of Association of the Company all Directors and Trustees appointed under Article 35 retire from office and, being eligible, offer themselves up for re-election.

Trustee Induction and Training

Members are invited to receive the same level of induction and training as employees, which allows them to carry out their duties in good faith. In execution of these duties every member shall be entitled to be indemnified out of the assets of the Company against costs, losses claims, actions or other liabilities suffered.

Organisation

The organisational structure is that of a Board of Trustees who set the Charity's policies, with a Company Secretary/Secretary to the Board. The Articles state that the board membership shall be the Chairperson, Vice Chairpersons and Finance Officer along with the members that are elected at the Annual General Meeting and members co-opted by the Board. The organisational structure and a description of the decision-making processes within the Charity have been provided to the Charity Commission as part of the Commission's review of CAIS in September 2003.

**Report of the Trustees**

**For the Year Ended 31 March 2006**

**Related Parties**

CAIS actively and collaboratively works with the Welsh Assembly Government, the National Health Service, the Probation Service, North Wales Police, the various North Wales Social Services Departments, HM Prison Service, the Employment Service, University of Wales Bangor, the Duke of Edinburgh's Award, NACRO, The Prince's Trust and SOVA. All transactions between these parties are carried out on a full commercial basis.

**Risk Management**

All CAIS developments are subject to proven financial control. Service need is assessed and careful financial planning occurs at monthly meetings between senior managers and the finance team. Each new project is assessed on its merit and CAIS has successfully avoided becoming a project-driven Charitable Company. Service Level Agreements, service contracts or funding is in place before activity begins. Staff employed within "time limited" projects are placed on specific task contracts.

The board have assessed the relevant major risks to which the Charitable Company is exposed, i.e. financial control, investment arrangements and reserves, and are satisfied that systems are in place to mitigate exposure to these risks.

**Objectives and Activities**

CAIS is the main voluntary sector provider of drug and alcohol services in Wales.

The objects of the Charity are the relief and treatment of persons suffering from problems caused by alcohol or drug misuse; the prevention of alcohol and drug problems through the provision of treatment units, education and training for professionals and volunteers in the field, and the advancement of the education of the public about the incidence and effects on society of the use and abuse of and dependence upon alcohol or drugs within Wales and the Marches.

The Charity's' main objectives for the year were to continue enhancing the quality of existing work whilst seeking to expand further services across Wales. The Charity has extensive relationships with other related parties and organisations in the pursuance of its charitable goals and for the benefit of its client group.

Furthermore during the year CAIS and WGADA (West Glamorgan Alcohol and Drug Agency) were engaged in a series of meetings to explore possible joint working relationships. Both Companies are Limited by Guarantee and have Charitable Status.

The Finance, Performance & General Purposes Committee of the Board meets four times a year ahead of Board meetings when matters are discussed in detail and recommendations are taken forward to Board meetings. Management continues to benefit from closer working links with Board members and being able to call on their vast experience in many matters.

CAIS' activities have again focused on the needs of individuals, and will continue to do so.

Report of the Trustees

For the Year Ended 31 March 2006

**Achievements and Performance**

For the 14th year running, CAIS has delivered more service than ever before, spanning 17 identified services and employing an average of 124 staff throughout the year. In this year 3,184 referrals have been received, with a further 950 referrals being received by the CAIS-managed DAWN project and 293 by the CAIS-managed HM Prison Service TSS contract. In total, including clients registered prior to the commencement of the year, CAIS assisted 4,427 (4094 last year) clients in the year 2005/2006.

The CAIS "Don't Touch-Tell!" schools drug awareness programme has been seen by 18,504 infant/primary and junior school children in 250 performances at 171 schools across North Wales during the year. The "Don't Touch Tell!" totals represent a substantial decrease over the last financial year due to reduced funding by the authorities.

The reorganised Community Services division is working well resulting in an improved service to our client group with more clients being seen although the waiting lists unfortunately have increased through demand exceeding supply and the Local Health Boards and Social Service Department of the Local Authorities not increasing funding in line with increased demand through financial constraints being placed upon them.

The CAIS-managed central and north west Wales DAWN project, funded by the European Social Fund and based at the Colwyn Bay DAWN Centre, operating throughout the counties of Denbighshire, Conwy, Ynys Môn and Gwynedd, brings an innovative, creative concept to the four counties within the European Objective One area.

The project was funded under the European Objective One programme in November 2002 for a period of two years. Together with our partners, The Duke of Edinburgh's Award, NACRO, The Prince's Trust and SOVA, we were successful in our application for a further period of funding and that has been granted and runs to 31st December 2006 in the sum of £4,135,293.

The Colwyn Bay DAWN Centre is a wholly-owned CAIS property which received support from the National Lottery Community Fund for the complete refurbishment.

The European DAWN funding programme terminates on 31st December 2006 but with a possible extension to 31st March 2007.

The central referral facility set up two years ago has proved to be an asset. It enables both members of the public and service professionals to refer into CAIS via one identified telephone number, allowing immediate appointments to be provided for those needing the Charity's help. The CAIS Data Centre central referral department dealt with 24,120 calls in the year up to 31st March 2006.

The HM Prison Service Transitional Support Scheme project continues to be successful with an increased number of referrals of 293 (in excess of target) in this financial year. CAIS works closely with Altcourse and Swansea Prisons and with our service partners WGADA in the rehabilitation of ex-prisoners to north, mid and west Wales.

The past financial year has been challenging as the accounts show. Along with other voluntary sector organisations CAIS is experiencing increasing competition from both the Voluntary and Public (Statutory) bodies. The Trustees are fully conversant with this and will set future policy accordingly.

**Report of the Trustees**

**For the Year Ended 31 March 2006**

**Financial Review**

The net increase in Funds for 2005/06 is £7,449. This includes the General Fund decrease of £93,341 which is a result of various factors including significant reductions in income from the Welsh Assembly Government for the Supporting People Revenue Grant, Move-On schemes. In order to address this deficit, Senior management have reviewed the allocation of resources to match the level of funding during 2005/06 and will continue to do so during 2006/07. A further decrease to the fund of £86,000 has been introduced for the Gwynedd Pension Liability, of which, £68,000 was disclosed in the 2004/05 annual report.

Principal Funding Sources

CAIS has incoming resources of £4,231,069, which is an increase of £100,304 on the prior year. Welsh European Funding Office income for the DAWN Centre project for £651,874 has increased, whilst income for the Supporting People Revenue Grant for £555,320 has significantly decreased. Income also includes £24,682 investment income derived mostly from deposits and bonds with the bank. Donations of £2,686 were utilised from various sources for which CAIS is most grateful for the generosity of those individuals and organisations in assisting the work of the charity.

Investment Policy

The Charitable Company has a policy of keeping liquid funds on short-term deposits, which can be accessed readily. The Charitable Company has a Finance Department that monitors the return on investment and maximises income free of risk.

Reserve Policy

CAIS has free reserves that currently stand at £377,464. These reserves are not invested in tangible fixed assets. The Trustees consider that the level of free reserves the Charitable Company will require to sustain its operations over the coming period is £480,000. There is a shortfall of £102,536 from the desired figure. Whilst the current level of reserves may still prove sufficient, it is prudent to ensure that there are enough free reserves to provide financial flexibility to meet forthcoming challenges, to cover temporary timing differences for grant claims, and adequate working capital to allow CAIS to respond to emergencies.

Designated Funds are solely held for the DAWN Project being funded from the European Social Fund. The surplus of £184,683 is expected to be utilised during the remaining term of the project, at least up to 31 December 2006.

**Plans For Future Periods**

It is clear that the Welsh Assembly Government continues to have the will and commitment to tackle the problem of drug and alcohol abuse, and this will inevitably have implications for CAIS and other providers throughout Wales

CAIS is committed to partnership working within the statutory and voluntary sector alike in pursuance of the best possible service to our client group. To this end CAIS is having exploratory discussions with the West Glamorgan Council on Alcohol and Drug Abuse (WGCADA) with the intention of future multi-agency working.

Overall, CAIS has again consolidated its position. CAIS constantly seeks to strengthen its management team and looks forward to providing an effective, caring and dedicated service to those people seeking the Charity's help.

Report of the Trustees

For the Year Ended 31 March 2006

**Trustees' Responsibilities in Relation to the Financial Statements**

Company Law requires the trustees to prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial year and of its surplus or deficit for the financial year. In doing so the trustees are required to:

- select suitable accounting policies and apply them consistently;
- make sound judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue on that basis.

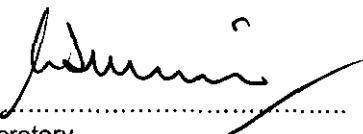
The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Charity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

**Auditors**

The auditors, Williams Denton Cyf were re-appointed as the charitable company's auditors during the period and have expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the Statement of Recommended Practice-Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

Approved by the board on 26 September 2006 and signed on its behalf by:

  
.....  
Company Secretary

18/10/2006  
.....  
Date



**Cyngor Alcohol Information Services Limited**

**Report of the Independent Auditors**

**To the members of Cyngor Alcohol Information Service Limited**

**For the Year Ended 31 March 2006**

We have audited the financial statements of Cyngor Alcohol Information Services Limited for the year ended 31 March 2006 on pages 8 to 19. These financial statements have been prepared under the accounting policies set out on page 10 and 11.

**Respective responsibilities of trustees and auditors**

As described on page 6, the trustees who are also the directors for the purposes of company law are responsible for the preparation of 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 the 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 Report of the Trustees is not consistent with the financial statements, if the charitable company 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 trustees' remuneration and transactions with the charitable company 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 opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board.

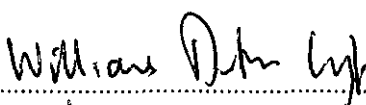
An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements and of whether the accounting 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 March 2006 and of its incoming resources and application of resources for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Williams Denton Cyf  
Chartered Certified Accountants  
& Registered Auditors  
San Remo  
13, Trinity Square  
Llandudno

  
.....  
11/11/06  
.....

Date :

Statement of Financial Activities (Including Income & Expenditure Account)  
For the Year Ended 31 March 2006

		<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total Year to 31/03/2006</u>	<u>Total Year to 31/03/2005 (As restated for FRS17)</u>
	<u>Notes</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<b>Incoming Resources</b>					
<i>Incoming resources from generated funds:</i>					
Voluntary income	2	2,686	-	2,686	2,342
Investment income		24,682	-	24,682	22,758
<i>Incoming resources from charitable activities:</i>					
Residents Income		190,789	-	190,789	186,604
Grants & Contracts	3	3,938,870	-	3,938,870	3,878,306
Other incoming resources:		74,042	-	74,042	39,755
<b>Total Incoming Resources</b>		<u>4,231,069</u>	<u>-</u>	<u>4,231,069</u>	<u>4,129,765</u>
<b>Resources Expended</b>					
<i>Costs of generating funds:</i>					
Fundraising and Publicity		16,748	-	16,748	18,871
<i>Charitable Activities:</i>					
Operation Costs		3,355,387	19,464	3,374,851	3,154,010
Support Costs		753,915	-	753,915	807,256
Governance Costs		78,106	-	78,106	55,621
<b>Total Resources Expended</b>	4	<u>4,204,156</u>	<u>19,464</u>	<u>4,223,620</u>	<u>4,035,758</u>
<b>Net Incoming / (Outgoing) Resources</b>	5	26,913	(19,464)	7,449	94,007
<b>Total Funds at 31 March 2005</b>	10	795,668	501,008	1,296,676	1,251,669
Pension Scheme Actuarial gains/(losses)		(22,000)	-	(22,000)	(49,000)
<b>Total funds at 31 March 2006</b>	10	<u>800,581</u>	<u>481,544</u>	<u>1,282,125</u>	<u>1,296,676</u>

There were no recognised gains or losses for 2006 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 derive from continuing activities.

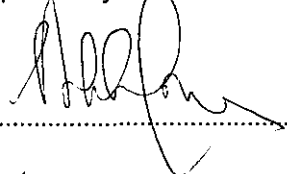
## Balance Sheet

As at 31 March 2006

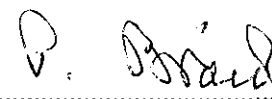
		<u>31/03/2006</u>		<u>31/03/2005</u> <u>(As restated</u> <u>for FRS17)</u>	
	Notes	£	£	£	£
<b>Fixed Assets</b>					
Tangible Assets	7		571,376		609,789
<b>Current Assets</b>					
Debtors	8	615,860		491,669	
Cash at bank and in hand		610,789		692,653	
		<u>1,226,649</u>		<u>1,184,322</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>429,900</u>		<u>429,435</u>	
<b>Net Current Assets</b>			<u>796,749</u>		<u>754,887</u>
Total assets less current liabilities			1,368,125		1,364,676
<b>Creditors: amounts falling due after more than one year</b>			-		-
<b>Total Net Assets before pension deficit</b>			1,368,125		1,364,676
Pension Scheme Funding Deficit			(86,000)		(68,000)
<b>Total Net Assets after pension deficit</b>			<u>1,282,125</u>		<u>1,296,676</u>
<b>The funds of the charity</b>					
<b>Restricted funds</b>					
Fixed Assets		246,942		258,387	
Other Restricted Assets		<u>234,602</u>	481,544	<u>242,621</u>	501,008
<b>Unrestricted funds:</b>					
Fixed Assets		324,434		351,402	
Other Charitable Funds		377,464		443,837	
Designated Fund		<u>184,683</u>		<u>68,429</u>	
Unrestricted funds Excluding Pension Liability			886,581		863,668
<b>Pension Reserve</b>			(86,000)		(68,000)
<b>Total Funds</b>	11		<u>1,282,125</u>		<u>1,296,676</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

Approved by the board on 26 September 2006 and signed on its behalf by:

  
.....

Trustee

  
.....

9 Trustee

Notes to the Financial Statements

For the Year Ended 31 March 2006

1. ACCOUNTING POLICIES

**Basis of Accounting**

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable UK Accounting Standards and the Companies Act 1985. The principal accounting policies adopted in the preparation of financial statements are set out below.

**Going Concern**

The charitable company's future is largely dependent on funding from local authorities and government agencies. The financial statements have been prepared on the assumption that adequate funding will be available in the future and therefore the trustees consider it appropriate to prepare the financial statements on a going concern basis.

**Incoming resources**

Income from service level agreements, grants, fees and rents, including capital grant, 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, 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 that income, including capital grants, is for particular restricted purposes, which do 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

**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 bonds and other investments designed for the charitable company 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.

Charitable expenditure comprises those 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 them.

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.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities or estimated usage.

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

## Notes to the Financial Statements

For the Year Ended 31 March 2006

### 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, on behalf of the employees who transferred from the employment of the Clwydian Community Care NHS Trust, a pension scheme 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 FRS17 disclosures have been made.

#### *Defined Benefit Scheme – Gwynedd County Council*

The charity operates a funded defined benefits pension scheme based on final remuneration. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The staff are members of the Gwynedd Council Pension Fund.

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 of valuations using the projected unit method.

This scheme is being accounted for under FRS 17, with the annually calculated notional surplus or deficit on the funding of the scheme shown in the accounts as a designated fund entitled "Pensions Reserve", which is deducted from unrestricted funds in the balance sheet. The trustees note that the calculated notional deficit or surplus calculated under FRS 17 can vary greatly from year to year depending on the assumptions made at the valuation date, but with little effect on short 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.

Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charitable company. Restrictions arise when specified by the donor 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 installments over their expected useful lives: -

Freehold Buildings	50years straight line
Office Equipment	3 years straight line
Fixtures and Fittings	10 years straight line

## Notes to the Financial Statements

For the Year Ended 31 March 2006

## 2. Voluntary income

	<u>Unrestricted</u> <u>£</u>	<u>Restricted</u> <u>£</u>	<u>2006</u> <u>£</u>	<u>2005</u> <u>£</u>
Eglwys Presbyterian	30		30	105
Other Religious	199		199	314
Private donations	1,357		1,357	125
Homelessness-Soup Dragon donation	1,100		1,100	152
CCS Wrexham				100
Hafan Wen donation				175
Other				1,371
	<u>2,686</u>	<u>-</u>	<u>2,686</u>	<u>2,342</u>

## 3. Grants and Contracts

	<u>Unrestricted</u> <u>£</u>	<u>Restricted</u> <u>£</u>	<u>2006</u> <u>£</u>	<u>2005</u> <u>£</u>
Welsh Assembly Government (National Assembly)	220,270	-	220,270	237,825
Supporting People Housing Revenue Grant	555,320	-	555,320	741,206
Probationary/Prison Services	259,826	-	259,826	248,716
Unitary Authorities	569,171	-	569,171	721,211
Health Service	1,323,306	-	1,323,306	1,339,977
WEFO	651,874	-	651,874	479,655
Other	359,103	-	359,103	109,716
Total grants and contracts	<u>3,938,870</u>	<u>-</u>	<u>3,938,870</u>	<u>3,878,306</u>

## 4. Total resources expended

## Charitable Activities

	<u>Basis of</u> <u>Allocation</u>	<u>Community</u> <u>Services</u>	<u>Residential</u> <u>Services</u>	<u>Governance</u>	<u>2006</u> <u>£</u>	<u>2005</u> <u>(As restated</u> <u>for FRS17)</u> <u>£</u>
<b>Costs directly allocated to activities:</b>						
Advertising and promotion	Direct/Hours	14,529	2,219	-	16,748	18,871
Accommodation and property	Direct/Hours	103,878	341,039	-	444,917	315,291
Staff and associated costs	Direct/Hours	1,461,938	1,018,872	-	2,480,810	2,097,515
Treatment and patient costs	Direct	1,387	79,650	-	81,037	82,668
Depreciation	Direct/Hours	28,988	5,431	-	34,419	41,420
Other direct costs	Direct/Hours	333,008	659	-	333,667	606,519
<b>Support costs allocated to activities:</b>						
Staff and associated costs	Staff Hours	503,871	224,588	56,152	784,611	822,445
Legal and professional	Staff Hours	-	-	21,954	21,954	12,587
Depreciation	Staff Hours	17,608	7,848	-	25,457	38,442
<b>Total Resources Expended</b>		<u>2,465,209</u>	<u>1,680,306</u>	<u>78,106</u>	<u>4,223,620</u>	<u>4,035,758</u>

## Notes to the Financial Statements

For the Year Ended 31 March 2006

## 5. Net outgoing / incoming resources for the period

This is stated after charging	<u>2006</u>	<u>2005</u>
	£	£
Depreciation of owned assts	58,666	79,354
Depreciation of assets held under finance leases	307	508
Auditors' remuneration - audit	8,592	8,383
- non-audit	-	-
Operating lease rentals		
Land and buildings	52,841	39,911
Other	4,774	5,168
Trustee remuneration	-	-
Trustee expenses	4,721	3,970

## 6. Staff costs and numbers

	<u>2006</u>	<u>2005</u>
	£	<u>(As restated for FRS17)</u> £
Wages and salaries	2,578,022	2,443,655
Social security costs	234,146	221,061
Pension costs	187,829	109,641
FRS 17 pension cost adjustment	1,000	(7,000)
	<u>3,000,997</u>	<u>2,767,357</u>

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

	<u>2006</u>	<u>2005</u>
£60,001-£70,001	1	-
£70,001-£80,001	1	2

The average weekly number of employees during the period, calculated on the basis of full time equivalents, was as follows:

	<u>2006</u> No	<u>2005</u> No
Direct charitable work	123	125
Governance (including chief officer)	1	1
	<u>124</u>	<u>126</u>

The trustees of the charity received no remuneration from the charity. Trustees received reimbursement for expenses incurred in the year amounting to £4,721 in the period.

## 7. Tangible fixed assets

	<u>Freehold land &amp; buildings</u> £	<u>Furniture &amp; Equipment</u> £	<u>Total</u> £
<u>Cost or valuation:</u>			
At 1 April 2005	506,635	393,316	899,951
Additions	-	30,414	30,414
Disposal	-	(29,721)	(29,721)
At 31 March 2006	<u>506,635</u>	<u>394,009</u>	<u>900,644</u>
<u>Depreciation:</u>			
At 1 April 2005	41,401	248,760	290,161
Charge for the period	11,751	47,222	58,973
On disposals	-	(19,866)	(19,866)
At 31 March 2006	<u>53,152</u>	<u>276,116</u>	<u>329,268</u>
<u>Net book value:</u>			
At 31 March 2006	<u>453,483</u>	<u>117,893</u>	<u>571,376</u>
At 31 March 2005	<u>465,233</u>	<u>144,556</u>	<u>609,789</u>

## Notes to the Financial Statements

For the Year Ended 31 March 2006

## 8. Debtors

	<u>2006</u>	<u>2005</u>
	£	£
Trade Debtors	513,645	371,311
Prepayments and other debtors	102,215	120,358
	<u>615,860</u>	<u>491,669</u>

## 9. Creditors: amounts falling due within one year:

	<u>2006</u>	<u>2005</u>
	£	£
Taxation and social security	92,500	85,484
Accruals and deferred income	263,725	284,669
Trade creditors	61,762	59,071
Other creditors	11,913	211
	<u>429,900</u>	<u>429,435</u>

## 10. Movement in funds

	At 01/04/2005 (As restated for FRS17)	Incoming Resources	Outgoing Resources	Transfers	At 31/03/2006
	£	£	£	£	£
Restricted Funds:					
Community Funded Fixed Assets	254,861		(8,959)		245,902
Mobile Unit and Site Fees	969		(968)		1
Young Persons Substance Misuse Project	15,656		(7,050)		8,606
Treatment Fund	6,226				6,226
Wrexham Rehabilitation Scheme	2,530				2,530
Family Support Scheme	811				811
NAW Take Five Project	1,424				1,424
Critical Movement Intervention	9,000				9,000
Brief Intervention	3,759		(2,487)		1,272
NW Probation Service	205,772				205,772
	<u>501,008</u>	<u>-</u>	<u>(19,464)</u>	<u>-</u>	<u>481,544</u>
Unrestricted Funds:					
General Fund	795,239	3,701,752	(3,795,093)		701,898
Designated Funds:					
Welsh European Funding Office	68,429	525,317	(409,063)		184,683
Pension Reserve	(68,000)	-	(18,000)		(86,000)
	<u>795,668</u>	<u>4,227,069</u>	<u>(4,222,156)</u>	<u>-</u>	<u>800,581</u>
Total Funds	<u>1,296,676</u>	<u>4,227,069</u>	<u>(4,241,620)</u>	<u>-</u>	<u>1,282,125</u>



**Purposes of restricted funds**

The Community Fund financed refurbishment of the DAWN Centre in Colwyn Bay. The fund will reduce annually by depreciation.

The mobile unit project was established for the purchase, equipping and siting of a mobile display and information unit. This fund is reducing annually with depreciation and other fees.

The Young Persons Substance Misuse Project provides support to young people undergoing treatment for substance misuse.

The Treatment Fund was established to improve treatment programmes for in-patients undergoing detoxification. The initial use of this fund was to produce a bilingual leaflet; however it appears that a website may be more appropriate. The development of a website will take place in the foreseeable future. The funds will also be used to assess the needs for a safe house, this is ongoing and some funding will be utilised for development in the Wrexham rehabilitation scheme was set up to support the people living in the Wrexham area. The remaining funds are surplus on the scheme and will be used for outcome monitoring in the foreseeable future.

The Family Support scheme was established to support families. The funds were initially going to be used to develop information packs, however a family support website has been suggested as an alternative and discussions on the development are ongoing.

Take Five was a training project supported by the National Assembly for Wales of which funds remain unused. The funds will be used to publish a training manual that is currently being developed.

The Critical Moment Intervention Fund scheme has been set up to assist the people of Wrexham who require immediate access to treatment. The funds may be used to design a research programme associated with the Wrexham Youth offending team

Brief Intervention reserve is to fund the depreciation of IT equipment used by employees working on the project.

The North Wales Probation fund will be used for the treatment of in-patients in the future.

## Notes to the Financial Statements

For the Year Ended 31 March 2006

## 11. Analysis of net assets between funds

	Tangible Fixed Assets £	Net Current Assets £	Creditors more than One Year £	Total £
Restricted Funds:				
Community Funded Fixed Assets	245,902			245,902
Mobile Unit and Site Fees	1			1
Young Persons Substance Misuse Project		8,606		8,606
Treatment Fund		6,226		6,226
Wrexham Rehabilitation Scheme		2,530		2,530
Family Support Scheme		811		811
NAW Take Five Project		1,424		1,424
Critical Movement Intervention		9,000		9,000
Brief Intervention	1,039	233		1,272
NW Probation Service		205,772		205,772
	246,942	234,602	-	481,544
Designated Funds:				
Welsh European Funding Office		184,683		184,683
General Fund	324,434	377,464		701,898
Pension Liability			(86,000)	(86,000)
Total Funds	571,376	796,749	(86,000)	1,282,125

# Cyngor Alcohol Information Services Limited

## Notes to the Financial Statements

For the Year Ended 31 March 2006

### 12. Taxation

As a charity, Cyngor Alcohol Information Services Limited is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

### 13. Operating lease commitments

At 31 March 2006 the charity had annual commitments under non-cancellable operating leases set out below :-

	<u>2006</u>	<u>2005</u>
	£	£
Operating leases which expire:		
<i>Land &amp; Buildings</i>		
With one year	33,910	41,775
Between one and two years	28,926	30,487
Between two and five years	40,339	63,768
<i>Other</i>		
Between one and two years	724	5,441
Between two and five years	-	325

### 14. Related parties

Due to the nature of the charity's operations and the composition of the board of trustees it is inevitable that transactions will take place with organisations in which a member may have an interest. All transactions involving organisations in which a trustee may have an interest are conducted at arm's length.

No material transactions were identified which should be disclosed under Financial Reporting Standard 8 related party disclosures.

The Charity has a policy that all trustees must declare an interest if a related party transaction occurs.

### 15. Pension Scheme

The charity operates a funded defined benefits scheme providing benefits based on final remuneration. The assets of the scheme are held separately from those of the charity.

The 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 with the charity. The pension charge (employee's and employer's contributions) in the year is £57,000 (£32,000 2005)

The latest formal valuation of the Fund was carried out at 31 March 2004 but pension expense calculations have been carried out by a qualified independent actuary as at 31 March 2006. The assumptions used by the actuary were as follows:

	31-Mar-06	31-Mar-05	31-Aug-04
Price increases	3.10%	2.90%	2.90%
Salary increases	4.60%	4.40%	4.40%
Pension increases	3.10%	2.90%	2.90%
Discount rate	4.90%	5.40%	5.80%

## Notes to the Financial Statements

For the Year Ended 31 March 2006

The employer's assets in the scheme and expected rate of return were:

	31-Mar-06		31-Mar-05		01-Aug-04	
	Long Term	Assets	Long Term	Assets	Long Term	Assets
	Return		Return		Return	
	% p.a.	£'000	% p.a.	£'000	% p.a.	£'000
Equities	7.4%	475	7.7%	334	7.9%	259
Bonds	4.6%	88	4.8%	58	5.4%	53
Property	5.5%	54	5.7%	34	6.7%	28
Cash	4.6%	22	4.8%	21	4.5%	7
<b>Total</b>	<b>6.8%</b>	<b>640</b>	<b>7.0%</b>	<b>447</b>	<b>7.3%</b>	<b>347</b>

	31-Mar-06	31-Mar-05	31-Mar-04
	£'000	£'000	£'000
<b>Estimated employer assets (A)</b>	<b>640</b>	<b>447</b>	<b>347</b>
Present value of scheme liabilities *	726	515	376
Present value of unfunded liabilities **	0	0	0
<b>Total value of liabilities (B)</b>	<b>726</b>	<b>515</b>	<b>376</b>
<b>Net pension assets / (liabilities) (A)-(B)</b>	<b>(86)</b>	<b>(68)</b>	<b>(29)</b>

\* The actuary estimates that this liability comprises £726,000, £0 and £0 in respect of employee members, deferred pensioners and pensioners respectively as at 31 March 2006. The approximation involves in the roll forward model means that the split of liabilities between the three classes of member may not be reliable for certain types of employer. However, the actuary is satisfied that the approach used leads to reasonable estimates for the aggregate liability figure.

\*\* It is assumed that all unfunded pensions are payable for the remainder of the member's life, that 80% of pensioners are married at death and that their spouse will receive a pension equal to 50% of the member's pension at the date of the member's death.

The charge to the Statement of Financial Activities over the financial year comprised:

	31-Mar-06	31-Mar-05
	£'000	£'000
Operating charge		
Current service cost	57	32
past service cost	-	-
	57	32
Other finance income		
Expected return on employer assets	34	18
Interest on pension scheme liabilities	(30)	(15)
Net (interest)/return	4	3
Total charge to expenditure in the SOFA	53	29

Notes to the Financial Statements

For the Year Ended 31 March 2006

The actuarial gains and losses shown in the Statement of Financial Activities comprised:

	31-Mar-06 £'000	31-Mar-05 £'000
Difference between expected and actual return on assets	82	27
Value of assets	640	447
Percentage of scheme assets at year-end	12.9%	6.0%
Experience gains/losses arising on the scheme liabilities	-	(32)
Total present value of liabilities	726	515
Percentage of present value of scheme liabilities at year-end	0.0%	(6.2%)
Actuarial gains/losses recognised in STRGL	(22)	(49)
Total present value of liabilities	726	515
Percentage of present value of scheme liabilities at year-end	3.0%	9.5%

Movement in balance sheet surplus/(deficit) figures during the year:

	31-Mar-06 £'000	31-Mar-05 £'000
Deficit in scheme at 31 March 2005	(68)	(29)
Movement in year:		
Current service cost	(57)	(32)
Employer contributions	56	39
Contributions in respect of unfunded benefits	-	-
Past service cost	-	-
Net interest/return on assets	4	3
Actuarial gain/(loss)	(22)	(49)
Deficit in scheme at 31 March 2006	(86)	(68)

Employer contributions are agreed at the rate of 14%, as per the previous year, and active members pay on average at the rate of 6% of pensionable pay.