



SWANSWELL CHARITABLE TRUST

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003**



Dafferns

Chartered Accountants

SWANSWELL CHARITABLE TRUST

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for the year ended 31 March 2003**

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SWANSWELL CHARITABLE TRUST

COMPANY INFORMATION
for the year ended 31 March 2003

DIRECTORS: Dr J Bland (CHAIR)
Mr R Wadkin
Mr M Singh
Mr R Moore
Mr R Chauhan
Mrs J Wigglesworth
Mrs A Keeble
Mr M Wells
Ms L Williams

SECRETARY: Ms C Haydon

REGISTERED OFFICE: Swanswell House
Norton Street
Coventry CV1 5FY

REGISTERED COMPANY NUMBER: 3692925 (England and Wales)

REGISTERED CHARITY NUMBER: 1074891

AUDITORS: Dafferns Chartered Accountants
Queens House
Queens Road
Coventry CV1 3DR

SOLICITORS: Seymours
Queens House
Queens Road
Coventry CV1 3JN

BANKERS: HSBC Bank plc
Corporation Street
Coventry
CV1 1QJ

SWANSWELL CHARITABLE TRUST

REPORT OF THE DIRECTORS for the year ended 31 March 2003

The directors who are also the trustees present their report with the financial statements of the charitable company for the year ended 31 March 2003.

PRINCIPAL ACTIVITY

The principal activity of the company in the period under review was primarily to promote safer use of alcohol and to reduce harm associated with alcohol and substances use and misuse.

DIRECTORS

The directors in office were:-

Dr. J. Bland (Chairman)	
Mr. R. Moore	
Mr. M. Singh	
Mr. R. Wadkin	
Mrs. Y. Morgan	- resigned 8 April 2002
Mr. R Chauhan	
Mrs. E. Smith	- resigned 16 May 2002
Mrs. J Wiglesworth	
Mrs. A. Keeble	
Mr. M. Wells	
Ms L Williams	- appointed 2 December 2002

In accordance with the Articles of Association Mr. R. Chauhan, Mrs. J. Wiglesworth and Mrs. A. Keeble will retire at the forthcoming Annual General Meeting and being eligible will stand for re-election.

Ms L. Williams having been appointed a director during the year will also retire at the forthcoming Annual General Meeting and being eligible will stand for re-election.

ADMINISTRATIVE INFORMATION

The company is governed by its Memorandum and Articles of Association and is limited by guarantee and is a registered charity (No. 1074891).

CHARITABLE OBJECTIVES

These state that in particular but not exclusively the objective is to provide for those who are suffering from, or who have suffered from alcohol or drug abuse of any sort.

SWANSWELL CHARITABLE TRUST

REPORT OF THE DIRECTORS (CONTINUED) for the year ended 31 March 2003

POLICIES TO ACHIEVE OBJECTIVES

In pursuance of this objective, the company operates within the terms of the following policies:-

- a) Constitution
- b) Mission statement
- c) Health and Safety Policy
- d) Equal opportunities Policy
- e) Confidential Policy
- f) Staff at Risk Policy
- g) Grievance and Disciplinary Policy
- h) Partnership "purchasing" Policies of
 - 1. Coventry Social Services Department
 - 2. Coventry Health Authority
 - 3. Warwickshire Health Authority
 - 4. Warwickshire Probation Authority
 - 5. West Midland Probation Office
- i) Specific policies and requirements arising from the NHS and Community Care Act 1989, including policies which determine eligibility for services from the company.
- j) Reserves policy
The directors have established a policy whereby uncommitted unrestricted income is invested, with the aspiration to reach a target figure that equates to three months typical expenditure. At this level, the directors consider that they would be able to continue the current activities of the charity in the event of a significant drop in funding while alternative sources would be explored, or contingency arrangements applied. This year has seen a further increase in uncommitted and unrestricted reserves in line with this policy.
- k) Risk review
The directors have conducted their own review of the major risks to which the charity is exposed and systems have been established to mitigate those risks. Plans for the continued development of the Charity have been put in place to reduce the risks to external funding and allow for the diversification of funding and activities. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

THE SWANSWELL CHARITABLE TRUST

REPORT OF THE DIRECTORS (CONTINUED) for the year ended 31 March 2003

INTRODUCTION

This year has been characterised by a continuing pattern of new developments – the largest of which has been the creation of an entirely new drugs service in Birmingham. We have enjoyed the benefits of the consolidation of our revised Governance arrangements which is enabling Directors/Trustees to exercise their influence in a much clearer and effective manner, and although the introduction of Primary Care Trusts as the commissioning agents of the NHS had caused concern and uncertainty, we have come through the initial stages of that major change with no detriment to our services. The biggest challenge that has faced us all during this year has not been the development of the new service in Birmingham (although it has certainly been very exacting) but the necessity not to be 'blown off track' by the excitement and challenge of such a major development, and ensuring that standards across what is now a large organisation remain high.

CONSOLIDATING GOVERNANCE

The steps taken last year to modernise and improve the governance of the Trust by Board members has settled into a clear and effective pattern. Meetings take place on a bi – monthly basis, with an agenda that enables scrutiny of financial performance, service developments, review and performance, and usually an examination of a specific area of service which enables staff from that service to meet Board members and provide their own direct account of their work experiences. As well as to provide a clear and uninhibited opportunity for staff to talk with Board members, it does provide opportunity for the Board to become aware of issues of difficulty that may inhibit service delivery.

Directors/Trustees are participating in some management appointments, and making visits to offices to meet staff in the course of their work, visit staff meetings, etc.. Staff remark on the value that they find in these events. The wider spread of organisational activity does create some challenges because there is more for Trustees to cover, and we are particularly pleased to have recruited our first Director/Trustee from Birmingham. This Trustee has considerable experience of working in addiction services in both practitioner and management capacities, and brings an astute knowledge of Birmingham to debate.

It is inevitable however that as the organisation develops, so the patterns of governance must also adjust in order to keep pace. As later explained, it is anticipated that major strategic investment will be made in the management infrastructure of the Trust during the next year, and this will give cause to reflect on whether the addition of key management posts may enable our grasp of events to improve yet further. We anticipate being able to come to a considered view on that before the end of the coming financial year.

KEY SERVICE DEVELOPMENTS

Coventry (Adults) Community Alcohol Service. During the coming year we will be forced to look hard at the budgets for this service because the annual inflation award from our funders – usually in the order of 2.5% - does not keep pace with annual salary awards and annual increments. Our challenge will be to achieve savings without depleting 'front line' services. While we see drug services flourishing, and benefit from that in the Coventry Younger people's service and the new 'Drug Solutions' service at Birmingham, the current lack of national policy direction for alcohol services means that they receive less priority from local commissioners than presenting need suggests is required. Our greatest asset however is our existing income, and even though it is slipping behind, it still offers scope for improved efficiency. The Swanswell House service has now extended its daily drop in service to be available until midday, and the office opens on Monday evenings to make access easier, and to avoid waiting lists – all within existing resources. The key issue during this year however has been that the excellent Walsgrave Hospital project will continue to receive funding for at least 3 more years, by when we must surely have a National Alcohol Strategy that will result in an improved level of priority for our services.

THE SWANSWELL CHARITABLE TRUST

REPORT OF THE DIRECTORS (CONTINUED) for the year ended 31 March 2003

KEY SERVICE DEVELOPMENTS (CONTINUED)

Warwickshire Community Alcohol Service. The level of funding per head of adult population in Warwickshire is approximately $\frac{1}{4}$ of that in Coventry. This – coupled with the wide geographic spread of the county, and the necessity for three separate office bases does make the task of providing services more challenging. Additionally we have a serious funding problem emerging in Warwickshire again in large part because of annual inflation costs and the effects of retaining excellent staff who graduate towards higher salaries. This has been in part recognised by an additional contract from the Warwickshire Drug Action Team to deal with people who have both alcohol and drug difficulties which will provide some welcome relief to this budget. However we will be looking for other ways of making savings which will almost certainly involve a move of the Rugby office into shared accommodation with what we have previously termed 'Head Office', thus considerably reducing accommodation costs. The Warwickshire offices are each staffed by very small numbers of staff, and their ability to deliver services of such a high standard is a considerable achievement. We must however also find with the Leamington Spa Drug Service an alternative office base to that in Augusta Place which is no longer able to accommodate our staff, nor offer appropriate levels of access for people with special needs.

Coventry Younger People's Service. This service is consolidating well and its Lamb Street office provides an excellent and accessible base in the city. During this year we have extended the service out into the locality of Wood End, by use of New Deal Funds and are especially pleased to have secured an office to make access much easier to that community and for people to come into our service. This service was opened by Coventry MP and Home Office Drugs Minister Bob Ainsworth who grew up in this locality, and we have considered ourselves very fortunate to have had such obvious personal interest from Mr. Ainsworth. This service is benefiting so very obviously from the influence of Coventry's new Drug Action Team Co-ordinator, and the working partnership with the Coventry Community Drug Team. This service now has a very clear service model and policy base and would be an excellent service to replicate elsewhere if opportunity arises.

Drug Solutions, Birmingham. This new contract has certainly provided the Chief Executive and the Management Team with a very direct and steep challenge. The contract was awarded on the basis that it would be 'delivered' and it is to the credit of the Team that every deadline within the implementation plan was achieved. It has been necessary to broaden the availability of drug treatments in Birmingham to reduce the waiting times in the four Community Drug Teams, and we are cautiously optimistic that waiting periods will soon show a significant reduction. However while an early reduction will be a major improvement for people in Birmingham, our service will be working with commissioners and other providers with the intention of eliminating waiting lists. Not only do people in need require rapid access to treatment, but communities need to have the potential for drug related crime to reduce equally rapidly.

While the Phase 1 of the Birmingham contract is indeed a major increase in Swanswell's activity and income, it is not sufficient to meet unmet need in this major city. We are therefore very pleased to know that the contract is to be extended further in 2003/4, and informed commentators anticipate that during this period Drug Solutions – now located in excellent offices in Corporation Street – will become the largest single drug service in the city. Its achievements in year one are quite remarkable from a standing start, and the next phase will have the benefits of an established foundation on which to build further. A key issue however will be to take steps to audit standards of work and related administration and we are pleased to note that plans are in place for this to take place during the summer of 2003, and that any deficits evident will be addressed with a clearly defined action plan.

Minority Ethnic Groups Service Development. The success of services that have developed well to identify and address needs that arise in multi cultural communities is in large part based on the recruitment and retention of staff who bring with them knowledge of the needs of such communities and cultures, and who can inform the manner that we plan and deliver our services. Our intention to maintain effective and representative recruitment will be continued during 2003/4, and we hope that we will see the continuing progression of staff who have so effectively enabled us to make progress already. Black and Minority Ethnic Community members now form almost 40% of employees in Birmingham, and we hope to build further on this foundation by recruiting people who can better inform our delivery of services in Asian communities.

THE SWANSWELL CHARITABLE TRUST

REPORT OF THE DIRECTORS (CONTINUED) for the year ended 31 March 2003

KEY SERVICE DEVELOPMENTS (CONTINUED)

Information Network Strategy. Our Information Systems Network is now well established and we all have the opportunity for electronic mailing, sharing of information and the benefits of economy that follow from this very advanced scheme. It does yet have much more potential to be exploited, and the next stage will be to ensure that financial information is available on it to bring a much greater degree of accuracy to our financial controls. While we would not expect to enable cost centre managers to vary any financial information on screen, we certainly support the Chief Executive's aspiration that they should all have that detail available to them at the touch of their keypads. The fact that there are 12 cost centres involving 20 separate budgets makes this imperative all the more urgent, and we are encouraged by the very high commitment of managers to be in clear and pro-active control of their budgets.

Financial Planning and Management. Remarks immediately above indicate the progress anticipated in this critical area of any business development. During the coming year we anticipate that our income will increase to a figure in the order of £3.6 to £3.8 millions and the necessity to be in clear and pro-active control of this sum is of vital importance. While traditionally we have been concerned to avert overspends, the necessity now is just as equally to be concerned to avoid under spends because not only is that income usually lost back to the funding source, but means that people in need are not receiving services.

As Directors/Trustees of the charity, we are very pleased that the level of financial control applied has been effective. We have had no unwelcome surprises, and where we have had to consider how we deal with specific problems such as deficits in Warwickshire or Coventry, we have had ample warning of the emerging concern and opportunity to take appropriate action. Because our income levels have increased, so have the funds available to invest in the infrastructure of the organisation which in turn is intended to result in increased performance upon which our viability depends.

Organisation and Management Review. This report is largely intended to reflect on the last financial year. The growth achieved, while other services have been maintained at a high standard, has been all the more impressive because it was deliberately decided not to add to management capacity until the patterns of demand and need had become clear, and our resources could be wisely invested. The achievements of the Chief Executive and Management Team during this period are all the more impressive when seen in this context. However Directors/Trustees agree that this will need early resolution and we will be considering where the use of our resources will be most beneficial.

An independent consultant has worked with Trustees, Managers and consulted staff widely to test opinion as to where investment is needed to strengthen the organisation to enable it to deliver in a robust manner. This has resulted in some key strategic decisions that include:-

- Moving the 'Head Office' function from Swanswell House to alternative larger 'Central Services' accommodation in Rugby
- Creation of a new Finance Section headed by a suitable experienced and qualified 'Head of Financial Services'
- Appointment of a new 'Head of Operational Services' to oversee the delivery of operational activity, and to provide deputising capacity for the Chief Executive.
- Creation in early 2004 of a 'Head of Human Resource Development' to enable the workforce to be developed in line with best 'people management' practices, and to enable staff to be equipped to deliver services of a high and consistent standard.

THE SWANSWELL CHARITABLE TRUST

REPORT OF THE DIRECTORS (CONTINUED) for the year ended 31 March 2003

CONCLUSION

This has been a very demanding but successful year. The achievements of managers and staff are impressive, services have continued to improve and expand, and our financial position has continued to advance. We will be able in the next year to achieve what the Chief Executive regards as 'the prize' from new developments which is to establish a strong and competent 'Central Services' infrastructure of appropriately skilled and qualified managers, and the new Rugby office base. Directors/Trustees are in a position now to take serious control of the organisation and especially to monitor the extent to which services meet the standards to which the Swanswell Trust aspires – most of which are higher than those required by our funders. That is one of the means by which we are able to offer 'added value' both to funders and to users of the service. It remains however a matter of serious concern that there is still not tangible evidence of a National Alcohol Strategy, and until there is alcohol services will continue to be placed in the position of 'poor relation' to drug services. Health economists are so able to show the major cost benefit of effective alcohol interventions, and it remains both a matter of surprise and serious concern that social and health policy has not yet adapted to include such a seriously damaging phenomena. Family life, mental health, physical health, law and order, industrial safety, road safety.....are all serious issues with high potential for gain when (and if) we finally have a credible National Alcohol Strategy.

THE SWANSWELL CHARITABLE TRUST

APPENDIX A

SUMMARY OF CLIENT STATISTICS

	2002/2003	2001/2002	2000/2001
North Warwickshire			
Initial Client Contacts	451	500	435
Appointments Kept/Initial Contacts	269	337	293
Appointments Made	2012	2679	4460
Appointments Attended	1332	1853	2887
South Warwickshire			
Initial Client Contacts	505	641	601
Appointments Kept/Initial Contacts	204	339	245
Appointments Made	2278	2231	1686
Appointments Attended	1580	1565	1152
Rugby			
Initial Client Contacts	327	342	297
Appointments Kept/Initial Contacts	221	174	149
Appointments Made	1349	1222	1207
Appointments Attended	925	781	825
Coventry			
Initial Client Contacts	1063	1061	960
Appointments Kept/Initial Contacts	555	691	549
Appointments Made	6782	6350	4649
Appointments Attended	4241	3106	3420
Birmingham			
Initial Client Contacts	564		
Appointments Kept/Initial Contacts	496		
Appointments Made	7611		
Appointments Attended	4912		
YPSMS			
Initial Client Contacts	339		
Appointments Kept/Initial Contacts	237		
Appointments Made	1508*		
Appointments Attended	1075*		

Appointments attended figures include new clients and ongoing clients. * North Warwickshire figures for appointments for the year 2001/2002 are for alcohol workers only.

* Appointments made and attended shown are between 1st August 2002 and 31st March 2003.

SWANSWELL CHARITABLE TRUST

REPORT OF THE DIRECTORS (CONTINUED) for the year ended 31 March 2003

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

AUDITORS

The auditors, Dafferns, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:

Dr. J. Bland - CHAIR

Dated: 8 December, 2003



SWANSWELL CHARITABLE TRUST

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE SWANSWELL CHARITABLE TRUST

We have audited the financial statements of Swanswell Charitable Trust for the year ended 31 March 2003 on pages 11 to 18. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company'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 company'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 company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

As described on page 9 the directors, who are also the trustees of Swanswell Charitable Trust for the purposes of company law, are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 Directors' Report is not consistent with the financial statements, if the 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 directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report 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 United Kingdom Auditing Standards 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 judgements made by the directors 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 information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurances as to whether the financial statements are free from material mis-statement, 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 charitable company's state of affairs as at 31 March 2003 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Dafferns
Chartered Accountants
Registered Auditors
Queens House
Queens Road
Coventry
CV1 3DR

Dated: 8 December, 2003

SWANSWELL CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) for the year ended 31 March 2003

	<u>Notes</u>	<u>Restricted funds</u> £	<u>Unrestricted fund</u> £	<u>Total 2003</u> £	<u>Total 2002</u> £
INCOME AND EXPENDITURE					
Incoming resources					
Activities to further the charity's objects					
Local Authority grants		722,339	-	722,339	719,318
Projects grants		1,254,860	-	1,254,860	390,431
Capital grants		89,874	-	89,874	82,611
Other income		15,101	3,990	19,091	7,477
Donations		91	930	1,021	752
Investment income and interest		-	12,759	12,759	21,469
Total incoming resources		<u>2,082,265</u>	<u>17,679</u>	<u>2,099,944</u>	<u>1,222,058</u>
Resources expended					
Charitable expenditure:					
Advisory services	2	1,664,388	-	1,664,388	953,186
Management of charity	3	201,102	82,313	283,415	215,583
Total resources expended		<u>1,865,490</u>	<u>82,313</u>	<u>1,947,803</u>	<u>1,168,769</u>
Net incoming/(outgoing) resources before transfers - net income for year		216,775	(64,634)	152,141	53,289
Transfers between funds		(98,355)	98,355	-	-
Net incoming resources for the year		<u>118,420</u>	<u>33,721</u>	<u>152,141</u>	<u>53,289</u>
Fund balances brought forward		<u>346,901</u>	<u>209,076</u>	<u>555,977</u>	<u>502,688</u>
Fund balances carried forward		<u>465,321</u>	<u>242,797</u>	<u>708,118</u>	<u>555,977</u>

The notes form part of these financial statements

SWANSWELL CHARITABLE TRUST

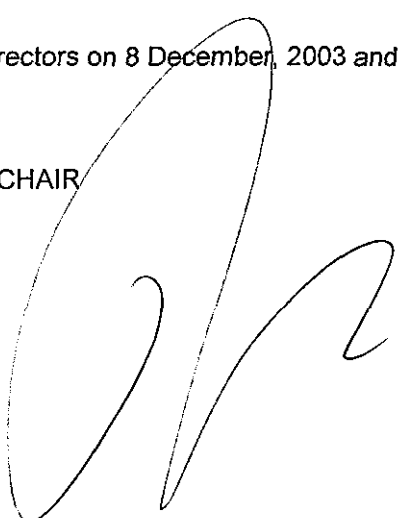
BALANCE SHEET 31 March 2003

	<u>Notes</u>	£	<u>2003</u>	£	£	<u>2002</u>	£
FIXED ASSETS							
Tangible fixed assets	6		162,611			82,836	
CURRENT ASSETS							
Debtors	7	132,319			200,332		
Cash at bank and in hand		536,925			369,386		
			<u>669,244</u>		<u>569,718</u>		
CREDITORS: Amounts falling due within one year	8	<u>123,737</u>			<u>96,577</u>		
NET CURRENT ASSETS			545,507			473,141	
NET ASSETS			<u>708,118</u>			<u>555,977</u>	
FUNDS							
Restricted	10		465,321			346,901	
Unrestricted	9		242,797			209,076	
			<u>708,118</u>			<u>555,977</u>	

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Approved by the Directors on 8 December, 2003 and signed on their behalf by:

Dr. J.W. Bland - CHAIR



The notes form part of these financial statements

SWANSWELL CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2003

1. PRINCIPAL ACCOUNTING POLICIES

a) **Accounting convention**

The financial statements are prepared under the historical cost convention in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002). In preparing the financial statements the charity follows best practice as laid down in the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2000) issued in October 2000.

b) **Donations**

Donations received are accounted for on a receipts basis.

c) **Grants receivable**

Capital grants are recognised in full in the Statement of Financial Activities in the year in which they are receivable and are included as restricted funds. All material grants are received from Local Authorities, County Councils or Local Probationary Committees.

d) **Resources expended**

Expenditure is included on an accruals basis.

Advisory services comprise those costs directly attributable to the Charity's activities.

Management and administration comprises costs for the running of the charity itself as an organisation.

e) **Tangible fixed assets and depreciation**

The cost of the lease on Swanswell House is amortised over the period of the lease.

The other fixed assets are depreciated at the following annual rates in order to write off each asset over its estimated useful life:-

Furniture, fixtures and equipment	-	20% on cost
Computer equipment	-	50% on cost

f) **Fund accounting**

Restricted funds comprise grants received from Local Authorities etc. less attributable costs in line with the specifications set by the donor.

g) **Pension schemes**

The charity operates a defined contribution pension scheme. Contributions payable in the year are charged in the Statement of Financial Activities.

h) **Operating leases**

Rentals paid under operating leases are charged in the Statement of Financial Activities.

SWANSWELL CHARITABLE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2003**

2. EXPENDITURE ON ADVISORY SERVICES

	<u>2003</u> £	<u>2002</u> £
a) By service provided:		
Coventry adult advisory service	349,168	318,585
Warwickshire adult advisory service	357,447	336,160
Working with offenders - Coventry	37,783	29,811
Working with offenders - Warwickshire	36,299	25,175
Working in the community	34,504	34,479
Drug and alcohol education for young people	195,124	144,763
Drug and alcohol education for young offenders	62,941	64,213
New deal	44,942	-
Youth offending service	22,459	-
Drug solutions - Birmingham	504,860	-
Birmingham supporting people	15,804	-
Coventry supporting people	3,057	-
	<hr/>	<hr/>
	1,664,388	953,186
	<hr/>	<hr/>

b) By category of expenditure

	<u>2003</u> £	<u>2002</u> £
Payroll	1,346,908	758,058
Personnel and training	88,507	67,796
Premises	101,118	62,283
I.T.	18,906	9,683
Administration, including finance	72,453	41,336
Resources	29,818	14,030
Volunteer groups	6,678	-
	<hr/>	<hr/>
	1,664,388	953,186
	<hr/>	<hr/>

3. MANAGEMENT AND ADMINISTRATION OF THE CHARITY

	<u>2003</u> £	<u>2002</u> £
Payroll	184,745	133,088
Personnel and training	6,259	24,996
Premises	2,710	189
I.T.	6,293	1,233
Administration, including finance	15,828	3,053
Audit	2,000	1,600
Accountancy	11,048	5,185
Resources	10,094	2,846
Volunteer groups	791	-
	<hr/>	<hr/>
	239,768	172,190
Depreciation/amortisation - owned assets	43,647	43,393
	<hr/>	<hr/>
	283,415	215,583
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SWANSWELL CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2003

4. STAFF COSTS	<u>2003</u> £	<u>2002</u> £
Wages and salaries	1,310,355	799,666
Social security costs	119,596	70,974
Pension costs	24,554	20,506
	<u>1,454,505</u>	<u>891,146</u>

No employee earned £50,000 or more.

The average number of employees analysed by function was:

Advisory services	61	39
Management and administration of the charity	6	5
	<u>67</u>	<u>44</u>

Directors remuneration and expenses

No remuneration, directly or indirectly, was paid or payable out of the funds of the charity in the period to any director or to any person or persons known to be connected with any of them. Three directors were paid expenses totalling £362 during the year.

5. OPERATING LEASE RENTALS	<u>2003</u> £	<u>2002</u> £
Office equipment	7,675	5,534
Land and buildings	22,500	14,500
	<u>30,175</u>	<u>20,034</u>

SWANSWELL CHARITABLE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2003**

6. TANGIBLE FIXED ASSETS	Short leasehold property	Furniture fixtures and equipment	Total
Used for direct charitable purposes	<u>£</u>	<u>£</u>	<u>£</u>
COST			
At 1 April 2002	65,392	107,548	172,940
Additions	35,034	102,873	137,907
	<hr/>	<hr/>	<hr/>
At 31 March 2003	<u>100,426</u>	<u>210,421</u>	<u>310,847</u>
 DEPRECIATION			
At 1 April 2002	18,510	71,594	90,104
Charge for the year	16,793	41,339	58,132
	<hr/>	<hr/>	<hr/>
At 31 March 2003	<u>35,303</u>	<u>112,933</u>	<u>148,236</u>
 NET BOOK VALUE			
31 March 2003	<u>65,123</u>	<u>97,488</u>	<u>162,611</u>
 31 March 2002	<u>46,882</u>	<u>35,954</u>	<u>82,836</u>
 7. DEBTORS		<u>2003</u>	<u>2002</u>
		<u>£</u>	<u>£</u>
Debtors		93,446	163,533
Prepayments and accrued income		32,615	36,799
Other debtors		6,258	-
		<hr/>	<hr/>
		<u>132,319</u>	<u>200,332</u>
 8. CREDITORS: Amounts falling due within one year		<u>2003</u>	<u>2002</u>
		<u>£</u>	<u>£</u>
Trade creditors		46,658	42,213
Social security and other taxes		43,565	20,959
Accruals		33,514	33,405
		<hr/>	<hr/>
		<u>123,737</u>	<u>96,577</u>

SWANSWELL CHARITABLE TRUST

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2003**

9. RESERVES

	Income and expenditure account (unrestricted funds) £	Grant funding (restricted funds) (note 10) £
At 31 March 2002	209,076	346,901
Retained surplus/(deficit) for the year	33,721	-
Movement for the year	-	118,420
At 31 March 2003	<u>242,797</u>	<u>465,321</u>

10. RESTRICTED FUNDS

	Balance at 1 April 2002 £	Income £	Expenditure £	Transfers £	Transfer (to)/from unrestricted funds £	Balance at 31 March 2003 £
Coventry Adult Advisory Service	42,637	373,576	(349,168)	(38,868)	(28,177)	-
Warwickshire Adult Advisory Service	-	374,940	(357,447)	(37,581)	38,088	18,000
North Warwickshire Development Project	20,680	-	-	-	-	20,680
Working with offenders - Coventry	1,882	36,661	(37,783)	(2,905)	2,145	-
Working with offenders - Warwickshire	21,694	49,382	(36,299)	(5,811)	(28,966)	-
Working in the Community Drug and Alcohol education for Young People	34,812	-	(34,504)	(1,767)	1,459	-
Drug and Alcohol education for Young Offenders	146,359	264,440	(195,124)	(18,556)	(4,464)	192,645
New Deal	-	72,541	(62,941)	(9,600)	-	-
Youth Offending Service	-	59,459	(44,942)	(5,811)	-	8,706
Drug Solutions – Birmingham	-	31,301	(22,459)	(2,905)	-	5,937
Birmingham Supporting People	-	717,795	(504,860)	(77,349)	(30,320)	105,266
Coventry Supporting People	-	12,296	(15,084)	-	-	(3,508)
Administration and management of the Charity	-	-	(3,057)	(1,178)	-	(4,235)
	6,705	-	(201,102)	198,870	(4,473)	-
	<u>274,769</u>	<u>1,992,391</u>	<u>(1,865,490)</u>	<u>(3,471)</u>	<u>(54,708)</u>	<u>343,491</u>
Capital funding	72,132	89,874	-	3,471	(43,647)	121,830
	<u>346,901</u>	<u>2,082,265</u>	<u>(1,865,490)</u>	<u>-</u>	<u>(98,355)</u>	<u>465,321</u>

The Coventry and Birmingham supporting people funds incurred high initial set up costs with the use of agency staff which resulted in deficits for the year. However, agency staff have now been replaced with permanent employees and therefore, the deficit will be absorbed in 2003/04.

SWANSWELL CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2003

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	<u>Fixed assets</u> £	<u>Cash balances</u> £	<u>Other current net assets</u> £	<u>Total</u> £
RESTRICTED FUNDS:				
Coventry Adult Advisory Service	-	(8,307)	8,307	-
Warwickshire Adult Advisory Service	-	18,000	-	18,000
North Warwickshire Development Project	-	20,680	-	20,680
Drug and Alcohol education for Young People	-	163,944	28,701	192,645
Drug and Alcohol education for Young Offenders	-	(17,458)	17,458	-
New Deal	-	8,706	-	8,706
Youth Offending Service	-	5,937	-	5,937
Drug Solutions - Birmingham	-	105,266	-	105,266
Birmingham Supporting People	-	(3,508)	-	(3,508)
Coventry Supporting People	-	(4,235)	-	(4,235)
Capital funding	136,658	(14,828)	-	121,830
	<u>136,658</u>	<u>274,197</u>	<u>54,466</u>	<u>465,321</u>
Unrestricted funds	25,953	262,728	(45,884)	242,797
	<u>162,611</u>	<u>536,925</u>	<u>8,582</u>	<u>708,118</u>

12. CONTROLLING PARTY

The charity is controlled by the trustees.

13. OPERATING LEASE COMMITMENTS

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

	<u>2003</u> £	<u>Land</u> <u>2002</u> £	<u>2003</u> £	<u>Others</u> <u>2002</u> £
Expiring: Within 2 to 5 years	<u>23,000</u>	<u>22,000</u>	<u>7,675</u>	<u>5,533</u>