

**SWANSWELL CHARITABLE TRUST**

**REPORT OF THE DIRECTORS AND**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2005**



**SWANSWELL CHARITABLE TRUST**

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for the year ended 31 March 2005**

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**SWANSWELL CHARITABLE TRUST**

**COMPANY INFORMATION**  
**for the year ended 31st March 2005**

|                                   |  |                        |
|-----------------------------------|--|------------------------|
| <b>DIRECTORS:</b>                 | Dr J Bland<br>Mr M Wells<br>Mr M Singh<br>Mr R Chauchan<br>Mr R Moore<br>Mrs J Wigglesworth<br>Ms L Williams | (PRESIDENT)<br>(CHAIR) |
| <b>SECRETARY:</b>                 | Ms C Haydon  |                        |
| <b>CHIEF EXECUTIVE</b>            | Mr G Cobbe   |                        |
| <b>REGISTERED OFFICE:</b>         | Swanswell Centre<br>44a – 46 Regent Street<br>Rugby CV21 2PS   |                        |
| <b>REGISTERED COMPANY NUMBER:</b> | 3692925 (England and Wales)  |                        |
| <b>REGISTERED CHARITY NUMBER:</b> | 1074891  |                        |
| <b>AUDITORS:</b>                  | Luckmans Duckett Parker<br>Victoria House<br>44-45 Queens Road<br>Coventry<br>CV1 3EH                        |                        |
| <b>SOLICITORS:</b>                | Band Hatton Solicitors<br>1 Copthall House<br>Station Square<br>Coventry CV1 2FY                             |                        |
| <b>BANKERS:</b>                   | HSBC Bank<br>Corporation Street<br>Coventry  |                        |

## **SWANSWELL CHARITABLE TRUST**

### **REPORT OF THE DIRECTORS for the year ended 31 March 2005**

#### **INTRODUCTION**

The Trustees, who are also Directors for the purposes of the Companies Act, submit their annual report and audited financial statements for the year ended 31 March 2005. The Trustees have adopted the provision of the Statement of Recommended Practice (SORP) issued in March 2005 in preparing the annual report and financial statements of the charity.

The Swanswell Charitable Trust is a charitable company limited by guarantee and was established on 8<sup>th</sup> January 1999.

It is governed by Memorandum and Articles of Association and its primary and current objectives are to promote the safer use of alcohol and drugs and to reduce the harm associated by the inappropriate use of those substances.

#### **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 (President) |                                     |
| Mr M Wells (Chair)     |                                     |
| Mr R Moore             |                                     |
| Mr M Singh             |                                     |
| Mr R Chauhan           | resigned 4 <sup>th</sup> April 2004 |
| Mrs J Wiglesworth      |                                     |
| Ms L Williams          |                                     |

In accordance with the Articles of Association Dr Bland, Mrs J Wiglesworth and Ms L Williams retire at the forthcoming Annual General Meeting and being eligible will stand for re-election.

Mr P Forrester having been co-opted as a director during the year will also retire at the forthcoming Annual General Meeting and being eligible will stand for re-election.

No Directors have any association with either a funding source or commercial organisation associated with the Swanswell Trust that may have potential to result in a conflict of interest and have each duly made formal declarations to that effect.

#### **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). While the organisation is widely known as the Swanswell Charitable Trust, the name of individual services has to be relevant to service users and partner organisations in localities, Swanswell is therefore also known as:-

- Drug Solutions, Birmingham
- Birmingham Supporting People 'Floating Support'
- Coventry Community Alcohol service
- Coventry Supporting People 'Floating Support'
- Warwickshire Community Alcohol Service
- Coventry Discovery and CADDY Younger people' Substance Misuse Service
- DASP (Drug and Alcohol Support project) Wood End, Coventry
- Coventry Crime and Alcohol Project
- DIDS (Drink Impaired Drivers Scheme) Coventry and West Midlands

## **SWANSWELL CHARITABLE TRUST**

### **REPORT OF THE DIRECTORS (CONTINUED) for the year ended 31 March 2005**

#### **STRUCTURE ,GOVERNANCE AND MANAGEMENT**

##### **Recruitment and Appointment of Trustees**

Directors have benefited from work undertaken with an external Governance Consultant that has resulted in a significant revision of processes for the recruitment, selection and induction of prospective Trustees. This work is in the process of being concluded with a view to implementation during 2006/07

##### **Structure for Decision Making.**

Directors meet as a Board on a regular bi-monthly basis. All documents for each meeting are in the possession of each director one full week before the meeting, and address :-

- Financial matters including setting annual budgets, bi-monthly reviews of expenditure, half yearly review and budgets revisions if indicated, agreeing budgets for new developments.
- Strategic considerations, business planning , new developments and governance issues including risk assessment and management.
- Policy development and review
- Operational issues of particular significance
- Reviews of individual projects
- Human resource issues

The Board exercises its governance through the Chief Executive and the Management Team of Senior Managers that address strategic matters, monitor financial issues, implement business plans and related development and monitor operational performance at locality level against the policies of the charity and requirements of contracts for services. The Management Team meets weekly.

The Management Team delegates through two key operational groups...the Senior Operational Managers Group, and the Finance Forum of all budget holders. They meet at monthly and bi monthly intervals respectively.

##### **Relationships between the charity and related parties.**

While the charity operates, as the results of our activity convincingly illustrate, in very effective partnerships with other organisations and funders at both strategic and operational levels, there are no financial or subsidiary arrangements with any other charity. The arrangements that apply between the charity and funding bodies are based on the contracts or service level agreements deemed necessary by those funding bodies / authorities.

##### **Statement of Directors' Responsibilities.**

Company law requires the Directors to prepare financial statements for each financial year that provide 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

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are both 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 of detection and fraud and other irregularities.

## SWANSWELL CHARITABLE TRUST

### REPORT OF THE DIRECTORS (CONTINUED)

for the year ended 31 March 2005

#### Risk Management.

Trustees and the organisation's Management Team are continually pre-occupied with the necessity to anticipate potential for risk and to take necessary measures to avert it. In particular the following areas have been the focus of particular attention:-

- **Operational Activity.** Dealing with very vulnerable people presents considerable levels of risk that need to be handled with precision in localities. Additional levels of operational management have been introduced, and each service has its own 'Continuous Improvement Plan' in which employees operate as a 'quality circle' in search of high standards in both practice and innovation. Additionally we use an independent casework auditor to come into inspect services by examining case files in detail, and from that process providing information on the standard of casework provided to beneficiaries, and particularly on the quality of line management supervision provided to caseworkers. The new post of Head of Operational services is responsible for delivering high standards and eliminating risk in client care services.
- **Human Resources.** The Swanswell Trust wished to operate as an employer of the highest standard attainable, and recognises that its employees are its greatest asset. In order to ensure that our employment processes are of the standard required, we have appointed a qualified Head of Human Resource development who has already made significant achievements in this key area, and who has already defined a detailed work plan for the next 18 months to enhance our recruitment and employment arrangements yet further.
- **Governance Review.** An external and very experienced NCVO approved Governance Consultant is working with the Trust to ensure that our Governance arrangements are suitable for our purposes and reflect high contemporary standards. This in turn results in a Board of Trustees/Directors who are very capable of exercising their necessary over view of the Trust's performance.
- **Health and Safety.** The potential for risk arising from H & S issues has been recognised, and this work has been outsourced to a major national organisation to ensure that we have done all that we possibly can to avert H & S risks, and to provide a safe and well regulated environment for employees.
- **Central Services.** The 'head office' is intended to provide both direction, control and services to operational settings. The costs of Central Services are met through the management charge that is applied to each contract of up to 15% of contract value. This is evidenced to our funders either directly in the statement of contract or where contracts are insufficiently clear, in the financial returns for each project. Unspent management charges accruing have been committed to the unrestricted reserves fund that is reviewed annually. Such are the additional investments in managerial capacity and accommodation anticipated in 2005/06/07 that accruing under spends in managerial costs is most unlikely. Investment made previously in additional central management capacity has been very productive, but in early 05/06 a further review of Central services will be undertaken both to test the effectiveness of the last investment, and to recommend whatever else may be necessary to provide optimum levels of control of and support to locality services that will in turn reduce risk even further.
- **Business Risk Review.** Directors have conducted a detailed business risk review and have examined arrangements to offset any issues of concern. They are satisfied that sufficient arrangements are in place to deal with risks identified. The business plan being prepared for 06/09 will examine further opportunities to continue to develop both the range of services to vulnerable people, as well as to widen the localities served. Very detailed financial regulations have been developed (see Finance below) to both improve efficiency and eliminate the prospect of financial management risks. Particular attention has been afforded to Health and Safety, Human Resources and client service delivery policies not only to eliminate risk but to enhance further quality of service delivery and results for beneficiaries. Directors are concerned that a minority of our funders offer very vague contracts and negotiating greater contract clarity (where required) is a primary objective of locality managers in 2005/06 in order to achieve further security in the business interests of the charity to further secure our ability to meet the needs of beneficiaries.

## SWANSWELL CHARITABLE TRUST

### REPORT OF THE DIRECTORS (CONTINUED) for the year ended 31 March 2005

#### 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. The Directors working with Senior Managers have in place a detailed Business Plan for a three year period that is designed to:-

- Consolidate existing services – financial planning and management,, human resources, and operational activities through measurable continuous improvement programmes
- Plan for the longer term financial viability of the charity
- Take strategically relevant opportunity for further development subject to such opportunity being consistent with the values and aspirations of the charity and its purpose.

Directors are involved in the development of the Business Plan, and monitor its implementation on a periodic basis through Governance processes. A revised Business Plan for the period 2006/2009 is currently in the process of being formulated. Beyond the broad objective of seeking to cautiously continue to develop in order to increase our security to be able to meet the needs of socially disadvantaged people, the key themes of the business plan will include the continuous drive to produce measurable quality and results (outcomes) while achieving a very clear 'consumer' emphasis, strategic initiatives to tackle 'diversity' in both employment and service delivery, further development of our Human Resources and Employment Strategy – our employees are our greatest asset and we seek to invest in them to ensure that we gain highest performance from them,

#### 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. Confidentiality Policy
- f. Staff at Risk Policy
- g. Grievance and Disciplinary Policy
- h. Partnership Purchasing/Commissioning Policies of:-
  - Coventry Social Services Department to provide 'Community Alcohol Services' Coventry
  - Coventry Primary Care NHS Trust.....ditto.
  - Coventry City Council Housing Department to provide 'Supporting People – Floating Tenancy Support Services' in Coventry
  - Coventry PCT and Coventry City Council to provide 'Discovery' and 'CADDY' drug and alcohol services for younger people in Coventry, and 'New Deal DASP (Drug and Alcohol Support Project) Wood end, Coventry
  - Warwickshire Social Services Department to provide 'Community Alcohol Services' in Warwickshire
  - Rugby Primary Care NHS Trust.....ditto.
  - Warwickshire Drug Action Team.....ditto.
  - Birmingham Drug Action Team to provide 'Drug Solutions, Birmingham'
  - Birmingham City Council Housing Department to provide 'Supporting People – Floating Tenancy Support Services' in Birmingham.
  - Warwickshire Probation Authority to provide the 'Drink Impaired Drivers' treatment project.
  - West Midlands Probation Authority to provide both the 'Drink Impaired Drivers ' treatment project and the Coventry 'Crime and Alcohol' project.
- i. Specific policies and requirements arising from the NHS and Community Care Act 1989, the national treatment framework for drug services 'Models of Care' and policies that follow from the Government's Drugs Intervention/Criminal Justice Intervention Programme, all of which determine eligibility for services. Additionally the service for younger people in Coventry is governed by the terms and spirit of the Children Act and associated policies, with particular regard to the policies of the Area Child Protection Committee. While the Company's primary purpose is to meet the needs of those affected by the adverse effects of drugs and alcohol, the safety of children remains paramount.

## **SWANSWELL CHARITABLE TRUST**

### **REPORT OF THE DIRECTORS (CONTINUED) for the year ended 31 March 2005**

#### **Review of activities and future developments.**

The Statement of Financial Activities for the year end 31<sup>st</sup> March 2005 is set out on page 10 of the accounts. A summary of the financial results and the work of the charity is set out below.

#### **ACHIEVEMENTS AND PERFORMANCE**

##### **Resources expended and services**

###### **a. Services**

The past year has seen no major new service development, but existing services have benefited from both consolidation and incremental enhancements, particularly in the fields of Tier 2 drug services in Coventry and the continuing development of Drug Solutions Birmingham in the fields of both Primary Care and Criminal Justice Services. Such has been the success of Drug Solutions, Birmingham that it is after only two years now the largest drug service in that city. The key to achieving success in implementing the Government's national drugs Strategy in large part is related to the ability of services to attract potential beneficiaries and retain them in treatment. This key performance indicator is independently monitored and Drug Solutions, Birmingham has achieved a remarkable 87% retention in treatment after 12 weeks. Whereas drug services have continued to benefit from specific Government funding, alcohol services have generally been marking time pending clarification of the direction of the eagerly awaited National Alcohol Strategy implementation which it is expected will inject resources into what has become a neglected aspect of service priority by both the Government and consequently locality commissioners.

In Central Services there are three key posts – Head of Operational Services, and the Heads of both Human Resource Development and Financial Services which have been critical to the achievements of this financial year. Work is planned to evaluate early in 05/06 any remaining areas of Central Administration requiring additional investment in order to ensure that the quality of services provided to beneficiaries are suitably organised and managed, to ensure that risk is reduced as far as is reasonably practicable, and that optimum levels of efficiency, economy and effectiveness are achieved. It will also be necessary to address at an early stage the question of adequate office accommodation.

Trustees consider that the organisation has performed very effectively at all levels during this year, which has reinforced the foundations upon which to develop further in 05/06 and beyond in a manner that ensures that our existing activities remain our first priority, and that we are not deflected from that priority by new opportunities. We will continue to develop if suitable and strategically relevant opportunities are presented to us, but in a cautious manner that averts risk of destabilisation of our existing achievements.

###### **b. Finance**

The range of 'Advisory Services' for those affected by both alcohol and/or drug issues continues to form the core of the Trust's activities and accounted for £3,875,493 compared with £3,434,811 in 03/04 and which constituted 99.7% of 04/05 restricted income. It is necessary however to emphasise that the term 'Advisory' is a very broad and generic term that includes very sophisticated methods of treatment intervention, some of which is undertaken with Criminal Justice agencies, and almost all in conjunction with NHS services. There were 25 individual projects with 36 funding streams.

**Income Generation.** The Charity's income increased from £3,455,298 in 03/04 to £3,928,588 in 04/05, continuing the upward trend evident in recent previous years and representing a 13.7% increase on the previous year. We already know that 05/06 will also see yet further enhancement of income in the order of £5 million. Considerable attention to the detail of financial management arrangements has taken place with particular emphasis on the planning, monitoring and control of locality budgets which has ensured that there have been no untoward variances. The creation of the recent new post of Head of Financial Services was very timely in that it has been possible to introduce standards and processes necessary to process funds of this level in a manner that is well understood and applied by central and locality managers.

## SWANSWELL CHARITABLE TRUST

### REPORT OF THE DIRECTORS (CONTINUED) for the year ended 31 March 2005

**Reserves Policy.** The Directors have reviewed the existing uncommitted reserves policy. Unused unrestricted income is invested towards the achievement of a target figure of 3 months typical expenditure. Based on 2004/5 expenditure that target figure equates to £891,500. Although it has been possible during 04/05 to increase unrestricted reserves by £157,000 to £518,464, the target figure is not yet within reach and the policy and its objectives will come under further review within 05/06. However Directors are very mindful that should we experience a reduction in funding it would be necessary to have sufficient funds to deal with any consequences arising, and particularly to protect the interests of beneficiaries and employees while contingencies were pursued

#### c. Internal Financial Controls

The charity has increased its service delivery activity extensively, and consequently the levels of income involved have also increased proportionately. In order to ensure very high standards of financial planning and management, a new Financial Services department has been created with detailed systems for financial planning, monitoring and control. Key to the success of this approach has been the production of very clear Financial Regulations and the training of the staff who are required to operate within the terms of the regulations. Additionally the Trust has engaged the services of a suitably qualified and experienced accountant with full knowledge of SORPS and who provides the organisation with objective and independent financial advice in regard to practice, processes, accounting to funders, risk management and investment. He has been very helpful in developing the new financial regulations, and has contributed to the training of staff involved in their implementation. There are very clear:

- Definitions of responsibilities and delegation limits
- Annual consultation and planning process to set budgets, with review and mid year resetting if necessary, especially should income for specific projects increase
- Regular review of budgets, cost centre managers each receive detailed monthly statements of both current expenditure and subsequent full year projection based on that figure to aid forward planning
- Formalised arrangements that ensure clear systems for control and necessary approvals.

#### AUDITORS

It is the policy of Directors that providers of services to the Swanswell Charitable Trust are reviewed regularly in the interests of efficiency, economy and effectiveness. The contract for Audit services is reviewed annually. Subject to the result of that review, the auditors Luckmans, Duckett, Parker may be re-appointed at the Annual General Meeting 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.

#### SIGNED ON BEHALF OF THE BOARD



Dated : 9<sup>th</sup>.August 2005.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SWANSWELL CHARITABLE TRUST**

We have audited the financial statements of Swanswell Charitable Trust for the year ended 31st March 2005 on pages ten to twenty one. 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 Trustees and Auditors**

As described in the Statement of Trustees' Responsibilities the Trustees (who are also the directors of Swanswell Charitable Trust 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.

*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 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 Trustees' remuneration and transactions with the Charity is not disclosed.

*We read other information contained in the Trustees Annual Report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.*

### **Basis of Audit 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 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 Charity'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 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
SWANSWELL CHARITABLE TRUST  
(continued)**

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the Charity's affairs as at 31st March 2005, 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.

*Luckmans Duckett Parker*

9th August 2005  
Coventry

LUCKMANS DUCKETT PARKER  
Registered Auditors

**SWANSWELL CHARITABLE TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCLUDING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2005**

|  | Note  | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2005<br>£ | Total Funds<br>2004<br>£ |
|--|-------|----------------------------|--------------------------|--------------------------|--------------------------|
| <b>INCOMING RESOURCES</b>                                      |       |                            |                          |                          |                          |
| Incoming resources from charitable activities                  | 2     | -                          | 3,865,930                | 3,865,930                | 3,433,811                |
| Donations  |       | 3,785                      | 150                      | 3,935                    | 4,600                    |
| Investment Income - Interest Received                          |       | 48,477                     | -                        | 48,477                   | 11,827                   |
| Other income resources   |       | 833                        | 9,413                    | 10,246                   | 5,060                    |
| <b>Total Incoming Resources</b>                                |       | <b>53,095</b>              | <b>3,875,493</b>         | <b>3,928,588</b>         | <b>3,455,298</b>         |
| <b>RESOURCES EXPENDED</b>                                      |       |                            |                          |                          |                          |
| Costs of activities in furtherance of the charity's activities | 3     | -                          | 3,186,683                | 3,186,683                | 2,603,086                |
| Central Services Costs   | 4     | 348,426                    | -                        | 348,426                  | 452,499                  |
| Governance Costs   | 5     | 31,240                     | -                        | 31,240                   | 3,697                    |
| <b>Total Resources Expended</b>                                |       | <b>379,666</b>             | <b>3,186,683</b>         | <b>3,566,349</b>         | <b>3,059,282</b>         |
| <b>NET INCOMING RESOURCES BEFORE TRANSFERS</b>                 | 6     | <b>( 326,571 )</b>         | <b>688,810</b>           | <b>362,239</b>           | <b>396,016</b>           |
| <b>Gross Transfers between funds</b>                           | 10    | <b>483,576</b>             | <b>( 483,576 )</b>       | <b>-</b>                 | <b>-</b>                 |
| <b>Net incoming Resources for the year</b>                     | 6     | <b>157,005</b>             | <b>205,234</b>           | <b>362,239</b>           | <b>396,016</b>           |
| Fund Balances brought forward 1 April 2004                     |       | <b>361,459</b>             | <b>742,675</b>           | <b>1,104,134</b>         | <b>-</b>                 |
| <b>FUND BALANCES CARRIED FORWARD AT 31 MARCH 2005</b>          | 10,12 | <b>518,464</b>             | <b>947,909</b>           | <b>1,466,373</b>         | <b>1,104,134</b>         |

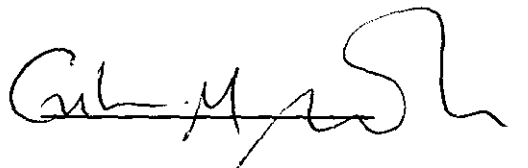
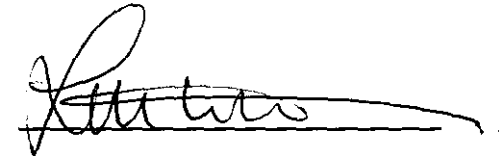
**SWANSWELL CHARITABLE TRUST**

**BALANCE SHEET  
AS AT 31 MARCH 2005**

|   | Note  | 2005                    | 2004                    |
|---|-------|-------------------------|-------------------------|
|   |       | £                       | £                       |
| <b><u>FIXED ASSETS</u></b>                    |       |                         |                         |
| Tangible Fixed Assets                         | 7     | 216,599                 | 188,246                 |
| <b><u>CURRENT ASSETS</u></b>                  |       |                         |                         |
| Debtors                                       | 8     | 378,523                 | 183,450                 |
| Cash at Bank and in hand                      |       | <u>1,185,655</u>        | <u>913,665</u>          |
|   |       | 1,564,178               | 1,097,115               |
| <b><u>LIABILITIES</u></b>                     |       |                         |                         |
| Creditors Amounts falling due within one year | 9     | <u>314,404</u>          | <u>181,227</u>          |
| <b>NET CURRENT ASSETS</b>                     |       | 1,249,774               | 915,888                 |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>  |       | <u><u>1,466,373</u></u> | <u><u>1,104,134</u></u> |
| <b><u>FUNDS</u></b>                           |       |                         |                         |
| Restricted Funds                              | 10,11 | 758,863                 | 598,562                 |
| Restricted Capital funds                      | 10,11 | 189,046                 | 144,113                 |
| Unrestricted funds                            | 11,12 | 518,464                 | 361,459                 |
| <b>TOTAL CHARITY FUNDS</b>                    |       | <u><u>1,466,373</u></u> | <u><u>1,104,134</u></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 9th August 2005 and signed on their behalf by:

## **SWANSWELL CHARITABLE TRUST**

### **Notes for the Accounts for the year ended 31 March 2005**

#### **1 STATEMENT OF ACCOUNTING POLICIES**

##### **Basis of Accounts Preparation**

These accounts are prepared under the Charities Act 1993 under the historical cost convention in accordance with the Financial Reporting Standard for Smaller Entities. In preparing the financial statements the charity complies with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP) issued in March 2005 and the Companies Act 1985

##### **Incoming Resources**

Incoming resources from charitable activities are included in the accounts when the conditions of the contract are met.

Donations receivable for general purposes of the Charity are credited to Unrestricted Funds. Donations for purposes restricted by the wishes of the donor are taken to Restricted funds. All donations received are accounted for on a receipts basis.

All other income is accounted for on an accrual basis.

##### **Resources Expended**

All resources are accounted for on an accrual basis. Direct charitable expenditure includes the direct costs of the activities and depreciation on related assets. Where costs relate to more than one cost centre, they have been apportioned on the number of staff relevant to the service. The irrecoverable element of VAT is included with the item of expenses to which it relates.

Support Costs comprises of the cost of the Head Office function. This includes the organisation of contracts for service delivery, Human Resources facility, Finance function Central Administration and Operational management.

Governance costs comprises the cost of running the charity, including strategic planning for the future development, also external audit, any legal advice for the trustees and the cost of complying with constitutional and statutory requirements, such as the cost of trustees meetings and the preparing of statutory accounts.

##### **Transfers**

The charity operates through contracts for service delivery. These contracts are organised by and utilise the support services. The charity has a policy of charging up to 15% of the contract value (management charge) which is transferred from the restricted fund to unrestricted funds. This funds the support and governance costs and other related costs.

##### **Tangible Fixed Assets and Depreciation**

All long lasting assets the charity own and costing more than £500 are capitalised.

## **SWANSWELL CHARITABLE TRUST**

### **Notes for the Accounts for the year ended 31 March 2005 (Continued)**

#### **STATEMENT OF ACCOUNTING POLICIES**

Depreciation is provided to write off the cost of all fixed assets. It is calculated on a straight line basis over the expected useful lives at the following annual rate:

|                       |                            |
|-----------------------|----------------------------|
| Short                 |                            |
| Leasehold             | over the term of the lease |
| Fixtures and Fittings | 20%                        |
| Computer Equipment    | 33%                        |

#### **Fund Structure**

Unrestricted funds are any incoming resources receivable or generated which do not relate to the furtherance of the charity and the element of the management charge. Support and Governance costs are charged to these funds.

Restricted funds are incoming resources that are to be used for a specific purpose. A fund is set up dependant on whether the funder needs costs to be identified separately. Expenditure relating to these activities are charged to these funds. Any capital purchases from these funds are identified separately and the income relating to these funds are transferred to the capital fund.

#### **Operating Leases**

Rentals paid under operating leases are charged to the Statement of Financial Activities as incurred.

#### **Pensions**

The charity operates a defined contribution pension scheme. The charity also contributes to individual personal pension schemes and will pay a percentage of annual salary on both schemes. Contributions to both schemes are charged to the Statement of Financial Activities as they become payable.

## **SWANSWELL CHARITABLE TRUST**

### **Notes to the Accounts for the year ended 31 March 2005**

#### **2 INCOMING RESOURCES**

The following are the principal sources and purposes of the restricted income received by this organisation:-

Coventry City Council Social Services and Coventry Primary Care Trust for the Coventry Community Alcohol Service.

Coventry City Council Housing Department for the Coventry 'Supporting People' Floating Tenancy Support Service

Coventry City Council and Coventry PCT to provide the Coventry Substance Misuse Service for Younger People, known as 'Discovery' and 'CADDY' (Crime, Alcohol, Drugs, Disaffection and Youth).

New Deal for Communities funded via Coventry City Council contributes to the Drug and Alcohol Support project (DASP) which is located at Hillmorton Road, Woodend, Coventry

Warwickshire County Council Social Services Department and Rugby Primary Care NHS Trust to provide the Warwickshire Community Alcohol Service.

Birmingham Drug Action Team operating through the Heart of Birmingham Primary Care NHS Trust to provide Drug Solutions Birmingham Primary Care and Criminal Justice Drugs Services.

Birmingham City Council Housing Department for the Birmingham 'Supporting People' Floating tenancy Support Service

Warwickshire Probation to provide the Warwickshire 'Drink Impaired Drivers Programme'

West Midlands Probation to provide both the 'Drink Impaired Drivers programme' and the 'Alcohol and Offending Programme'

# SWANSWELL CHARITABLE TRUST

## Notes to the Accounts for the year ended 31 March 2005 (continued)

### 3 EXPENDITURE ON ADVISORY SERVICES

|  | 2005<br>£        | 2004<br>£        |
|--|------------------|------------------|
| <b>a) By service provided:</b>         |                  |                  |
| Coventry Service/PCP/Healthy Foleshill | 341,224          | 321,538          |
| Alcohol Training                       | 19               | -                |
| Youth Alcohol Project (YAP)            | 25,901           | 25,498           |
| Crime & Alcohol Project                | 33,705           | 33,120           |
| Discovery YPSMS                        | 159,405          | 167,875          |
| CADDY                                  | 68,680           | 65,400           |
| Hospital Liaison                       | 29,992           | 29,044           |
| New Deal                               | 133,450          | 99,279           |
| YOS                                    | 30,583           | 30,930           |
| Coventry Supporting People             | 83,563           | 73,382           |
| Healthy Eating                         | 356              | 1,272            |
| Homeless at Risk                       | 8,126            | -                |
| Social Inclusion                       | 298              | -                |
| Warwickshire                           | 403,323          | 385,208          |
| DIDS                                   | 104,116          | 73,821           |
| SCI Alcohol Strategy                   | 892              | -                |
| Leaving Care                           | 2,418            | -                |
| Models of Care                         | 2,602            | 8,707            |
| Intervention Training                  | 4,327            | -                |
| Community Care                         | 12,558           | 6,353            |
| Alcohol Licensing                      | 3,492            | 349              |
| Drug Solutions Birmingham              | 1,500,100        | 1,089,525        |
| Drug Solutions Birmingham-CJIP         | 1,222            | -                |
| Drug Solutions Birmingham-DIP          | 42,455           | -                |
| Birmingham Supporting People           | 193,876          | 191,785          |
|  | <b>3,186,683</b> | <b>2,603,086</b> |

|                                      | 2005<br>£        | 2004<br>£        |
|--------------------------------------|------------------|------------------|
| <b>b) By category of expenditure</b> |                  |                  |
| Administration                       | 127,249          | 106,090          |
| Information Technology               | 63,013           | 37,030           |
| Payroll                              | 2,463,358        | 2,152,844        |
| Personnel & Training                 | 120,496          | 65,948           |
| Premises                             | 206,019          | 137,281          |
| Resources                            | 98,461           | 81,221           |
| Group Expenses                       | 19,908           | 10,537           |
| Volunteer Expenses                   | 35               | -                |
| Finance & Allocations                | 3,749            | -                |
| Depreciation                         | 84,395           | 12,135           |
|                                      | <b>3,186,683</b> | <b>2,603,086</b> |

# SWANSWELL CHARITABLE TRUST

## Notes to the Accounts for the year ended 31 March 2005 (continued)

### 4 CENTRAL SERVICES COSTS

|                        | 2005<br>£      | 2004<br>£      |
|------------------------|----------------|----------------|
| Administration         | 18,655         | 20,832         |
| Information Technology | 7,929          | 5,488          |
| Payroll                | 269,810        | 245,587        |
| Personnel & Training   | 1,985          | 46,974         |
| Premises               | 18,406         | 20,151         |
| Resources              | 4,520          | 5,729          |
| Volunteer Expenses     | -              | 110            |
| Finance & Allocations  | 11,071         | 10,510         |
| Depreciation           | 16,050         | 97,118         |
|                        | <u>348,426</u> | <u>452,499</u> |

### 5 GOVERNANCE

|                                   | 2005<br>£     | 2004<br>£    |
|-----------------------------------|---------------|--------------|
| External Audit                    | 6,635         | 2,100        |
| Cost of trustees meetings         | 1,590         | 863          |
| Apportionment of staff time based | 21,669        | -            |
| Consultancy on Governance         | 1,346         | 734          |
|                                   | <u>31,240</u> | <u>3,697</u> |

### 6 NET INCOMING RESOURCES

Included in net incoming resources in the year are:-

|              | 2005<br>£ | 2004<br>£ |
|--------------|-----------|-----------|
| Audit Fees   | 6,685     | 2,100     |
| Depreciation | 100,445   | 109,253   |
| Pension      | 51,196    | 44,452    |

**SWANSWELL CHARITABLE TRUST**

**Notes to the Accounts  
for the year ended 31 March 2005  
(continued)**

**7 TANGIBLE FIXED ASSETS**

|                              | <b>Short<br/>Leasehold<br/>Property</b> | <b>Fixtures &amp;<br/>Fittings</b> | <b>Computer<br/>Equipment</b> | <b>Totals</b>         |
|------------------------------|---|------------------------------------|-------------------------------|-----------------------|
|                              | <b>£</b>                                | <b>£</b>                           | <b>£</b>                      | <b>£</b>              |
| <b>Cost</b>                  |   |                                    |                               |                       |
| As at 1st April 2004         | 132,677                                 | 95,511                             | 217,703                       | 445,891               |
| Additions                    | 51,323                                  | 39,250                             | 38,112                        | 128,685               |
| Disposals                    |   | ( 34,487 )                         | ( 3,376 )                     | ( 37,863 )            |
| <b>As at 31st March 2005</b> | <b><u>184,000</u></b>                   | <b><u>100,274</u></b>              | <b><u>252,439</u></b>         | <b><u>536,713</u></b> |
| <b>Depreciation</b>          | <b>9105</b>                             | <b>9110</b>                        | <b>9115</b>                   |                       |
| As at 1st April 2004         | 62,870                                  | 53,739                             | 141,036                       | 257,645               |
| Charge for the year          | 20,063                                  | 16,944                             | 63,327                        | 100,334               |
| Disposals                    | ( 1,634 )                               | ( 32,855 )                         | ( 3,376 )                     | -37,865               |
| <b>As at 31st March 2005</b> | <b><u>81,299</u></b>                    | <b><u>37,828</u></b>               | <b><u>200,987</u></b>         | <b><u>320,114</u></b> |
| <b>Net Book Value</b>        |   |                                    |                               |                       |
| <b>As at 31st March 2005</b> | <b><u>102,701</u></b>                   | <b><u>62,446</u></b>               | <b><u>51,452</u></b>          | <b><u>216,599</u></b> |
| <b>As at 31st March 2004</b> | <b><u>69,807</u></b>                    | <b><u>41,773</u></b>               | <b><u>76,666</u></b>          | <b><u>188,246</u></b> |

# SWANSWELL CHARITABLE TRUST

## Notes to the Accounts for the year ended 31 March 2005 (continued)

### 8 DEBTORS

|                                | 2005<br>£      | 2004<br>£      |
|--------------------------------|----------------|----------------|
| Trade Debtors                  | 292,103        | 117,509        |
| Other Debtors                  | 1,700          | 428            |
| Prepayments and Accrued Income | 84,720         | 65,513         |
|                                | <b>378,523</b> | <b>183,450</b> |

### 9 CREDITORS

|   | 2005<br>£      | 2004<br>£      |
|---|----------------|----------------|
| Trade Creditors                         | 133,621        | 77,497         |
| Social Security & other taxes           | 66,515         | 59,706         |
| Accruals                                | 24,408         | 31,834         |
| Deferred Income( See note 13)           | 84,284         | 6,218          |
| Other creditors - pension contributions | 5,576          | 5,972          |
|   | <b>314,404</b> | <b>181,227</b> |

**SWANSWELL CHARITABLE TRUST**

**Notes to the Accounts  
for the year ended 31 March 2005  
(continued)**

**10 RESTRICTED FUNDS**

|                              | Balance<br>1 April 2004 | Incoming<br>Resources | Expenditure   | Transfers<br>Restricted fund | Transfers<br>Unrestricted | Balance<br>31 March 2005 |
|------------------------------|-------------------------|-----------------------|---------------|------------------------------|---------------------------|--------------------------|
|                              | £                       | £                     | £             | £                            | £                         | £                        |
| Community Care               | 48,916                  | 29,964                | ( 12,558 )    |                              | -                         | 66,322                   |
| YAP                          | 28,788                  | 39,154                | ( 25,326 )    |                              | ( 3,996 )                 | 38,620                   |
| YPSMS                        | 129,668                 | 178,845               | ( 154,978 )   |                              | ( 20,700 )                | 132,835                  |
| CADDY                        | 1,409                   | 76,010                | ( 67,803 )    |                              | ( 7,767 )                 | 1,849                    |
| New Deal                     | 2,225                   | 140,969               | ( 121,018 )   |                              | ( 20,345 )                | 1,831                    |
| DSB                          | 272,874                 | 1,777,796             | ( 1,461,218 ) |                              | ( 271,266 )               | 318,186                  |
| Birmingham Supporting People | 61,454                  | 302,213               | ( 191,096 )   |                              | ( 46,049 )                | 126,522                  |
| Coventry Supporting People   | 917                     | 101,004               | ( 81,533 )    |                              | ( 15,151 )                | 5,237                    |
| DIDS                         | 13,927                  | 116,953               | ( 103,320 )   |                              | ( 14,619 )                | 12,941                   |
| Coventry Service             | 8,925                   | 379,660               | ( 331,434 )   |                              | ( 39,259 )                | 17,892                   |
| YOS                          | 6,713                   | 34,473                | ( 30,310 )    |                              | ( 4,124 )                 | 6,752                    |
| Hospital Liasion             | 2,456                   | 35,109                | ( 29,966 )    |                              | ( 3,606 )                 | 3,993                    |
| Crime & Alcohol              | 515                     | 37,944                | ( 33,625 )    |                              | ( 4,835 )                 | ( 1 )                    |
| Warwickshire                 | 15,309                  | 426,451               | ( 398,464 )   | ( 11,197 )                   | ( 27,917 )                | 4,182                    |
| Alcohol Licensing            | 1,651                   | 1,841                 | ( 3,492 )     |                              | -                         | -                        |
| Models of Care               | 2,815                   | -                     | ( 2,602 )     |                              | -                         | 213                      |
| Alcohol Training             | -                       | -                     | ( 19 )        |                              | -                         | ( 19 )                   |
| Homeless at Risk             | -                       | 11,000                | ( 8,126 )     |                              | ( 1,650 )                 | 1,224                    |
| DSB-CJIP                     | -                       | 5,060                 | ( 1,033 )     |                              | -                         | 4,027                    |
| DIP                          | -                       | 64,656                | ( 42,455 )    |                              | ( 6,220 )                 | 15,981                   |
| Leaving Care                 | -                       | 3,170                 | ( 2,418 )     |                              | ( 476 )                   | 276                      |
| Intervention Training        | -                       | 4,450                 | ( 4,327 )     | 777                          | ( 900 )                   | -                        |
| Healthy Eating               | -                       | 356                   | ( 356 )       |                              | -                         | -                        |
| Social Inclusion             | -                       | 298                   | ( 298 )       |                              | -                         | -                        |
| SCI Strategy                 | -                       | 892                   | ( 892 )       |                              | -                         | -                        |
|                              | 598,562                 | 3,768,268             | ( 3,108,667 ) | ( 10,420 )                   | ( 488,880 )               | 758,863                  |

**CAPITAL**

|                              |                |                  |                      |          |                    |                |
|------------------------------|----------------|------------------|----------------------|----------|--------------------|----------------|
| YAP                          | 845            | 805              | ( 575 )              |          |                    | 1,075          |
| YPSMS                        | 5,306          | 42,785           | ( 4,427 )            |          |                    | 43,664         |
| CADDY                        | -              | 2,573            | ( 877 )              |          |                    | 1,696          |
| New Deal                     | 46,139         | 3,253            | ( 12,432 )           |          |                    | 36,960         |
| DSB                          | 52,991         | 35,055           | ( 38,882 )           |          | 304                | 49,468         |
| Birmingham Supporting People | 3,721          | 4,783            | ( 2,780 )            |          |                    | 5,724          |
| Coventry Supporting People   | 3,890          | -                | ( 2,030 )            |          |                    | 1,860          |
| DIDS                         | 796            | -                | ( 796 )              |          |                    | -              |
| Coventry Service             | 17,032         | 1,757            | ( 9,790 )            |          |                    | 8,999          |
| YOS                          | -              | 6,765            | ( 273 )              |          |                    | 6,492          |
| Hospital Liasion             | -              | 952              | ( 26 )               |          |                    | 926            |
| Crime & Alcohol              | -              | 721              | ( 80 )               |          |                    | 641            |
| Warwickshire                 | 13,393         | 980              | ( 4,859 )            | 10,420   | 5,000              | 24,934         |
| DSB-CJIP                     | -              | 6,796            | ( 189 )              |          |                    | 6,607          |
|                              | 144,113        | 107,225          | ( 78,016 )           | 10,420   | 5,304              | 189,046        |
| <b>Totals</b>                | <b>742,675</b> | <b>3,875,493</b> | <b>( 3,186,683 )</b> | <b>-</b> | <b>( 483,576 )</b> | <b>947,909</b> |

# SWANSWELL CHARITABLE TRUST

## Notes to the Accounts for the year ended 31 March 2005 (continued)

### 11 ANALYSIS OF NET ASSETS BETWEEN FUNDS

|                         | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2005<br>£ | Total Funds<br>2004<br>£ |
|-------------------------|----------------------------|--------------------------|--------------------------|--------------------------|
| Tangible fixed assets   | 27,553                     | 189,046                  | 216,599                  | 188,246                  |
| Net current assets      | 490,911                    | 758,863                  | 1,249,774                | 915,888                  |
| <b>Total Net Assets</b> | <b>518,464</b>             | <b>947,909</b>           | <b>1,466,373</b>         | <b>1,104,134</b>         |

### 12 RESERVES

|                               | 2005<br>£      |
|-------------------------------|----------------|
| As at 31 March 2004           | 361,459        |
| Transfers to restricted funds | ( 190 )        |
| Retained surplus for the year | 157,195        |
|                               | <u>518,464</u> |

### 13 DEFERRED INCOME

|                       | 2005<br>£     | 2004<br>£    |
|-----------------------|---------------|--------------|
| Intervention Training | -             | 4,450        |
| Training Income       | 1,050         | 1,768        |
| Discovery - YPSMS     | 80,888        | -            |
| Healthy Eating        | 644           | -            |
| Social Inclusion      | 1,702         | -            |
|                       | <u>84,284</u> | <u>6,218</u> |

Income for Intervention Training deferred in 2004 as the project started in 2005.  
Income deferred in 2005 as income received relates to activity in 2005/06.

# SWANSWELL CHARITABLE TRUST

## Notes to the Accounts for the year ended 31 March 2005 (continued)

### 14 STAFF COSTS

|                       | 2005<br>£        | 2004<br>£        |
|-----------------------|------------------|------------------|
| Wages and salaries    | 2,294,700        | 1,939,360        |
| Social Security costs | 229,846          | 194,900          |
| Pension costs         | 51,195           | 44,452           |
|                       | <u>2,575,741</u> | <u>2,178,712</u> |

The average number of employees analysed by function was:

|                   |            |           |
|-------------------|------------|-----------|
| Advisory services | 104        | 88        |
| Support costs     | 7          | 6         |
|                   | <u>111</u> | <u>94</u> |

There were no employees earning more than £60,000

### 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. Four directors were paid expenses totalling £607 during the year.

### 15 COMMITMENTS UNDER OPERATING LEASES.

|                                | Land & Buildings |               | Other         |               |
|--------------------------------|------------------|---------------|---------------|---------------|
|                                | 2005             | 2004          | 2005          | 2004          |
|                                | £                | £             | £             | £             |
| Operating Leases which expire: |                  |               |               |               |
| In 2 - 5 years                 | <u>51,270</u>    | <u>38,227</u> | <u>13,974</u> | <u>10,379</u> |

**SWANSWELL CHARITABLE TRUST**

**SUMMARY OF CLIENT STATISTICS**

|                                    | <b>2004/2005</b> | <b>2003/2004</b> | <b>2002/2003</b> |
|------------------------------------|------------------|------------------|------------------|
| <b>North Warwickshire</b>          |                  |                  |                  |
| Initial Client Contacts            | 518              | 518              | 451              |
| Appointments Kept/Initial Contacts | 266              | 288              | 269              |
| Appointments Made                  | 2404             | 2409             | 2012             |
| Appointments Attended              | 1581             | 1623             | 1332             |
|                                    |                  |                  |                  |
| <b>South Warwickshire</b>          |                  |                  |                  |
| Initial Client Contacts            | 644              | 557              | 505              |
| Appointments Kept/Initial Contacts | 217              | 213              | 204              |
| Appointments Made                  | 2214             | 2337             | 2278             |
| Appointments Attended              | 1524             | 1682             | 1580             |
|                                    |                  |                  |                  |
| <b>Rugby</b>                       |                  |                  |                  |
| Initial Client Contacts            | 277              | 327              | 327              |
| Appointments Kept/Initial Contacts | 142              | 186              | 221              |
| Appointments Made                  | 1381             | 1505             | 1349             |
| Appointments Attended              | 1006             | 1014             | 925              |
|                                    |                  |                  |                  |
| <b>Coventry</b>                    |                  |                  |                  |
| Initial Client Contacts            | 1257             | 1053             | 1063             |
| Appointments Kept/Initial Contacts | 512              | 489              | 555              |
| Appointments Made                  | 6855             | 7341             | 6782             |
| Appointments Attended              | 4856             | 4554             | 4241             |
|                                    |                  |                  |                  |
| <b>Birmingham</b>                  |                  |                  |                  |
| Initial Client Contacts            | 594              | 1764             | 564              |
| Appointments Kept/Initial Contacts |                  |                  | 496              |
| Appointments Made                  | 17779            | 13356            | 7611             |
| Appointments Attended              | 11567            | 8844             | 4912             |
|                                    |                  |                  |                  |
| <b>YPSMS</b>                       |                  |                  |                  |
| Initial Client Contacts            | 416              |                  | 339              |
| Appointments Kept/Initial Contacts | 310              |                  | 237              |
| Appointments Made                  | 4182             |                  | 1508*            |
| Appointments Attended              | 2261             |                  | 1075*            |

Appointments attended figures include new clients and ongoing clients.

This page does not form part of the statutory financial statements