

South Wales Association For The Prevention of Addiction Ltd
Trading As Drugaid

Report and Accounts

31 March 2004

Registration Number:1073381

Registration Charity Number:265008



A.W.G. WARREN & Son. CHARTERED ACCOUNTANTS. 74 WYNDHAM CRESCENT, CARDIFF, CF1 9EF.

South Wales Association For The Prevention of Addiction Ltd
Report and accounts
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South Wales Association For The Prevention of Addiction Ltd
Legal and administrative information

Status

The organisation is a charitable company limited by guarantee, incorporated and registered as a charity on 25 September 1972.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. Under those Articles, the members of the Management Committee are elected at the AGM to serve a period of 3 years, subject to ratification at each AGM.

Management Committee

Mr W.G.D.Smith (Chair)

Dr N.Frude

Dr R.Gunn

Miss S.D.Scarf

Secretary

Dr R.Gunn

Auditors

A.W.G.Warren & Son
74 Wyndham Crescent
Cardiff
CF11 9EF

Registered office

1a Bartlett Street
Caerphilly
CF83 1JS

Registered number

1073381

Registered charity number

265008

South Wales Association For The Prevention of Addiction Ltd Trustees Report for the Year ended 31 March 2004

The trustees, who are also directors of the company, present their report and the audited financial statements for the year ended 31 March 2004. All of the directors of the company are trustees of the charity.

Activities:

The company is a charity and exists to:

- prevent the onset of substance misuse
- raise awareness of substance misuse and related issues
- reduce and minimise substance misuse related harm and risk

In order to achieve its aims, the charity delivers a range of activity.

Results:

The net incoming resources for the year amounted to £34,824. Although none of the funds were restricted, separate accounts were maintained for each project. Any deficits were made good by transfers from the general funds. An amount of £14,487 was utilised from the designated funds. After transfer of £2,935 from this fund, a balance of £115,900 was carried forward. fund to general funds, the balance of £115,900 is carried forward. The general reserve fund stood at 341,329 at 31 March 2004..

Casework and Enquiries:

The charity received over 1300 new referrals, of these 74% were seen, with an attendance rate of 66%. Out of these 72% were male and 28% were female.

The main sources of referrals came from Probation, self, GP's, Youth Offending Teams, NHS Services, Social Services and family and friends. Of these 23% were aged between 18-25 years, 28% were aged between 26-35 years and 11% were aged under 18 years.

The main substance misuse in over 45% of referrals was from alcohol, followed by heroin (19%), and cannabis (10%).

Individuals are seen on a one to one basis and assessed before a package of care is put in place, and most subsequent sessions comprise therapeutic support input followed by education and advice.

In addition, the charity responded to and dealt with over 3700 enquiries on a face to face basis, by telephone and by letter.

Needle Exchange:

Over 900 individuals are registered with this scheme. Over 600 individuals used this scheme on over 1000 occasions, taking out nearly 60,000 needles, and returning over 33,000.

Out of the 286 new users of the scheme, 9% were female, 91% were male.

Nearly 27% were in the 18-25 year age range, with 51% being steroid users, 15% being heroin users and 14% being amphetamine users.

South Wales Association For The Prevention of Addiction Ltd Trustees Report for the Year ended 31 March 2004 (Continued)

Training, Education and Awareness-Raising:

The charity delivered 56 training sessions, with 384 participants from a range of organisations including Health, Social Services, Youth Offending Teams, Probation, Police, voluntary and community groups such as Barnardos, Homestart and Victim Support. Eleven participants were accredited at SEWOON Levels 2 and 3.

In addition, over 250 educational sessions were delivered to over 8000 young people through carousel events such as Crucial Crew, PSE inputs in schools, and inputs in and out of school settings such as youth clubs, including participation in a 12 week accredited programme: " Drugs and Alcohol Uncovered". Seven young people were accredited at SEWOON Level 1 for this programme.

Nearly 70 awareness-raising sessions were delivered to over 484 individuals from a diverse range of groups including Neighbourhood Watch, women returners to work, and job centre employees.

Future Strategy:

The charity plans to continue with its existing activity. It is also planning to maximise opportunities presented through Central Government and National Assembly strategic initiatives to diversify its range of activity within its existing catchment area, as well as roll out and extend core casework and training activity to neighbouring areas in Gwent.

The charity will also be seeking to extend its criminal justice and community safety work.

It will also continue to develop an integrated model of service delivery with the statutory sector in Merthyr Tydfil through the establishment of a one stop facility, located at MIDAS.

Reserve Policy

The management committee have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') held by the charity should be between 3 and 6 months of the resources expended, which equates to £230,000 to £460,000 in general funds. At this level, the management committee feel that they would be able to meet the obligations and requirements that would result in loss funding. It would obviously be necessary to consider how the funding would be replaced or activities changed. At the balance sheet date the free reserves, amounted to £341,329.

Management committee are considering ways in which additional unrestricted funds will be raised.

Investment Policy

The management committee has considered the most appropriate policy for investing funds is to keep surplus funds at a deposit account.

Risk Review

The Board of Directors has conducted its own review of the major risks to which the charity is exposed which has led to the development of a strategic plan which allows for the diversification of funding streams and service activities. Internal risks are minimised by processes and procedures determining appropriate authorisation of transactions and contracts, and quality issues in respect of service delivery, all of which are reviewed periodically.

South Wales Association For The Prevention of Addiction Ltd
Trustees Report for the Year ended 31 March 2004 (Continued)

Members of the management committee

Members of the management committee, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are as set out below:

Mr W.G.D.Smith. (Chair)
Dr N.Frude
Dr R.Gunn
Miss S.D.Scarf

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2004 was four (2003-five).

Auditors

A resolution to re-appoint A.W.G. Warren & Son as auditors will be put to the members at the Annual General Meeting.

Small company special provisions

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

This report was approved by the management committee on: 27/7/04



Dr R. Gunn
Secretary
On behalf of the board

South Wales Association For The Prevention of Addiction Ltd
Statement of Responsibilities Of The Management Committee

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the management committee should follow best practice and:

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

The management committee is responsible for maintaining 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 accounts 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.



Mr W.G.D. Smith

Chair

On behalf of the board

Date: 27.8.04

Independent Auditors' Report to the members of
South Wales Association For The Prevention of Addiction Ltd

We have audited the financial statements of South Wales Association For The Prevention of Addiction Ltd for the year ended 31 March 2004, which comprise pages 7 to 12. These accounts have been prepared under the historical cost convention and the accounting policies set out on page 9.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards.

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

We report to you our opinion as to whether the accounts 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 accounts, 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 are not required to consider whether the statement in the Trustees' Report concerning the major risks to which the charity is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the charity's risk management and control procedures.

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

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.


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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts 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 accounts.

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 2004 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.


A.W.G. Warren & Son
Registered auditors

74 Wyndham Crescent
Cardiff

Date: 30-7-04

South Wales Association For The Prevention of Addiction Ltd
Statement of Financial Activities and Fund Reconciliation
(Including Income and Expenditure Account)
for the year ended 31 March 2004

	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Designated Funds</u> £	<u>Total 2004</u> £	<u>Total 2003</u> £
<u>Incoming Resources</u>					
Donations received	13,339	0	0	13,339	9,171
<u>Activities to further the charities objects:</u>					
Advice and information, counselling and support, training and needle exchange	943,667	0	0	943,667	909,188
<u>Investment income</u>					
Interest received	2,420	0	0	2,420	3,678
Total incoming resources	959,426	0	0	959,426	922,037
<u>Resources Expended</u>					
<u>Cost of generating funds</u>					
Fund raising and publicity	2,703	0	0	2,703	2,074
<u>Charitable expenditure</u>					
Advice and information	227,530	0	0	227,530	205,702
Counselling and support	373,147	0	0	373,147	317,445
Training	191,124	0	0	191,124	162,215
Needle exchange	36,403	0	0	36,403	27,935
Management and administration	79,208	0	14,487	93,695	75,216
Total resources expended	910,115	0	14,487	924,602	790,587
Net incoming/(outgoing) resources before transfers	49,311	0	-14,487	34,824	131,450
Gross transfers between funds	2,935	0	-2,935	0	0
<u>NET INCOMING/(OUTGOING) RESOURCES/</u>					
<u>Net income/expenditure for the year</u>	52,246	0	-17,422	34,824	131,450
Fund balances brought forward at 1 April 2003	289,083	0	133,322	422,405	290,955
Fund balances carried forward at 31 March 2004	341,329	0	115,900	457,229	422,405

South Wales Association For The Prevention of Addiction Ltd
Balance Sheet
as at 31 March 2004

	Notes	2004 £	2003 £
Fixed assets			
Tangible assets	5	160,122	164,498
Current assets			
Debtors	7	58,893	21,629
Cash at bank and in hand		252,765	237,839
		<u>311,658</u>	<u>259,468</u>
Creditors: amounts falling due within one year	8	(14,551)	(1,561)
Net current assets		<u>297,107</u>	<u>257,907</u>
Total assets less liabilities		<u>457,229</u>	<u>422,405</u>
Income Funds			
Unrestricted funds		341,329	289,083
Restricted funds		-	-
Designated funds		115,900	133,322
Total associations funds		<u>457,229</u>	<u>422,405</u>

The accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985.

Signed on behalf of the board
of directors



Mr W.G.D. Smith
Director

Approved by the board on Date: 27.7.04

South Wales Association For The Prevention of Addiction Ltd
Notes to the Accounts
for the year ended 31 March 2004

1 Accounting policies

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), the Companies Act 1985 and follow the recommendations in *Accounting and Reporting by Charities: Statement of Recommended Practice* issued in October 2000.

Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. The value of services provided by volunteers has not been included.

Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration on each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity:

Advice and information	25%
Counselling and support	41%
Training	21%
Needle exchange	4%
Management and administration of charity	9%

Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, which is 4 years for computer equipment and ten years for office equipment and fixtures and fittings.

Unrestricted funds are donations and other incoming resources receivable or generated for the charity without further specified purpose and are available as general funds.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

Designated funds are unrestricted funds earmarked by the management committee for particular purposes.

Pensions

The company operates a group personal pension contribution scheme.

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2 Income	2004	2003
	£	£
Incoming resources comprised grants as follows:		
Local health authorities	243,731	245,480
Unitary authorities	60,026	90,919
National Assembly	215,768	209,113
Criminal Justice	369,436	363,676
Other	54,706	-
	<u>943,667</u>	<u>909,188</u>

South Wales Association For The Prevention of Addiction Ltd
Notes to the Accounts
for the year ended 31 March 2004

3 Expenditure

Direct costs have been allocated, where appropriate, against the income specified for that expenditure. All other expenditure including management and administration costs have been off-set against other income.

No expenses were re-imbursed to the directors and none of the directors had any remuneration.

Depreciation of tangible fixed assets was £27,086 (2003- £24,134).

Auditors Remuneration was £1,632 (2003- £1,000).

4 Staff costs and numbers

Staff costs were as follows:

	2004 £	2003 £
Salaries and wages	617,794	551,789
Social security costs	57,317	43,417
Pension costs	16,626	9,174
	<u>691,737</u>	<u>604,380</u>

No employees received emoluments of more than £50,000.

The average weekly number of employees during the year, calculated on the basis of full time equivalents was 35.

5 Taxation

The company has no liability to corporation tax for the year ended 31 March 2004 as it benefits from exemption relating to charities.

6 Tangible fixed assets

	Leasehold improvements £	Computer equipment £	Office equipment £	Fixtures and fittings £	Total £
At 1 April 2003	144,875	32,425	37,485	17,177	231,962
Additions	-	5,888	9,173	7,649	22,710
At 31 March 2004	<u>144,875</u>	<u>38,313</u>	<u>46,658</u>	<u>24,826</u>	<u>254,672</u>
Depreciation					
At 1 April 2003	14,488	24,635	16,945	11,396	67,464
Charge for the year	14,487	6,533	4,337	1,729	27,086
At 31 March 2004	<u>28,975</u>	<u>31,168</u>	<u>21,282</u>	<u>13,125</u>	<u>94,550</u>
Net book value					
At 31 March 2004	<u>115,900</u>	<u>7,145</u>	<u>25,376</u>	<u>11,701</u>	<u>160,122</u>
At 31 March 2003	<u>130,387</u>	<u>7,790</u>	<u>20,540</u>	<u>5,781</u>	<u>164,498</u>

7 Debtors

Amounts due within one year

	2004 £	2003 £
Grants receivable	58,893	21,629
Prepayments	-	-
	<u>58,893</u>	<u>21,629</u>

8 Creditors: amounts falling due within one year

	2004 £	2003 £
Sundry creditors and accruals	<u>14,551</u>	<u>1,561</u>

South Wales Association For The Prevention of Addiction Ltd
Notes to the Accounts
for the year ended 31 March 2004

9 Analysis of net assets between funds

	Designated funds £	Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	115,900	44,222	-	160,122
Current assets	-	311,658	-	311,658
Current liabilities	-	(14,551)	-	(14,551)
	<u>115,900</u>	<u>341,329</u>	<u>-</u>	<u>457,229</u>

10 Movements in funds

	At 1 April 2003 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 March 2004 £
<i>Unrestricted funds</i>					
Designated Oldway house project	133,322	-	14,487	-2935	115,900
General funds	289,083	959,426	910,115	2935	341,329
<i>Total unrestricted funds</i>	<u>422,405</u>	<u>959,426</u>	<u>924,602</u>	<u>-</u>	<u>457,229</u>
<i>Restricted funds</i>	-	-	-	-	-
Total funds	<u>422,405</u>	<u>959,426</u>	<u>924,602</u>	<u>-</u>	<u>457,229</u>

11 Contingent liability

A claim has been made by the landlord in respect of rental payments for Oldway House, one of the properties rented by the company, in the sum of £9,688. After seeking legal advice, the directors are of the opinion that there is no basis for this claim.

12 Capital commitments

There were no capital commitments contracted for.

South Wales Association For The Prevention of Addiction Ltd
Consolidated income and expenditure account
for the year ended 31 March 2004

	2004	2003
	£	£
Income		
Grants received	943,667	909,188
Interest received	2,420	3,678
Sundry income	13,339	9,171
	<u>959,426</u>	<u>922,037</u>
 Less expenditure		
Salaries and national insurance	691,738	604,380
Motor and mileage expenses	32,152	28,704
Training expenses	13,481	14,683
Other staff expenses	19,732	17,638
Rent	39,216	24,125
Repairs and renewals	3,233	1,004
Insurances	2,091	2,553
Heating and lighting	5,243	1,778
Needles	4,702	3,899
Family aid	5,000	5,000
Telephone charges	16,573	20,833
Stationery	8,848	7,409
Postages	2,043	1,900
Advertising and Printing	5,572	3,722
Photocopying	5,499	3,655
Sundry office costs	11,421	16,045
Subscriptions and publications	1,941	1,626
Legal fees	2,850	-
Consultancy fees	15,300	-
Auditors remuneration	1,316	1,000
Accountancy fees	641	324
Information and education	8,850	6,175
Sessional work	74	-
Depreciation	27,086	24,134
	<u>924,602</u>	<u>790,587</u>
 Surplus for the year	<u>34,824</u>	<u>131,450</u>