

**REGISTERED COMPANY NUMBER: 01073381 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 265008**

**Report of the Trustees and Group  
Financial Statements for the Year Ended 31 March 2016  
for**

**SOUTH WALES ASSOCIATION FOR  
PREVENTION OF ADDICTION LIMITED  
TRADING AS  
Drugaid**



O'Brien & Partners  
Chartered Accountants  
& Statutory Auditors  
Highdale House  
7 Centre Court  
Treforest Industrial Estate  
Pontypridd  
Rhondda Cynon Taff  
CF37 5YR

**SOUTH WALES ASSOCIATION FOR  
PREVENTION OF ADDICTION LIMITED  
TRADING AS DRUGAID**

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for the Year Ended 31 March 2016**

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**SOUTH WALES ASSOCIATION FOR  
PREVENTION OF ADDICTION LIMITED  
TRADING AS DRUGAID**

**Chairman's Report  
for the Year Ended 31 March 2016**

In continuing in my role as Chair for another year, I am very aware of the great strides forward made by the Charity and its ability to provide a wide range of substance misuse services.

We have been able to develop marvellous facilities to provide these services and we were very lucky to inherit further facilities following the finalisation of the earlier merger with Cyswllt Contact and the more recent merger with Sands Cymru. We believe that good facilities are key to delivering good services.

This was an exciting year and we continued to grow and provide the space and opportunities to bring about positive and sustained change for individuals and communities by supporting the aspirations and needs of those affected by their own or someone else's substance misuse and by offering opportunities aimed at minimising harm and maximising resilience.

We believe that the breadth and accessibility of our range of services will demonstrate without any doubt the public benefit that our work brings to individuals and the wider community.

At a time when the media has sometimes been negatively focussing on substance misuse, we have been able to demonstrate good news stories, including being a lead agency in the Welsh Government's Naloxone programme, which has seen this antidote administered by staff and service users, which has resulted in saving countless lives.

During the year, we saw new services getting off the ground, with one example being the Drink Wise Age Well programme for older people in the Cwm Taf area.

We are particularly appreciative of the financial support that we rely on to exist and would like to thank our key funders, including local Health Boards, Unitary Authorities, Big Lottery Fund, Welsh Government and other local commissioners and stakeholders.

I would also like to take this opportunity to thank our staff and volunteers for their efforts throughout the year. Without their committed hard work, we wouldn't be able to provide our services and be recognised as one of the key providers of substance misuse services.

WGD Smith  
Chair



**SOUTH WALES ASSOCIATION FOR  
PREVENTION OF ADDICTION LIMITED  
TRADING AS DRUGAID (REGISTERED NUMBER: 01073381)**

**Report of the Trustees  
for the Year Ended 31 March 2016**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the consolidated financial statements of the charity and its subsidiaries for the year ended 31 March 2016 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act 2006 purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

Drugaid is a Third sector substance misuse organisation delivering a range of services to those who are vulnerable and marginalised as the result of their own or someone else's drug and/or alcohol misuse, to improve their physical, social and emotional wellbeing and to foster recovery.

Additionally, we aim to improve individuals', communities and societies understanding of substance misuse and raise awareness of the relationship between substance misuse, vulnerability, and exclusion.

**Vision**

Drugaid aims to be recognised by its key stakeholders as the leading provider of innovative and quality services within the drug and alcohol sector.

Our vision is to bring about positive and sustained change for individuals and communities by supporting the aspirations and needs of those affected by their own or someone else's substance misuse and by offering opportunities aimed at minimising harm and maximising resilience.

**Values**

Drugaid Values we agreed by the whole team including Board of trustees, staff, volunteers and service users. These value guide the way we behave and how we deliver services. Our values are:

- Integrity
- Honesty
- Empathy
- Family
- Equality
- Positive Attitude
- Trust

We believe that individuals and their experiences are unique. Everything else flows from this, and so the services we deliver need to be person centred, flexible and wide-ranging to meet all the services users' varying needs.  
We believe all individuals are entitled to respect and dignity within a safe environment.

**SOUTH WALES ASSOCIATION FOR  
PREVENTION OF ADDICTION LIMITED  
TRADING AS DRUGAID (REGISTERED NUMBER: 01073381)**

**Report of the Trustees  
for the Year Ended 31 March 2016**

Welsh Government require all service providers to submit data to NWIS to populate a suite of Key Performance indicators. These are as follows:

**Key Performance Indicator 1**

Increase the number of clients who engage with the services between assessment and planned ending of treatment by reducing the incidences of clients who DNA post assessment.

National target is below 20% Drugaid services achieved an average of 15%.

**Key Performance Indicator 2**

Achieve a waiting time of no more than working 20 days between referral and treatment.

National target in above 80%, Drugaid services achieved an average of 83%.

**Key Performance Indicator 3**

Substance misuse is reduced for problematic substances between start and most recent review/exit TOP.

National target is 70.30%, Drugaid services achieved an average of 80%.

**Key Performance Indicator 4**

Quality of life is improved between start and most recent review/exit TOP.

National target is 56%, Drugaid services achieved an average of 40%.

**Key Performance Indicator 5**

Number/Percentage of cases closed (with a treatment date) as treatment complete.

National target is 72.3%, Drugaid services achieved an average 82%.

All services are measured on these KPIs and additionally there may be local performance measurement depending on the APB.

**Significant activities**

Drugaid provide a range of services across a wide geographical area. Services are delivered in four of the seven Area Planning Boards in Wales. The nature and scope of the services will depend on the commissioning strategy of each Area Planning Board.

We have a range of adult and young people's services, some of these services are in consortium and other were are the sole provider.

Services and interventions are as follows:

- Engagement services
- Brief interventions
- Assessment and care planning
- Evidence based psycho-social interventions
- Outreach
- Media campaigns
- Needle exchange
- Drop in
- Training and liaison
- Diversionary activities
- Recovery based intervention
- Structured counselling
- Advice and guidance and general support
- Family support and interventions

**Public benefit**

The trustees have reviewed the Charity Commission's guidance on public benefit, and agreed that they meet the requirements set out therein. All our charitable activities focus on the prevention and treatment of substance misuse. Our services work with individuals, families and communities across South East Wales and our activities are undertaken to further our charitable purposes for the public benefit.

**SOUTH WALES ASSOCIATION FOR  
PREVENTION OF ADDICTION LIMITED  
TRADING AS DRUGAID (REGISTERED NUMBER: 01073381)**

**Report of the Trustees  
for the Year Ended 31 March 2016**

**ACHIEVEMENT AND PERFORMANCE**

**Charitable activities**

- We continue to see increase access of all our services.
- We have continued to grow the ranges and diversity of our service across and larger geographical area.
- A number of the Charity's Needle Exchanges have been highlighted as being some of the busiest in Wales.
- The Charity is part of the Welsh Government's trial of 'Prenoxad' naloxone kits for service users and has been responsible for dispensing numerous kits across all services.
- Established Gwent Drug and Alcohol Service with partners Kaleidoscope and G4S.
- Establishes Dyfed Drug and Alcohol Service with partners Kaleidoscope and G4S.
- SMART Recovery groups have continued to meet across a number of services and has expanded to include a SMART parenting Group.
- A number of staff and service users participated in the successful Recovery Walk up Pen y Fan.
- A number of successful open days we arranged, which attracted professionals from various agencies, plus a healthy living day which was attended by service users and other partner agencies.
- The Charity has continued its partnerships with the local Food Banks in certain areas and has been responsible for distributing food parcels to service users during the year.
- The Children and Young Persons service has continued to develop its school education and prevention work and is working with numerous schools throughout Wales.
- The Charity continued to be one of the agencies that the media in Wales approaches regarding any substance misuse issues. The Charity is committed to raising its profile, but also contribute to both local and national debate around substance misuse.
- The agency continues to have a high profile presence on social media.
- The Charity continued to consulting with service users and has implemented service user questionnaires, to measure satisfaction and the progress of clients.
- The Charity has been instrumental in raising the awareness of New Psychoactive Substances across the region.
- We continue to influence policy to improve services for our communities.

The Charity has continued to grow and extend its reach in the following areas set out in the Drugaid Business Plan 2014 - 2017.

- Play an active part in planning and influencing substance misuse service delivery across Wales.
- Develop and deliver services in line with the Welsh Recovery Framework, service user involvement and co-production principles.
- Ensure that we maintain and maximise a motivated, skilled and adaptive workforce.
- Develop and deliver services further, making the most of contemporary digital systems and platforms.
- Provide a healthy, safe and inclusive environment for all staff and service users.
- Develop partnerships and strategic alliances with the third sector, health, social care, criminal justice and others
- Keep up to date with, respond and adapt to trends in drug and alcohol trends and ensuring that our services are flexible and meet the needs of the community.
- Retain our service provision and actively seek out new opportunities to expand our reach.

We have achieved a number of these objectives and continue to grow and develop.

**FINANCIAL REVIEW**

**Principal funding sources**

Services are funded by and are dependent on a wide range of incoming resources including Local Health Boards, Unitary Authorities, Criminal Justice sources and from the Welsh Assembly Government.

**Investment policy and objectives**

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

**Reserves 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 three and six months of the resources expended (between £1,241,365 and £2,482,730). At this level, the management committee feel that they would be able to meet the obligations and requirements that would result should there be a significant loss in 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 £1,218,005. Efforts to increase reserves in line with policy will be made in future years.

**SOUTH WALES ASSOCIATION FOR  
PREVENTION OF ADDICTION LIMITED  
TRADING AS DRUGAID (REGISTERED NUMBER: 01073381)**

**Report of the Trustees  
for the Year Ended 31 March 2016**

**FUTURE PLANS**

For the following financial year, our aims and objectives are:

- To work towards Pqasso quality standard
- To retain Silver Investors in People award
- To continue consolidating our services in Dyfed
- To expand our Café to establish a catering van 'Tyfu on the go'
- To continue services for older people Drink Wise Age Well in Cwm Taf
- To continue service in Gwent within the new consortium GDAS
- To work with DACW partners to win the contract to Deliver European Funded Out of Work Service
- To support partners in delivering the Dyfodol service in South Wales
- To continue to take opportunities to expand our services
- To support and grow our range of strategic partners
- To continue to invest in our infrastructure to support our staff and service users
- To continue to influence national strategy and policy

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The organisation is a charitable company limited by guarantee, was incorporated on 25 September 1972 and registered as a charity on 14 December 1972. The charity was established under a Memorandum of Association which established the objectives and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, the members of the company are required to contribute an amount not exceeding £1.

**Recruitment and appointment of new trustees**

The directors of the company are also the Trustees of the charity as defined by charity law and under the company's Articles are known as members of the Management Committee. The existing Management Committee appoints new trustees in general meetings.

The Management Committee seeks to ensure that the needs of the charity are appropriately reflected through the diversity of the Trustee Body.

**Organisational structure**

The Board has overall responsibility for the governance of the Charity. It meets at least 6 times per year. The Board delegates authority to the Chief Executive who leads the Senior Management Team in the day to day management of the Charity, working within the financial framework, procedures and policies set down by the Board. The Chief Executive has delegated authority for human resource planning, employment, service development and finance.

The Senior Management Team consists of the following personnel:

- Chief Executive (Caroline Phipps)
- Regional Director - West (Rowan Williams)
- Regional Director - East (Sian Prior)
- Regional Director - Western Bay (Ifor Glyn)
- Corporate Services Director (Ian Hughes) - from 1st April 2016

**Induction and training of new trustees**

Trustees are already familiar with the work and ethos of the charity through their broad backgrounds within the sector which the charity operates. New Trustees are invited and encouraged to attend training sessions to familiarise themselves with the charity and the context within which it operates. Training and information would include;

- the obligations of the Management Committee.
- details of the main documents which set out the operational framework of the charity including the memorandum and Articles of Association.
- resourcing and the current financial position as set out in the latest audited financial statements.
- future plans and objectives.

**Key management remuneration**

The Board considers the pay and remuneration of all staff each year at its budget setting meeting, at which time the Board will consider any inflation uplifts, as appropriate within available funds.

**SOUTH WALES ASSOCIATION FOR  
PREVENTION OF ADDICTION LIMITED  
TRADING AS DRUGAID (REGISTERED NUMBER: 01073381)**

**Report of the Trustees  
for the Year Ended 31 March 2016**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Risk management**

The systems and internal controls established by the Board are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. Trustees and senior staff carry out the risk assessment, including the writing and review of a risk register in order to confirm that the major risks, to which the Charity is exposed, have been reviewed and systems established to mitigate those risks. The Boards has identified the following key risk areas:

- Governance
- Operational
- Financial
- External
- Compliance with Laws & Regulations

We rely on a number of grants from a small number of sources, which are awarded on a fixed-term basis only and some may also be withdrawn with little notice. We aim to mitigate this risk by maximise income generating opportunities (eg. Training, conferences etc.); ensuring that the Charity has an adequate reserves policy in place, we consider options for diversification of income streams and creation of strategic alliances and partnerships where appropriate, together with exploring any suitable tendering opportunities that may arise. In such circumstances, we believe that the Charity has the resilience and ability to restructure and continue other services without impairment.

Attention has also been focused on non-financial risks, such as facilities for the provision of services. The Charity has a mix of facilities in the form of properties, which it owns outright and also leases on varying terms and durations. Loss of any of these facilities could be detrimental to our ability to deliver our services. To mitigate against this risk, we ensure that all facilities are adequately insured and secured, they are regularly maintained and when any of our leases approach their end date, we source funding to extend these for an adequate duration in line with the services provided from that facility and with the associated funding stream

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**  
01073381 (England and Wales)

**Registered Charity number**  
265008

**Registered office**  
Integra House  
Vaughan Court  
Newport  
Gwent  
NP10 8BD

**Trustees**

N Frude	University Lecturer	- resigned 18.1.16
S D Scarf	Director	
W G D Smith	Chartered Accountant	
L M Hodgson	Retired	
J W Brown	Retired	- appointed 21.9.15
J McNally	Management Consultant	- appointed 31.1.16
J Taylor	Solicitor	- appointed 31.1.16

**Company Secretary**  
L M Hodgson

**Auditors**

O'Brien & Partners  
Chartered Accountants  
& Statutory Auditors  
Highdale House  
7 Centre Court  
Treforest Industrial Estate  
Pontypridd  
Rhondda Cynon Taff  
CF37 5YR



**SOUTH WALES ASSOCIATION FOR  
PREVENTION OF ADDICTION LIMITED  
TRADING AS DRUGAID (REGISTERED NUMBER: 01073381)**

**Report of the Trustees  
for the Year Ended 31 March 2016**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Bankers**

Natwest  
Caerphilly Branch  
19 Cardiff Road  
Caerphilly  
CF83 1WF

The Senior Management Team consists of the following personnel:

- Chief Executive (Caroline Phipps)
- Regional Director - West (Rowan Williams)
- Regional Director - East (Sian Prior)
- Regional Director - Western Bay (Ifor Glyn)
- Corporate Services Director (Ian Hughes) - from 1st April 2016

**SUBSIDIARY UNDERTAKINGS**

On 1 February 2016, Sands Cymru (Harm Reduction) Ltd became a wholly controlled subsidiary of South Wales Association for Prevention of Addiction, when a deed of transfer was signed by both parties. From this date the subsidiary transferred all its income streams into the charitable company and ceased operations. It has been consolidated into the group from this date. The intention is that the remaining assets will be transferred into South Wales Association for Prevention of Addiction post year end.

On 1 April 2015, Cyswilt Contact Limited became a wholly controlled subsidiary of South Wales Association for Prevention of Addiction, when a deed of transfer was signed by both parties. During the year, the subsidiary transferred all its income streams and assets into the charitable company and ceased operations. It has been consolidated into the group as the Trustees do not consider it to be material. The subsidiary was struck off the Companies House register on 8 November 2016.

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

**STATEMENT OF TRUSTEES RESPONSIBILITIES**

The trustees (who are also the directors of South Wales Association for Prevention of Addiction Limited for the purposes of company law) are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

**SOUTH WALES ASSOCIATION FOR  
PREVENTION OF ADDICTION LIMITED  
TRADING AS DRUGAID (REGISTERED NUMBER: 01073381)**

**Report of the Trustees  
for the Year Ended 31 March 2016**

Approved by order of the board of trustees on 29/12/16 and signed on its behalf by:

  
L M Hodgson - Trustee

**Report of the Independent Auditors to the Members of  
South Wales Association for  
Prevention of Addiction Limited  
Trading as Drugaid (Registered number: 01073381)**

We have audited the financial statements of South Wales Association for Prevention of Addiction Limited for the year ended 31 March 2016 which comprise the Group Statement of Financial Activities, the Group and Charitable Company Balance Sheet, the Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable 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 explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006 and Section 151 of the Charities Act 2011 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Chairman's Report and the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charitable company's affairs as at 31 March 2016 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of  
SOUTH WALES ASSOCIATION FOR  
PREVENTION OF ADDICTION LIMITED  
TRADING AS DRUGAID (Registered number: 01073381)**

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- the parent Charitable Company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption to prepare a Strategic Report.

*G. Francis.*

Gareth Francis FCCA (Senior Statutory Auditor)

for and on behalf of O'Brien & Partners

O'Brien & Partners is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Chartered Accountants

& Statutory Auditors

Highdale House

7 Centre Court

Treforest Industrial Estate

Pontypridd

Rhondda Cynon Taff

CF37 5YR

Date: *29 December 2016.*

**Note:**

The maintenance and integrity of the South Wales Association for Prevention of Addiction Limited website is the responsibility of the trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

**SOUTH WALES ASSOCIATION FOR  
PREVENTION OF ADDICTION LIMITED  
TRADING AS DRUGAID**

**Consolidated Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
for the Year Ended 31 March 2016**

		Unrestricted funds	Restricted fund	31.3.16 Total funds	31.3.15 Total funds
	Notes	£	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	-	-	-	171,033
<b>Charitable activities</b>	5				
Local Health boards		105,904	-	105,904	109,889
Unitary authorities and Community Safety Partnerships		3,729,252	-	3,729,252	1,971,470
Welsh Government		-	-	-	255,363
Other		291,867	-	291,867	142,863
Lottery Income		445,758	-	445,758	37,929
Other trading activities	3	1,560	-	1,560	8,470
Investment income	4	1,280	-	1,280	1,634
Other income	6	974,601	650,000	1,624,601	-
<b>Total</b>		<b>5,550,222</b>	<b>650,000</b>	<b>6,200,222</b>	<b>2,698,651</b>
 <b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	7				
Support and casework		4,855,331	76,532	4,931,863	2,594,143
Training		33,597	-	33,597	27,880
<b>Total</b>		<b>4,888,928</b>	<b>76,532</b>	<b>4,965,460</b>	<b>2,622,023</b>
 <b>NET INCOME</b>		<b>661,294</b>	<b>573,468</b>	<b>1,234,762</b>	<b>76,628</b>
 <b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>699,427</b>	<b>498,940</b>	<b>1,198,367</b>	<b>1,121,739</b>
 <b>TOTAL FUNDS CARRIED FORWARD</b>		<b><u>1,360,721</u></b>	<b><u>1,072,408</u></b>	<b><u>2,433,129</u></b>	<b><u>1,198,367</u></b>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

There are no other gains and losses other than those disclosed above.

The notes form part of these financial statements

**SOUTH WALES ASSOCIATION FOR  
PREVENTION OF ADDICTION LIMITED  
TRADING AS DRUGAID (REGISTERED NUMBER: 01073381)**

**Consolidated Balance Sheet  
At 31 March 2016**

		Unrestricted funds £	Restricted fund £	31.3.16 Total funds £	31.3.15 Total funds £
	Notes				
<b>FIXED ASSETS</b>					
Tangible assets	14	142,716	1,072,408	1,215,124	553,884
<b>CURRENT ASSETS</b>					
Debtors	16	984,115	-	984,115	412,040
Cash at bank and in hand		<u>1,386,268</u>	<u>-</u>	<u>1,386,268</u>	<u>1,084,143</u>
		2,370,383	-	2,370,383	1,496,183
<b>CREDITORS</b>					
Amounts falling due within one year	17	(985,809)	-	(985,809)	(713,736)
<b>NET CURRENT ASSETS</b>		<u>1,384,574</u>	<u>-</u>	<u>1,384,574</u>	<u>782,447</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,527,290	1,072,408	2,599,698	1,336,331
<b>CREDITORS</b>					
Amounts falling due after more than one year	18	(166,569)	-	(166,569)	(137,964)
<b>NET ASSETS</b>		<u>1,360,721</u>	<u>1,072,408</u>	<u>2,433,129</u>	<u>1,198,367</u>
<b>FUNDS</b>	19				
Unrestricted funds				1,360,721	699,427
Restricted funds				<u>1,072,408</u>	<u>498,940</u>
<b>TOTAL FUNDS</b>				<u>2,433,129</u>	<u>1,198,367</u>

The financial statements were approved by the Board of Trustees on 29/12/16 and were signed on its behalf by:

  
W.G.D. Smith - Trustee

The notes form part of these financial statements

**SOUTH WALES ASSOCIATION FOR  
PREVENTION OF ADDICTION LIMITED  
TRADING AS DRUGAID (REGISTERED NUMBER: 01073381)**

**Charitable Company Balance Sheet  
At 31 March 2016**

		Unrestricted funds £	Restricted fund £	31.3.16 Total funds £	31.3.15 Total funds £
	Notes				
<b>FIXED ASSETS</b>					
Tangible assets	14	142,716	772,408	915,124	553,884
<b>CURRENT ASSETS</b>					
Debtors	16	983,076	-	983,076	412,040
Cash at bank and in hand		<u>993,892</u>	<u>-</u>	<u>993,892</u>	<u>1,084,143</u>
		1,976,968	-	1,976,968	1,496,183
<b>CREDITORS</b>					
Amounts falling due within one year	17	(1,164,823)	-	(1,164,823)	(713,736)
<b>NET CURRENT ASSETS</b>		<u>812,145</u>	<u>-</u>	<u>812,145</u>	<u>782,447</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		954,861	772,408	1,727,269	1,336,331
<b>CREDITORS</b>					
Amounts falling due after more than one year	18	(166,569)	-	(166,569)	(137,964)
<b>NET ASSETS</b>		<u>788,292</u>	<u>772,408</u>	<u>1,560,700</u>	<u>1,198,367</u>
<b>FUNDS</b>	19				
Unrestricted funds				788,292	699,427
Restricted funds				<u>772,408</u>	<u>498,940</u>
<b>TOTAL FUNDS</b>				<u>1,560,700</u>	<u>1,198,367</u>

The financial statements were approved by the Board of Trustees on 29/12/16 and were signed on its behalf by:

  
W G D Smith -Trustee

The notes form part of these financial statements

**SOUTH WALES ASSOCIATION FOR  
PREVENTION OF ADDICTION LIMITED  
TRADING AS DRUGAID**

**Consolidated Cash Flow Statement  
for the Year Ended 31 March 2016**

	Notes	31.3.16 £	31.3.15 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	<u>709,130</u>	<u>42,462</u>
<b>Net cash provided by (used in) operating activities</b>		<u>709,130</u>	<u>42,462</u>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(408,285)	(209,141)
Interest received		<u>1,280</u>	<u>1,634</u>
<b>Net cash provided by (used in) investing activities</b>		<u>(407,005)</u>	<u>(207,507)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		302,125	(165,045)
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>1,084,143</u>	<u>1,249,188</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>1,386,268</u></u>	<u><u>1,084,143</u></u>

The notes form part of these financial statements



**SOUTH WALES ASSOCIATION FOR  
PREVENTION OF ADDICTION LIMITED  
TRADING AS DRUGAID**

**Notes to the Consolidated Cash Flow Statement  
for the Year Ended 31 March 2016**

<b>1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>31.3.16</b>	<b>31.3.15</b>
	<b>£</b>	<b>£</b>
<b>Net income for the reporting period (as per the statement of financial activities)</b>	<b>1,234,762</b>	<b>76,628</b>
<b>Adjustments for:</b>		
Depreciation charges	96,537	119,059
Interest received	(1,280)	(1,634)
Assets on acquisition of subsidiaries	(349,492)	-
Increase in debtors	(572,075)	(78,976)
Increase/(decrease) in creditors	<u>300,678</u>	<u>(72,615)</u>
<b>Net cash provided by (used in) operating activities</b>	<b><u>709,130</u></b>	<b><u>42,462</u></b>

**SOUTH WALES ASSOCIATION FOR  
PREVENTION OF ADDICTION LIMITED  
TRADING AS DRUGAID**

**Notes to the Financial Statements  
for the Year Ended 31 March 2016**

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Group's functional and presentational currency is the pound sterling (£), and balances are rounded to the nearest £1.

**Comparatives**

On 1 February 2016, Sands Cymru (Harm Reduction) Ltd became a subsidiary of South Wales Association for Prevention and the South Wales Association for Prevention Group was formed. Therefore the comparatives above are for South Wales Association for Prevention only.

**Reconciliation with previous generally accepted accounting practice**

This is the first year in which the financial statements have been prepared under FRS 102. In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

At the date of transition (1 April 2014) the trustees note that, no restatement of the balances were required and no further adjustments were required in the year ended 31 March 2015. As a result, there is no requirement to provide a reconciliation of opening balances at the date of transition nor for the year ended 31 March 2015.

**Basis of consolidation**

On 1 February 2016 the Charitable Company acquired control of Sands Cymru (Harm Reduction) Limited. Therefore, the group financial statements include the results of the Charitable Company and of its wholly controlled subsidiary, from 1 February 2016, on a line by line basis. The consolidated entity is known as the 'Group'. The prior year figures consist of those of the Charitable Company only.

The Charitable Company also acquired control of Cyswllt Contact Limited on 1 April 2015. All the activities and assets were transferred into the Charitable Company during the year. The Trustees therefore do not consider it to be material to these financial statements and therefore it is not included in the consolidated figures.

No separate Statement of Financial Activities (SOFA) has been prepared for the Charitable Company as permitted by Section 408 of the Companies Act 2006.

**SOUTH WALES ASSOCIATION FOR  
PREVENTION OF ADDICTION LIMITED  
TRADING AS DRUGAID**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2016**

**1. ACCOUNTING POLICIES - continued**

**Income**

All income is recognised in the Statement of Financial Activities once the Group has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. It is derived from the activities outlined below.

Donations without conditions are accounted for on a cash received basis. In the event a donation is subject to conditions that require a level of performance before the Group is entitled to the funds, the income is deferred and not recognised in full either until those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Grant income is accounted for on an accruals basis and is shown in the financial statements when the Group earns the unconditional right to the funds. Grants received for a specific purpose are treated as restricted funds. Revenue grants are credited directly to the Statement of Financial Activities, once the Group has unconditional rights, and capital grants are realised over the life of the asset in line with depreciation policy. Deferred income consists of grants which the Group do not have the unconditional rights.

Other trading activities consist of income from training courses is recognised when the training has been provided. Income received in advance of a training course is deferred until the criteria for income recognition are met.

Investment income is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the bank.

Other income consist of monies/assets received from subsidiary entities. This is recognised when the risks and rewards have been transferred.

**Donated services, assets and facilities**

Donated professional services, donated assets and donated facilities are recognised as income when the group has control over the item, and conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charitable company of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services, donated assets and donated facilities are recognised on the basis of the value of the gift to the group which is the amount the group would have been willing to pay to obtain services and donated facilities a corresponding amount is then recognised in expenditure in the period of receipt. Donated assets are depreciated over the life of the asset.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Group to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Employee benefits**

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

**Allocation and apportionment of costs**

Support costs are those functions that assist the work of the Group but do not directly undertake charitable activities. Support costs have been allocated between governance and other support costs. Governance costs comprise all costs involving the public accountability of the Group and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees with an apportionment of overhead and support costs.

**SOUTH WALES ASSOCIATION FOR  
PREVENTION OF ADDICTION LIMITED  
TRADING AS DRUGAID**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2016**

**1. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Short leasehold	- the period of the lease
Fixtures and fittings	- 25% on cost and 15% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 33% on cost and 25% on cost

**Debtors**

Amounts recoverable on contracts are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**Financial instruments**

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**Taxation**

The Group is exempt from corporation tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the Group. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are unrestricted funds of the Group which the trustees have decided at their discretion to set aside to use for a specific purpose.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Critical accounting estimates and judgements**

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year are detailed below:

(i) The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimates useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimate, based on the current estimate and the physical condition of the assets.

**SOUTH WALES ASSOCIATION FOR  
PREVENTION OF ADDICTION LIMITED  
TRADING AS DRUGAID**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2016**

**2. DONATIONS AND LEGACIES**

	31.3.16	31.3.15
	£	£
Donations	-	2,219
Grants	-	<u>168,814</u>
	<u>-</u>	<u>171,033</u>

Grants received, included in the above, are as follows:

	31.3.16	31.3.15
	£	£
Capital grant receivable	-	<u>168,814</u>

**3. OTHER TRADING ACTIVITIES**

	31.3.16	31.3.15
	£	£
Training income	<u>1,560</u>	<u>8,470</u>

**4. INVESTMENT INCOME**

	31.3.16	31.3.15
	£	£
Deposit account interest	<u>1,280</u>	<u>1,634</u>

**5. INCOME FROM CHARITABLE ACTIVITIES**

		31.3.16	31.3.15
	Activity	£	£
Grants	Local Health boards	105,904	109,889
	Unitary authorities and Community Safety		
Grants	Partnerships	3,729,252	1,971,470
Grants	Welsh Government	-	255,363
Grants	Other	291,867	142,863
Grants	Lottery Income	<u>445,758</u>	<u>37,929</u>
		<u>4,572,781</u>	<u>2,517,514</u>

Grants received, included in the above, are as follows:

	31.3.16	31.3.15
	£	£
Grants	<u>4,572,781</u>	<u>2,517,514</u>

**6. OTHER INCOME**

	31.3.16	31.3.15
	£	£
Sands Cymru (Harm Reduction) Ltd reserves on acquisition	1,063,350	-
Cyswllt Contact Limited Income	<u>561,251</u>	<u>-</u>
	<u>1,624,601</u>	<u>-</u>

**SOUTH WALES ASSOCIATION FOR  
PREVENTION OF ADDICTION LIMITED  
TRADING AS DRUGAID**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2016**

**7. CHARITABLE ACTIVITIES COSTS**

	Support and casework	Training	Total 31.3.2016	Total 31.3.2015
<b>Direct costs</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Salaries, NI, pension	2,999,859	12,612	3,012,471	1,701,311
Partner charge salaries and expenses	950,362	-	950,362	96,266
Supervision and sessional work	33,329	-	33,329	18,707
Motor and mileage expenses	154,734	1,982	156,716	86,159
Advertising, printing & reproduction	36,283	-	36,283	10,709
Needles	49,882	-	49,882	31,273
Client costs, diversionary activity	64,655	-	64,655	38,547
	<u>4,289,104</u>	<u>14,594</u>	<u>4,303,698</u>	<u>1,982,972</u>
<b>Allocated support costs</b>				
Salaries, NI, pension	72,316	-	72,316	72,315
Training expenses	139	5,517	5,656	13,958
Recruitment costs	5,839	-	5,839	5,189
Rent and rates	59,973	1,538	61,511	154,373
Insurance	14,285	752	15,037	17,566
Healthcare	4,247	-	4,247	5,194
Heating and lighting	40,944	2,155	43,099	28,996
Repairs and cleaning	69,117	-	69,117	47,120
IT Software, consumables, maintenance	33,547	1,766	35,313	43,344
Telephone and communication	81,383	4,306	85,689	50,659
Stationery	12,052	638	12,690	3,492
Postage	2,960	164	3,124	3,183
Sundry office costs	22,839	1,202	24,041	12,583
Subscriptions and publications	3,862	-	3,862	1,737
Legal & professional fees	61,636	-	61,636	29,945
Bank charges	-	-	-	2,111
Consultancy fees	33,874	-	33,874	6,050
Depreciation	95,572	965	96,537	119,062
Governance costs	28,174	-	28,174	22,174
	<u>642,759</u>	<u>19,003</u>	<u>661,762</u>	<u>639,051</u>
	<u><u>4,931,863</u></u>	<u><u>33,597</u></u>	<u><u>4,965,460</u></u>	<u><u>2,622,023</u></u>

**SOUTH WALES ASSOCIATION FOR  
PREVENTION OF ADDICTION LIMITED  
TRADING AS DRUGAID**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2016**

**8. SUPPORT COSTS**

Support costs include the following governance costs:

	31.3.2016	31.3.2015
	£	£
Salaries, NI, pension	18,079	18,079
Telephone and communication	431	-
Stationery	64	-
Postage	164	-
Legal & professional fees	3,244	-
Bank charges	2,172	-
Auditors remuneration	<u>4,020</u>	<u>4,095</u>
	<u>28,174</u>	<u>22,174</u>

**9. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	31.3.16	31.3.15
	£	£
Auditors' remuneration	4,020	4,095
Depreciation - owned assets	96,537	119,059
Other operating leases	<u>61,510</u>	<u>154,373</u>

**10. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2016 nor for the year ended 31 March 2015.

**Trustees' expenses**

	31.3.16	31.3.15
	£	£
Trustees' expenses	<u>225</u>	<u>-</u>

During the year one (2015: No) trustees received reimbursement for travel expenses.

**SOUTH WALES ASSOCIATION FOR  
PREVENTION OF ADDICTION LIMITED  
TRADING AS DRUGAID**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2016**

**11. STAFF COSTS**

	31.3.16 £	31.3.15 £
Wages and salaries	2,670,921	1,669,841
Social security costs	225,253	121,865
Other pension costs	<u>206,692</u>	<u>-</u>
	<u><u>3,102,866</u></u>	<u><u>1,791,706</u></u>

**Key management personnel**

Key management personnel are considered to be those personnel who are not trustees but sit within key operational and strategic roles for the Charitable Company.

The total employment benefits of the key management personnel were £166,865 (2015: £102,307) which consisted of gross pay, employers' national insurance and employers' pension costs.

The average monthly number of employees during the year was as follows:

	31.3.16	31.3.15
Charitable activities	158	70
Management and administration	<u>11</u>	<u>6</u>
	<u><u>169</u></u>	<u><u>76</u></u>

No employees received emoluments in excess of £60,000.

**12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	2,219	168,814	171,033
<b>Charitable activities</b>			
Local Health boards	109,889	-	109,889
Unitary authorities and Community Safety Partnerships	1,971,470	-	1,971,470
Welsh Government	255,363	-	255,363
Other	142,863	-	142,863
Lottery Income	19,519	18,410	37,929
Other trading activities	8,470	-	8,470
Investment income	<u>1,634</u>	<u>-</u>	<u>1,634</u>
<b>Total</b>	2,511,427	187,224	2,698,651
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Support and casework	2,460,024	134,119	2,594,143
Training	<u>27,880</u>	<u>-</u>	<u>27,880</u>
<b>Total</b>	<u>2,487,904</u>	<u>134,119</u>	<u>2,622,023</u>
<b>NET INCOME</b>	23,523	53,105	76,628



**SOUTH WALES ASSOCIATION FOR  
PREVENTION OF ADDICTION LIMITED  
TRADING AS DRUGAID**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2016**

**12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted funds £	Restricted fund £	Total funds £
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	675,904	445,835	1,121,739
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>699,427</u>	<u>498,940</u>	<u>1,198,367</u>

On 1 February 2016, Sands Cymru (Harm Reduction) Ltd became a subsidiary of South Wales Association for Prevention and the South Wales Association for Prevention Group was formed. Therefore the comparatives above are for South Wales Association for Prevention only.

**13. CHARITABLE COMPANY RESULTS**

The Charitable Company has taken advantage of Section 408 of the Companies Act 2006 and has not included its own income and expenditure in these financial statements. The results of South Wales Association for Prevention of Addiction (the Charitable Company) are:

	Total 2016	Total 2015
Total incoming resources	5,327,793	2,698,651
Total resources expended	<u>(4,965,460)</u>	<u>(2,622,023)</u>
Net	362,333	76,628
Funds:		
At 1 April 2015	<u>1,198,367</u>	<u>1,121,739</u>
At 31 March 2016	<u>1,560,700</u>	<u>1,198,367</u>

**SOUTH WALES ASSOCIATION FOR  
PREVENTION OF ADDICTION LIMITED  
TRADING AS DRUGAID**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2016**

**14. TANGIBLE FIXED ASSETS**

<b>Group</b>	<b>Freehold property £</b>	<b>Short leasehold £</b>	<b>Improvements to property £</b>	
<b>COST</b>				
At 1 April 2015	418,805	410,219	-	
Additions	350,000	-	-	
Additions from Sands Cymru (Harm Reduction) Ltd (Acquisition)	<u>300,000</u>	<u>-</u>	<u>114,580</u>	
At 31 March 2016	<u>1,068,805</u>	<u>410,219</u>	<u>114,580</u>	
<b>DEPRECIATION</b>				
At 1 April 2015	43,818	409,879	-	
Charge for year	8,376	340	-	
Additions from Sands Cymru (Harm Reduction) Ltd (Acquisition)	<u>-</u>	<u>-</u>	<u>68,491</u>	
At 31 March 2016	<u>52,194</u>	<u>410,219</u>	<u>68,491</u>	
<b>NET BOOK VALUE</b>				
At 31 March 2016	<u>1,016,611</u>	<u>-</u>	<u>46,089</u>	
At 31 March 2015	<u>374,987</u>	<u>340</u>	<u>-</u>	
	<b>Fixtures and fittings £</b>	<b>Motor vehicles £</b>	<b>Computer equipment £</b>	<b>Totals £</b>
<b>COST</b>				
At 1 April 2015	319,777	141,558	260,292	1,550,651
Additions	-	41,659	16,626	408,285
Additions from Sands Cymru (Harm Reduction) Ltd	<u>-</u>	<u>-</u>	<u>62,694</u>	<u>477,274</u>
At 31 March 2016	<u>319,777</u>	<u>183,217</u>	<u>339,612</u>	<u>2,436,210</u>
<b>DEPRECIATION</b>				
At 1 April 2015	260,292	88,734	194,044	996,767
Charge for year	20,072	41,512	26,237	96,537
Additions from Sands Cymru (Harm Reduction) Ltd (Acquisition)	<u>-</u>	<u>-</u>	<u>59,291</u>	<u>127,782</u>
At 31 March 2016	<u>280,364</u>	<u>130,246</u>	<u>279,572</u>	<u>1,221,086</u>
<b>NET BOOK VALUE</b>				
At 31 March 2016	<u>39,413</u>	<u>52,971</u>	<u>60,040</u>	<u>1,215,124</u>
At 31 March 2015	<u>59,485</u>	<u>52,824</u>	<u>66,248</u>	<u>553,884</u>

**SOUTH WALES ASSOCIATION FOR  
PREVENTION OF ADDICTION LIMITED  
TRADING AS DRUGAID**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2016**

**14. TANGIBLE FIXED ASSETS - continued**

**Charitable Company**

	Freehold property £	Short leasehold £	Improvements to Property £
<b>COST</b>			
At 1 April 2015	418,805	410,219	-
Additions	-	-	-
Transfer from Cyswllt Contact Limited	350,000	-	-
Transfer from Sands Cymru (Harm Reduction) Ltd	-	-	114,580
At 31 March 2016	<u>768,805</u>	<u>410,219</u>	<u>114,580</u>
<b>DEPRECIATION</b>			
At 1 April 2015	43,818	409,879	-
Charge for the year	8,376	340	-
Transfer from Sands Cymru (Harm Reduction) Ltd	-	-	68,491
At 31 March 2016	<u>52,194</u>	<u>410,219</u>	<u>68,491</u>
<b>NET BOOK VALUE</b>			
At 31 March 2016	<u>716,611</u>	<u>-</u>	<u>46,089</u>
At 31 March 2015	<u>374,987</u>	<u>340</u>	<u>-</u>

  

	Fixtures and fittings £	Motor Vehicles £	Computer Equipment £	Total £
<b>COST</b>				
At 1 April 2015	319,777	141,558	260,292	1,550,651
Additions	-	41,659	16,626	58,285
Transfer from Cyswllt Contact Limited	-	-	-	350,000
Transfer from Sands Cymru (Harm Reduction) Ltd	-	-	62,694	177,274
At 31 March 2016	<u>319,777</u>	<u>183,217</u>	<u>339,612</u>	<u>2,136,210</u>
<b>DEPRECIATION</b>				
At 1 April 2015	260,292	88,734	194,044	996,767
Charge for the year	20,072	41,512	26,237	96,537
Transfer from Sands Cymru (Harm Reduction) Ltd	-	-	59,291	127,782
At 31 March 2016	<u>280,364</u>	<u>130,246</u>	<u>279,572</u>	<u>1,221,086</u>
<b>NET BOOK VALUE</b>				
At 31 March 2016	<u>39,413</u>	<u>52,971</u>	<u>60,040</u>	<u>915,124</u>
At 31 March 2015	<u>59,485</u>	<u>52,824</u>	<u>66,248</u>	<u>553,884</u>

**SOUTH WALES ASSOCIATION FOR  
PREVENTION OF ADDICTION LIMITED  
TRADING AS DRUGAID**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2016**

**15. FIXED ASSET INVESTMENTS**

Investment are held in the Charitable Company only.

The charitable company controls the following entities at the balance sheet date:

**Sands Cymru (Harm Reduction) Ltd**  
Registered office: England & Wales  
Nature of business: Support drug and alcohol misusers

	2016 £	2015 £
Total funds	<u>872,429</u>	<u>2,325,642</u>
Net movement in funds	<u>(1,453,213)</u>	<u>42,558</u>

On 1 February 2016, Sands Cymru (Harm Reduction) Ltd (Charity Number: 1138086, Company Number: 07265822) became a wholly controlled subsidiary of South Wales Association for Prevention, when a deed of transfer was signed by both parties.

From this date the subsidiary transferred all its income streams into the charitable company and ceased operations. Therefore there are no transactions to be consolidated. The balance sheet has been consolidated at 31 March 2016. The intention is that the remaining assets will be transferred into South Wales Association for Prevention post year end.

**Cyswllt Contact Limited**  
Registered office: England and Wales  
Nature of business: Dormant

	2016 £	2015 £
Total funds	<u>-</u>	<u>1,004,730</u>
Net movement in funds	<u>-</u>	<u>10,395</u>

On 1 April 2015, Cyswllt Contact Limited (Charity Number: 1047945, Company Number 03061079) became a wholly controlled subsidiary of South Wales Association for Prevention, when a deed of transfer was signed by both parties. During the year, the subsidiary transferred all its income streams and assets into the charitable company and ceased operations. It has been consolidated into the group as the Trustees do not consider it to be material. The subsidiary was struck off the Companies House register on 8 November 2016.

**16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

<b>Group</b>		
	31.3.16	31.3.15
	£	£
Amounts recoverable on contract	962,359	404,924
Prepayments	<u>21,756</u>	<u>7,116</u>
	<u>984,115</u>	<u>412,040</u>

**SOUTH WALES ASSOCIATION FOR  
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**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2016**

**16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued**

**Charitable Company**

	31.3.16	31.3.15
	£	£
Amounts recoverable on contracts	961,320	404,924
Prepayments	<u>21,756</u>	<u>7,116</u>
	<u>983,076</u>	<u>412,040</u>

**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

**Group**

	31.3.16	31.3.15
	£	£
Social security and other taxes	69,920	36,726
Other creditors	11,455	-
Accruals and deferred income	416,335	136,863
Deferred government grants	<u>488,099</u>	<u>540,147</u>
	<u>985,809</u>	<u>713,736</u>

**Charitable Company**

	31.3.2016	31.3.2015
	£	£
Social security and other taxes	69,920	36,726
Other creditors	190,469	-
Accruals and deferred income	416,335	136,863
Deferred government grants	<u>488,099</u>	<u>540,147</u>
	<u>1,164,823</u>	<u>713,736</u>

**18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

**Group and Charitable Company**

	31.3.16	31.3.15
	£	£
Deferred government grants	<u>166,569</u>	<u>137,964</u>

**19. MOVEMENT IN FUNDS**

**Group**

	At 1.4.15	Net movement	At 31.3.16
	£	in funds	£
		£	
<b>Unrestricted funds</b>			
General fund	309,487	661,294	970,781
Designated funds	<u>389,940</u>	<u>-</u>	<u>389,940</u>
	699,427	661,294	1,360,721
<b>Restricted funds</b>			
Capital	<u>498,940</u>	<u>573,468</u>	<u>1,072,408</u>
<b>TOTAL FUNDS</b>	<u>1,198,367</u>	<u>1,234,762</u>	<u>2,433,129</u>

**SOUTH WALES ASSOCIATION FOR  
PREVENTION OF ADDICTION LIMITED  
TRADING AS DRUGAID**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2016**

**19. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	5,550,222	(4,888,928)	661,294
<b>Restricted funds</b>			
Capital	650,000	(76,532)	573,468
<b>TOTAL FUNDS</b>	<u>6,200,222</u>	<u>(4,965,460)</u>	<u>1,234,762</u>

**Restricted funds**

The restricted funds relate to capital grants expended on fixed assets, these funds increase each year with the receipt of further capital grants and reduces by amounts each year equivalent to depreciation charges and/or by repair costs treated as revenue expenditure.

**Unrestricted funds**

The unrestricted funds comprise those funds which the trustees are free to use in accordance with the charitable objectives.

**Designated funds**

A designated fund was created in order to allocate funds for estimated operating costs should be a significant decrease in funding.

**SOUTH WALES ASSOCIATION FOR  
PREVENTION OF ADDICTION LIMITED  
TRADING AS DRUGAID**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2016**

**19. MOVEMENT IN FUNDS - continued**

**Charitable Company**

	At 1.4.15 £	Net movement in funds £	At 31.3.16 £
<b>Unrestricted funds</b>			
General fund	309,487	88,865	398,352
Designated funds	389,940	-	389,940
	699,427	88,865	788,292
<b>Restricted funds</b>			
Capital	498,940	273,468	772,408
<b>TOTAL FUNDS</b>	<b>1,198,367</b>	<b>362,333</b>	<b>1,560,700</b>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	4,977,793	(4,888,928)	88,865
<b>Restricted funds</b>			
Capital	350,000	(76,532)	273,468
	5,327,793	(4,965,460)	362,333

**Restricted funds**

The restricted funds relate to capital grants expended on fixed assets, these funds increase each year with the receipt of further capital grants and reduces by amounts each year equivalent to depreciation charges and/or by repair costs treated as revenue expenditure.

**Unrestricted funds**

The unrestricted funds comprise those funds which the trustees are free to use in accordance with the charitable objectives.

**Designated funds**

A designated fund was created in order to allocate funds for estimated operating costs should be a significant decrease in funding.

**20. RELATED PARTY DISCLOSURES**

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

During the year the South Wales Association for Prevention of Addiction Limited received £211,251 (2015: £Nil) from Cyswllt Contact Limited and received a donated asset from them valued at £350,000 (2015: £Nil)

**21. POST BALANCE SHEET EVENTS**

Cyswllt Contact Limited was struck off the Companies House register on 8 November 2016. Cyswllt Contact Limited's figures are not included within these consolidated figures as the Trustees do not consider them to be material to the financial statements.

**22. LEGAL STATUS OF THE CHARITABLE COMPANY**

The charity is a private company limited by guarantee, incorporated in England and Wales, and consequently does not have any share capital. In the event of the company being wound up, the members of the company are required to contribute an amount not exceeding £1.

**SOUTH WALES ASSOCIATION FOR  
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**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2016**

**23. FIRST YEAR ADOPTION - continued**

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

At the date of transition (1 April 2014) the trustees note that, no restatement of the balances were required and no further adjustments were required in the year ended 31 March 2015. As a result, there is no requirement to provide a reconciliation of opening balances at the date of transition nor for the year ended 31 March 2015.

**Transitional relief**

On transition to FRS 102, the charity has taken advantage of the following transitional relief:

- not to apply the requirements of paragraphs 20.15A to 20.25A in respect of lease incentives.