

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

Report and Accounts

31 March 2002

Registration Number:1073381

Registration Charity Number:265008



**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  
Mrs M.Benedict (resigned 22/01/02)  
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 Bartlet 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 2002**

The trustees, who are also directors of the company, present their report and the audited financial statements for the year ended 31 March 2002. 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 £133,669 but £13,146 of this has to be used on restricted projects and £57,393 has been assigned to designated funds. The balance of £63,130 was the amount attributable to general reserves, which now stand at £207,790.

#### **Casework and Enquiries:**

The charity received over 1000 new referrals, of these 77% were seen, with an attendance rate of 60%. Out of these 69% were male and 31% 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 33% were aged between 18-25 years, 25% were aged between 26-35 years and 14% were aged under 18 years.

The main substance misuse in over 40% of referrals was from alcohol, followed by heroin (27%), 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 6000 enquiries on a face to face basis, by telephone and by letter.

#### **Needle Exchange:**

Over 500 individuals are registered with this scheme. Over 200 individuals used this scheme on over 400 occasions, taking out nearly 22,000 needles, and returning nearly 16,000.

Out of the 102 new users of the scheme, 10% were female, 90% were male.

Most were in the 18-25 year age range, with 70% being steroid users, and 25% being heroin users.

## **South Wales Association For The Prevention of Addiction Ltd Trustees Report for the Year ended 31 March 2002**

### **Training, Education and Awareness-Raising:**

The charity delivered 24 training sessions, with 456 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. Thirty-nine participants were accredited at SEWOCN Levels 2 and 3.

In addition, over 60 educational sessions were delivered to nearly 6000 young people through carousel events such as Crucial Crew, PSE inputs in schools, and inputs in out of school settings such as youth clubs, including participation in a 7 week accredited programme: " Drugs and Alcohol Uncovered". Twenty-one young people were accredited at SEWOCN Level 1 for this programme.

Nearly 50 awareness-raising sessions were delivered to over 1000 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, once the capital work programme for the refurbishment of the building is completed.

### **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 £150,000 to £300,000 in general funds. At this level, the management committee feel that they would be able to continue the current activities of the charity in the event of a significant drop in funding. It would obviously be necessary to consider how the funding would be replaced or activities changed. At present the free reserves, which amount to £207,790, do not reach this target level and the 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 2002**

**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  
Mrs M.Benedict (resigned on 22/01/02)  
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 2002 was 4 ( 2001-5).

**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:.....

G.F. 2002



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: 6/8/2002

**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 2002, 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 the 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 Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**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 2002 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  
CF11 9EF

Date:.....28-8-02.....



**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 2002**

	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Designated Funds</u> £	<u>Total 2002</u> £	<u>Total 2001</u> £
<b><u>Incoming Resources</u></b>					
Donations received	4,877	0	0	4,877	14,010
Activities to further the charities objects:					
Advice and information, counselling and support, training and needle exchange	584,833	89,384	57,393	731,610	554,136
<u>Investment income</u>					7,351
Interest received	5,230	0	0	5,230	
<b>Total incoming resources</b>	<b><u>594,940</u></b>	<b><u>89,384</u></b>	<b><u>57,393</u></b>	<b><u>741,717</u></b>	<b><u>575,497</u></b>
<b><u>Resources Expended</u></b>					
<b><u>Cost of generating funds</u></b>					
Fund raising and publicity	1,579	0	0	1,579	1,652
<b><u>Charitable expenditure</u></b>					
Advice and information	132,953	26,683	0	159,636	134,790
Counselling and support	218,042	26,683	0	244,725	224,471
Training	111,680	22,872	0	134,552	116,506
Needle exchange	21,272	0	0	21,272	21,353
Management and administration	46,284	0	0	46,284	48,412
<b>Total resources expended</b>	<b><u>531,810</u></b>	<b><u>76,238</u></b>	<b><u>0</u></b>	<b><u>608,048</u></b>	<b><u>547,184</u></b>
<b><u>NET INCOMING/(OUTGOING) RESOURCES/</u></b>					
<b><u>Net income/expenditure for the year</u></b>	<b>63,130</b>	<b>13,146</b>	<b>57,393</b>	<b>133,669</b>	<b>28,313</b>
Fund balances brought forward at 1 April 2001	144,660	12,626	0	157,286	128,973
<b>Fund balances carried forward at 31 March 2002</b>	<b><u>207,790</u></b>	<b><u>25,772</u></b>	<b><u>57,393</u></b>	<b><u>290,955</u></b>	<b><u>157,286</u></b>

**South Wales Association For The Prevention of Addiction Ltd**  
**Balance Sheet**  
**as at 31 March 2002**

	Notes	2002 £	2001 £
<b>Fixed assets</b>			
Tangible assets	5	37,329	27,142
<b>Current assets</b>			
Debtors	7	53,288	24,980
Cash at bank and in hand		206,436	136,665
		<u>259,724</u>	<u>161,645</u>
<b>Creditors: amounts falling due within one year</b>	8	(6,098)	(31,501)
<b>Net current assets</b>		<u>253,626</u>	<u>130,144</u>
<b>Total assets less current liabilities</b>		<u>290,955</u>	<u>157,286</u>
<b>Total assets less liabilities</b>		<u>290,955</u>	<u>157,286</u>
<b>Income Funds</b>			
Unrestricted funds		207,790	144,660
Restricted funds		25,772	12,626
Designated funds		57,393	-
<b>Total associations funds</b>		<u>290,955</u>	<u>157,286</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: 6.8.2002

**South Wales Association For The Prevention of Addiction Ltd**  
**Notes to the Accounts**  
**for the year ended 31 March 2002**

**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 March 2000), 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.

<b>2 Income</b>	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Incoming resources comprised grants as follows:		
Local health authorities	246,369	170,646
Unitary authorities	71,588	63,818
National Assembly	175,860	144,193
Criminal Justice	191,990	152,992
Charitable trusts	36,000	22,000
Other	9,803	487
	<u>731,610</u>	<u>554,136</u>

Restricted funds comprised of grants received from National Lottery, Carat, Tudor Trust, Gwent Health authority and Oldway House project. Funds from Tudor Trust were exhausted and in addition £1,681 have been allocated, from unrestricted funds.

# South Wales Association For The Prevention of Addiction Ltd

## Notes to the Accounts for the year ended 31 March 2002

### 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 £8,687 (2001- £6,727).

Auditors Remuneration was £1,300 (2001- £999).

### 4 Staff costs and numbers

Staff costs were as follows:

	2002 £	2001 £
Salaries and wages	427,581	380,278
Social security costs	36,055	33,174
	<u>463,636</u>	<u>413,452</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 36.

### 5 Taxation

The company has no liability to corporation tax for the year ended 31 March 2002 as it benefits from exemption relating to charities.

### 6 Tangible fixed assets

	Computer equipment £	Office equipment £	Fixtures and fittings £	Total £
At 1 April 2001	24,865	21,090	15,830	61,785
Additions	4,195	13,875	804	18,874
At 31 March 2002	<u>29,060</u>	<u>34,965</u>	<u>16,634</u>	<u>80,659</u>
<b>Depreciation</b>				
At 1 April 2001	14,759	10,362	9,522	34,643
Charge for the year	4,609	3,168	910	8,687
At 31 March 2002	<u>19,368</u>	<u>13,530</u>	<u>10,432</u>	<u>43,330</u>
<b>Net book value</b>				
At 31 March 2002	<u>9,692</u>	<u>21,435</u>	<u>6,202</u>	<u>37,329</u>
At 31 March 2001	<u>10,106</u>	<u>10,728</u>	<u>6,308</u>	<u>27,142</u>

### 7 Debtors

Amounts due within one year

	2002 £	2001 £
Grants receivable	53,288	24,915
Prepayments	-	64
	<u>53,288</u>	<u>24,980</u>

**South Wales Association For The Prevention of Addiction Ltd**  
**Notes to the Accounts**  
**for the year ended 31 March 2002**

<b>8 Creditors: amounts falling due within one year</b>	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Sundry creditors and accruals	6,098	3,139
Deferred income	-	28,362
	<u>6,098</u>	<u>31,501</u>

**9 Analysis of net assets between funds**

	<b>Designated funds</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Tangible fixed assets	-	26,979	10,350	37,329
Current assets	57,393	186,909	15,422	259,724
Current liabilities	-	(6,098)	-	(6,098)
	<u>57,393</u>	<u>207,790</u>	<u>25,772</u>	<u>290,955</u>

**10 Movements in funds**

	<b>At 1 April 2001</b>	<b>Incoming resources</b>	<b>Outgoing resources</b>	<b>At 31 March 2002</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b><i>Unrestricted funds</i></b>				
General funds (including £1681 to restricted funds and £ 57,393 to designated funds)	144,660	594,940	531,810	207,790
<b><i>Restricted funds</i></b>				
Advice and information	4,419	31,284	26,683	9,020
Counselling & support	4,419	31,284	26,683	9,020
Training	3,788	26,816	22,872	7,732
<b><i>Total restricted funds</i></b>	<u>12,626</u>	<u>89,384</u>	<u>76,238</u>	<u>25,772</u>
<b><i>Designated funds</i></b>				
Oldway house	-	57,393	-	57,393
<b>Totals</b>	<u>157,286</u>	<u>741,717</u>	<u>608,048</u>	<u>290,955</u>

**Purpose of restricted funds**

As per the trustees report

**Purpose of designated funds**

The capital works programme for one stop facility in Merthyr Tydfil as per trustees report

**11 Capital commitments**

	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Amounts contracted for but not provided in the accounts	<u>119,062</u>	<u>-</u>

This expenditure will be mainly met from the restricted and designated funds of the charity.

**South Wales Association For The Prevention of Addiction Ltd**  
**Consolidated income and expenditure account**  
**for the year ended 31 March 2002**

	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
<b>Income</b>		
Grants received	731,610	554,136
Interest received	5,230	14,010
Sundry income	4,877	7,351
	<u>741,717</u>	<u>575,497</u>
 <b>Less expenditure</b>		
Salaries and national insurance	463,636	413,452
Motor and mileage expenses	29,145	28,898
Training expenses	7,768	7,772
Other staff expenses	16,027	11,500
Rent and rates	20,666	17,817
Repairs and renewals	1,300	5,332
Insurances	1,592	2,376
Heating and lighting	1,043	3,842
Needles	2,760	1,985
Telephone charges	9,356	7,880
Stationery	6,022	10,319
Postages	1,622	1,675
Advertising and Printing	6,849	4,564
Photocopying	3,940	3,707
Sundry office costs	18,628	3,215
Subscriptions and publications	2,278	1,985
Legal fees	421	189
Auditors remuneration	1,300	999
Accountancy fees	1,066	1,324
Information and education	3,942	11,626
Depreciation	8,687	6,727
	<u>608,048</u>	<u>547,184</u>
 <b>Surplus/(deficit) for the year</b>	 <u>133,669</u>	 <u>28,313</u>