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**The County of Northampton  
Council on Addiction**  
Financial statements

**31 March 2004**

Registered number: 2836340

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**The County of Northampton Council on Addiction****Legal and Administrative Information****31 March 2004**

<b>Company registration number</b>	2836340
<b>Charity registration number</b>	1025395
<b>Directors and Trustees</b>	K Thomas D Litson J Mayes J Palmer (appointed 27 August 2003)
<b>Company secretary</b>	J Mayes
<b>Registered office</b>	81 St Giles Street Northampton
<b>Bankers</b>	Royal Bank of Scotland plc 77 Abington Street Northampton
<b>Auditors</b>	Phipps Henson McAllister Chartered Accountants 22-24 Harborough Road Kingsthorpe Northampton NN2 7AZ

**The County of Northampton Council on Addiction****Report of the Council of Management****31 March 2004**

The council of management present their report and the audited financial statements for the year ended 31 March 2004. The council of management have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in October 2000 in preparing the annual report and financial statements of the Charity.

**Objects of the charity, principal activities and organisation of our work**

The charity is constituted as a company limited by guarantee, and is therefore governed by a memorandum and articles of association.

The charity's object is to promote the prevention, diagnosis and treatment of alcohol related problems other addictions and substance misuse. Its principal activity is to provide a range of drug alcohol and homelessness services throughout Northamptonshire and Bedfordshire.

The charity uses the operating title "CAN".

The charity is organised so that the council of management meet regularly to manage its affairs. The charity has a full-time Chief Executive who manages the day to day running of the charity.

**Development, activities and achievements this year**

We have again seen sustained growth in the last year. All key areas of our work have been maintained and in many cases further developed. Services in Bedfordshire have seen particular growth with the development of a new out of hours harm reduction service in partnership with another agency, family support and user involvement services. In the homelessness team there has been the development of a joint initiative, with the Northampton PCT led, sex workers project to provide supported housing to substance using sex workers looking to exit the industry. A new office administrative and training base has also been established.

Detailed comments on the activities of the Charity are set out in the separate Annual Report which should be read in conjunction with the statutory financial statements.

**Future Developments**

A new property for clients in Corby will be available later in 2004, as will the development of tenancy support linked with the HOPE project providing support for prolific offenders leaving prison in the Wellingborough area. Opportunities for the development of services for homelessness will also be explored in Bedfordshire. In Northamptonshire the development of the first point of contact for all users in conjunction with the Criminal Justice Intervention Project will also see a change in service delivery and potential opportunities for development.

# The County of Northampton Council on Addiction

## Report of the Council of Management

31 March 2004

### Transactions and financial position

The Statement of Financial Activities shows net income for the year of £ 32,185, and our reserves stand at £ 482,961 in total.

Certain grants and donations have been given for specific purposes and these are shown as restricted funds (see note 10).

Our fundraising efforts were again successful this year.

The financial statements do not reflect the ongoing and considerable contributions made by volunteers to the overall performance of this charity, nor gifts in kind received throughout the year.

The financial support of the local authorities and other donors is greatly appreciated and enabled the charity's work to be sustained.

### Tangible Fixed assets for use by the charity

Details of movements in fixed assets are set out in note 6 to the accounts.

### Reserves

The Charity has a number of restricted funds, the purpose of which are detailed in note 10 to the financial statements.

The unrestricted funds of the Charity at 31st March 2004 were £228,332.

The policy of the Charity is by prudent financial management to maintain the unrestricted funds at such a level to enable the Charity to carry out its future activities.

### Directors and trustees

All directors of the company are also trustees of the charity. With the exception of J Palmer who was appointed on 27 August 2003, all other directors and trustees named on page 1 served throughout the year. The following trustees resigned during the year :-

M Bampton	-	4/6/03
J Knowles	-	17/8/03

The council of management has the power to appoint additional trustees as it considers fit to do so.

### Risk Management

The council of management actively review the major risks which the charity faces on a regular basis and believe that maintaining reserves at current levels, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The council of management have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks.

### Auditors

Phipps Henson McAllister have agreed to offer themselves for re-appointment as auditors of the charity.

### Registered office

81 St Giles Street  
Northampton

29 June 2004

On behalf of the Council of Management

  
K Thomas  
Chairman

**The County of Northampton Council on Addiction**  
**Statement of Council of Management's Responsibilities**

Company law requires the council of management to prepare financial statements for each financial year which give a true and fair view of the financial activities of the charity and of its financial position at the end of that year. In preparing those financial statements, the council of management are required to

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the policies adopted are in accordance with the Companies Act 1985 and with applicable accounting standards and statements of recommended practice, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

**The County of Northampton Council on Addiction****Independent Auditors' Report to the Members of  
The County of Northampton Council on Addiction**

We have audited the financial statements for the year ended 31 March 2004 on pages 5 to 13 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of members of the Council of Management and auditors**

As described on page 3, the members of the Council of Management (who are directors and trustees of the charitable company) are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Council of Management is not consistent with the financial statements, if the charitable 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 trustees' remuneration and transactions with the company is not disclosed.

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

**Basis of opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Council of Management in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

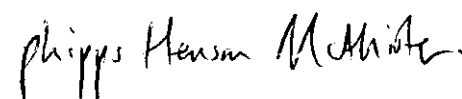
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the charitable company's 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.

29 June 2004

**22-24 Harborough Road  
Kingsthorpe  
Northampton  
NN2 7AZ**



**Phipps Henson McAllister  
Chartered Accountants  
Registered Auditors**

## The County of Northampton Council on Addiction

**Statement of Financial Activities (incorporating an Income and Expenditure Account)**  
**for the year ended 31 March 2004**

	<b>Note</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2004 £</b>	<b>Total 2003 £</b>
<b>Incoming resources</b>	<b>1</b>				
Grants receivable	2	1,159,925	932,969	2,092,894	1,691,774
Donations and gifts	3	6,907	35,250	42,157	166,532
Fundraising income		23,434	-	23,434	19,183
Bank and Building Society Interest		5,209	885	6,094	3,264
Other Homelessness Income		-	22,727	22,727	84,891
Other CAN Community Housing Income		-	126,193	126,193	171,244
Profit on sale of property			49,480	49,480	-
Other Income		161,788	15,767	177,555	104,024
<b>Total incoming resources</b>		<b>1,357,263</b>	<b>1,183,271</b>	<b>2,540,534</b>	<b>2,240,912</b>
<b>Resources expended</b>					
<b>Cost of generating funds</b>					
Fundraising costs		33,940	-	33,940	28,869
<b>Charitable expenditure</b>					
Costs of activities in furtherance of the Charity's objects					
Core activities		1,232,806	-	1,232,806	1,023,944
Homelessness fund		-	609,693	609,693	509,918
CAN Community housing fund		-	115,715	115,715	147,739
Bedfordshire fund		-	411,324	411,324	268,392
Corby property fund		-	1,530	1,530	1,530
Capital purchase fund		-	16,884	16,884	22,951
Management and administration		86,457	-	86,457	77,242
<b>Total resources expended</b>	<b>4</b>	<b>1,353,203</b>	<b>1,155,146</b>	<b>2,508,349</b>	<b>2,080,585</b>
<b>Net incoming resources/(resources expended) for the year</b>		<b>4,060</b>	<b>28,125</b>	<b>32,185</b>	<b>160,327</b>
<b>Transfers between funds</b>		<b>49,480</b>	<b>(49,480)</b>	<b>-</b>	<b>-</b>
<b>Funds brought forward</b>		<b>174,792</b>	<b>275,984</b>	<b>450,776</b>	<b>290,449</b>
<b>Funds carried forward</b>		<b>228,332</b>	<b>254,629</b>	<b>482,961</b>	<b>450,776</b>

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above.

The notes on pages 7 to 13 form part of these financial statements.

## The County of Northampton Council on Addiction

## Balance Sheet

at 31 March 2004

	Note	2004 £	2003 £
<b>Fixed assets</b>			
Tangible assets	6	357,370	454,353
<b>Current assets</b>			
Debtors	7	112,473	137,071
Cash at bank and in hand		297,031	219,828
		<u>409,504</u>	<u>356,899</u>
<b>Creditors:</b> amounts falling due within one year	8	(143,766)	(155,778)
<b>Net current assets</b>		<u>265,738</u>	<u>201,121</u>
<b>Total assets less current liabilities</b>		<u>623,108</u>	<u>655,474</u>
<b>Creditors:</b> amounts falling due after more than one year	9	(140,147)	(204,698)
<b>Net assets</b>		<u>482,961</u>	<u>450,776</u>
<b>Funds</b>			
Restricted funds	10	254,629	275,984
Unrestricted funds	10	228,332	174,792
<b>Total funds</b>		<u>482,961</u>	<u>450,776</u>

The financial statements on pages 5 to 13 were approved by the Council of Management on 29 June 2004.

K Thomas.....Chairman

The notes on pages 7 to 13 form part of these financial statements.



**The County of Northampton Council on Addiction****Notes on Financial Statements****31 March 2004****1 Accounting policies****Basis of preparation of accounts**

The financial statements have been prepared in accordance with applicable accounting standards under the historical cost accounting rules and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" published in October 2000, SORP update Bulletin 1 issued in December 2002 and the Companies Act 1985.

The company has taken advantage of the exemption from preparing a cash flow statement as conferred by Financial Reporting Standard No 1 (Revised 1996) on the grounds that it qualifies as a small company under the Companies Act 1985.

**Incoming resources**

Income received for a specific restricted purpose is credited to a separate restricted fund which is shown in a note to the financial statements. Total incoming resources credited to restricted funds are disclosed on the statement of financial activities, which also shows incoming resources in respect of unrestricted funds. Donations and grants received are credited on the statement of financial activities in the year to which they relate.

**Resources expended**

Resources expended are included in the SOFA on an accruals basis. Expenditure which is directly attributable to specific activities has been included in these cost categories. Where costs are attributable to more than one activity they have been apportioned across the cost categories on a basis consistent with the use of these resources.

**Tangible fixed assets and depreciation**

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Freehold property	50 years
Computers and office equipment	4 years
Leasehold property improvements	25% reducing balance

**Operating leases**

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

**Pensions**

The charity operates a defined contributions scheme in respect of employees.

Contributions are charged to the SOFA as they become payable in accordance with the rules of the scheme.

## The County of Northampton Council on Addiction

## Notes on Financial Statements

31 March 2004

## 2 Grants receivable

	2004	2003
	£	£
Core activities (including other projects)		
Other Grants	1,159,925	1,106,350
Homelessness Fund		
Other grants	527,914	323,208
Bedfordshire Fund	403,055	262,216
	2,090,894	1,691,774

## 3 Donations and gifts

	Unrestricted funds	Restricted funds	Total 2004	Total 2003
	£	£	£	£
Individuals	878	-	878	323
Charitable foundations	-	35,250	35,250	116,150
Corporate Donors	6,029	-	6,029	50,059
	6,907	35,250	42,157	166,532

## 4 Total resources expended

	Staff costs	Other direct costs	Other allocated costs	Total 2004	Total 2003
Fund raising costs	26,180	7,760	-	33,940	28,869
Core activities	1,028,936	203,870	-	1,232,806	1,023,944
Homelessness fund	460,329	74,364	75,000	609,693	509,918
CAN Community housing fund	-	93,715	22,000	115,715	147,739
Bedfordshire fund	263,868	89,666	57,790	411,324	268,392
Corby Property fund	-	1,530	-	1,530	1,530
Capital Purchase fund	-	16,884	-	16,884	22,951
Management and administration	55,994	30,463	-	86,457	77,242
	1,835,307	518,252	154,790	2,508,349	2,080,585
				2004	2003
Other direct costs include					
Depreciation				28,575	29,500
Audit fee				7,638	6,932

## The County of Northampton Council on Addiction

## Notes on Financial Statements

31 March 2004

## 5 Staff costs

	2004 £	2003 £
Wages and salaries	1,650,367	1,373,183
Social security costs	148,001	107,185
Pension costs	36,939	32,646
	<u>1,835,307</u>	<u>1,513,014</u>

The average number of persons employed during the year was as follows:-

	2004	2003
Charitable activities	95	83
Cost of generating funds	1	1
Management and administration	2	2
	<u>98</u>	<u>86</u>

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

No emoluments were paid to directors or trustees during either year.

**Defined contribution pension scheme**

The charity operates a defined contribution scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £36,939 (2003 £32,646).

## The County of Northampton Council on Addiction

## Notes on Financial Statements

31 March 2004

## 6 Tangible fixed assets

Cost	Office Equipment	Leasehold Property Improvements	Freehold Land and Buildings	Total
£	£	£	£	£
1 April 2003	70,420	40,414	422,283	533,117
Additions	11,440	3,672	-	15,112
Disposals	-	-	(87,000)	(87,000)
31 March 2004	81,860	44,086	335,283	461,229
<b>Depreciation</b>				
1 April 2003	39,238	25,654	13,872	78,764
Charge for year	17,261	4,608	6,706	28,575
Disposals	-	-	(3,480)	(3,480)
31 March 2004	56,499	30,262	17,098	103,859
<b>Net book amount</b>				
31 March 2004	25,361	13,824	318,185	357,370
31 March 2003	31,182	14,760	408,411	454,353

## 7 Debtors

	2004 £	2003 £
<b>Amounts falling due within one year</b>		
Grant income owing	69,945	106,229
Prepayments	10,143	361
Other debtors	32,385	30,481
	112,473	137,071

## 8 Creditors: amounts falling due within one year

	2004 £	2003 £
Instalments on Northampton Borough Council loan	6,000	6,000
Bank loan	1,928	1,724
Building Society mortgage	2,917	4,377
Other creditors	24,445	41,377
Other taxation and social security	45,704	35,260
Accruals	8,471	7,930
Deferred income	54,301	59,110
	143,766	155,778

**The County of Northampton Council on Addiction**  
**Notes on Financial Statements**  
**31 March 2004**

<b>9 Creditors:</b> amounts falling due after more than one year	<b>2004</b> £	<b>2003</b> £
Instalments on Northampton Borough Council loan	3,000	9,000
Bank Loan	47,601	49,606
Building Society mortgage	89,546	146,092
	<u>140,147</u>	<u>204,698</u>

**Debts can be analysed as falling due:**

	<b>2004</b> £	<b>2003</b> £
<b>Bank loan</b>		
In one year or less	1,928	1,724
Between one and two years	1,928	1,724
Between two and five years	5,784	6,303
In five years or more	39,889	41,579
	<u>49,529</u>	<u>51,330</u>

	<b>2004</b> £	<b>2003</b> £
<b>Building society mortgages</b>		
In one year or less	2,917	4,377
Between one and two years	2,917	4,377
Between two and five years	8,751	13,129
In five years or more	77,878	128,586
	<u>92,463</u>	<u>150,469</u>

## The County of Northampton Council on Addiction

## Notes on Financial Statements

31 March 2004

## 10 Statement of funds

	At 1 April 2003 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2004 £
<b>Unrestricted funds</b>					
General reserve	174,792	1,357,263	(1,353,203)	49,480	228,332
<b>Restricted funds</b>					
Homelessness fund	48,428	586,776	(609,693)	20,000	45,511
Corby Property fund	16,690	-	(1,530)	-	15,160
CAN community housing Fund	25,600	126,193	(115,715)	-	36,078
Bedfordshire fund	(1,252)	418,822	(411,324)	-	6,246
Capital purchase fund	164,518	51,480	(16,884)	(49,480)	149,634
Womens Refuge fund	22,000	-	-	(20,000)	2,000
Total restricted funds	275,984	1,183,271	(1,155,146)	(49,480)	254,629
Total funds	450,776	2,540,534	(2,508,349)	-	482,961

The General reserve represents the free funds of the charity which are not designated for particular purposes.

## The County of Northampton Council on Addiction

## Notes on Financial Statements

31 March 2004

The Homelessness fund represents grants and other income received less expenditure to date in connection with the provision of a Day Centre in Northampton and a range of other services for homeless people in the area.

The CAN community housing fund represents income less expenditure to date in connection with a rent and deposit guarantee scheme to provide supported housing for those who have limited housing choices.

The Bedfordshire fund represents income received in respect of the Bedfordshire team less expenditure to date.

The Corby Property fund represents £19,750 received towards the cost of purchasing freehold premises in Corby. The balance of the purchase price was funded by a bank loan. The fund balance is reduced by the depreciation charged on these premises.

The Capital Purchase fund represents grants and donations totalling £208,800 towards the cost of purchasing properties to house homeless people in Northamptonshire. One such property was purchased in Weedon Road, Northampton, in the year ended 31 March 2002 with the aid of a building society mortgage. Further properties in York Road, Corby and Kettering Road, Northampton were purchased during the year ended 31 March 2003 again with the aid of building society mortgages. Legal fees in connection with the purchase, refurbishment costs, mortgage interest and depreciation have been charged to this fund. The property in Weedon Road, Northampton was sold during the year ended 31 March 2004 realising a book profit on sale of £49,480. This amount has been transferred from the Capital Purchase fund to unrestricted funds.

The Womens refuge fund represents donations received towards the cost of setting up a Womens refuge in the future. During the year £20,000 was transferred from this fund to the Homelessness Fund with the consent of the donors.

**11 Guarantees and other financial commitments**

Financial commitments under non-cancellable operating leases will result in the following payments fall due in the year to 31 March 2005.

	<b>2004 Land and Buildings £</b>	<b>2003 Land and Buildings £</b>
<b>Expiring:</b>		
Within one year	-	-
Within two to five years	32,576	18,076
Over five years	<u>10,750</u>	<u>10,750</u>
	<u>43,326</u>	<u>28,826</u>

**12 Analysis of net assets between funds**

Fund balances at 31 March 2004 are represented by:

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total £</b>
Tangible fixed assets	125,763	231,607	357,370
Net current assets (liabilities)	105,569	160,169	265,738
Long term liabilities	<u>(3,000)</u>	<u>(137,147)</u>	<u>(140,147)</u>
	<u>228,332</u>	<u>254,629</u>	<u>482,961</u>