

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

31 March 2003

Registered number: 2836340

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The County of Northampton Council on Addiction

Legal and Administrative Information

31 March 2003

Company registration number 2836340

Charity registration number 1025395

**Members of the Council of
Management**

K Thomas**
D Litson**
J Mayes*
J Knowles*
M Bampton *

* Trustees

** Trustees and directors

Company secretary J Mayes

Registered office 81 St Giles Street
Northampton

Bankers Royal Bank of Scotland plc
77 Abington Street
Northampton

Auditors 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 2003**

The council of management present their report and the audited financial statements for the year ended 31 March 2003. 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

The council of management consider that the performance of the charity this year has been good.

We have seen sustained growth during the last year. All key areas of our work have been maintained. Development has included the addition of a Children's worker to the Family Support team, an increase in tenancy support workers and the appointment of an outreach worker to work with street drinkers in partnership with Northampton Borough Council. In Bedfordshire counselling services have been developed and we also moved into our own separate premises in Bedford.

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

There will be considerable growth of our service in Bedfordshire with resourcing to ensure that the day services will be open full time in Bedford and Luton, the work available to families will also increase.

We will be purchasing an additional property as a dry house as a result of a very generous donation as well as managing seven new properties in conjunction with Leicester Housing Association and Northampton Borough Council.

The County of Northampton Council on Addiction

Report of the Council of Management

31 March 2003

Transactions and financial position

The Statement of Financial Activities shows net income for the year of £ 160,327, and our reserves stand at £ 450,776 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. In particular this success is evident through the money raised as a result of the corporate golf day supported by many businesses and being nominated as the Mayor of Northampton's charity.

The financial statements do not reflect the ongoing and considerable contributions made by volunteers to the overall performance of this charity.

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 2003 were £174,792.

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. Additional trustees are listed on page 1, all trustees named on page 1 served throughout the year. The following trustees resigned during the year :-

M Hayle	- 07/08/02
U Gravesande (also a director)	- 06/11/02
D Shuttleworth (also a director)	- 14/11/02
D Sayer	- 03/01/03

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

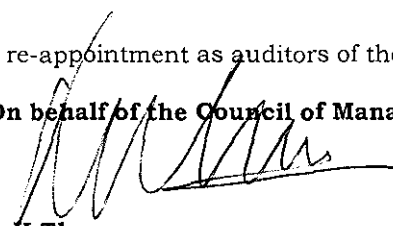
Phipps Henson McAllister have agreed to offer themselves for re-appointment as auditors of the charity.

Registered office

81 St Giles Street
Northampton

27 August 2003

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**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 2003 on pages 5 to 13 which have been prepared under the accounting policies set out on page 7.

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 2003 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.

27 August 2003

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

Phipps Henson McAllister

**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 2003

	Note	Unrestricted funds £	Restricted funds £	Total 2003 £	Total 2002 £
Incoming resources	1				
Grants receivable	2	1,106,350	585,424	1,691,774	1,386,420
Donations and gifts	3	11,839	154,693	166,532	63,320
Fundraising income		19,183	-	19,183	12,715
Bank and Building Society Interest		1,962	1,302	3,264	4,562
Other Homelessness Income		-	84,891	84,891	75,226
Other CAN Community Housing Income		-	171,244	171,244	110,949
Other Income		102,294	1,730	104,024	51,613
Total incoming resources		<u>1,241,628</u>	<u>999,284</u>	<u>2,240,912</u>	<u>1,704,805</u>
Resources expended					
Cost of generating funds					
Fundraising costs		28,869	-	28,869	23,818
Charitable expenditure					
Costs of activities in furtherance of the Charity's objects					
Core activities		1,023,944	-	1,023,944	818,650
Homelessness fund		-	509,918	509,918	402,184
CAN Community housing fund		-	147,739	147,739	116,080
Bedfordshire fund		-	268,392	268,392	240,364
Corby property fund		-	1,530	1,530	1,530
Capital purchase fund		-	22,951	22,951	19,331
Management and administration		77,242	-	77,242	62,743
Total resources expended	4	<u>1,130,055</u>	<u>950,530</u>	<u>2,080,585</u>	<u>1,684,700</u>
Net incoming resources for the year		<u>111,573</u>	<u>48,754</u>	<u>160,327</u>	<u>20,105</u>
Funds brought forward		<u>63,219</u>	<u>227,230</u>	<u>290,449</u>	<u>270,344</u>
Funds carried forward		<u>174,792</u>	<u>275,984</u>	<u>450,776</u>	<u>290,449</u>

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.

Balance Sheet
at 31 March 2003

	Note	2003 £	2002 £
Fixed assets			
Tangible assets	6	454,353	306,389
Current assets			
Debtors	7	137,071	35,805
Cash at bank and in hand		219,828	222,941
		<u>356,899</u>	<u>258,746</u>
Creditors: amounts falling due within one year	8	(155,778)	(154,371)
Net current assets		201,121	104,375
Total assets less current liabilities		<u>655,474</u>	<u>410,764</u>
Creditors: amounts falling due after more than one year	9	(204,698)	(120,315)
Net assets		<u>450,776</u>	<u>290,449</u>
Funds			
Restricted funds	10	275,984	227,230
Unrestricted funds	10	174,792	63,219
Total funds		<u>450,776</u>	<u>290,449</u>

The financial statements on pages 5 to 13 were approved by the Council of Management on 27 August 2003.



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 2003

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 and 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.

Notes on Financial Statements

31 March 2003

2 Grants receivable

	2003 £	2002 £
Core activities (including other projects)		
National Lotteries Charity Board	-	25,462
Other Grants	1,106,350	753,278
	<hr/>	<hr/>
	1,106,350	778,740
	<hr/>	<hr/>
Homelessness Fund		
National Lotteries Charity Board	-	83,005
Other grants	323,208	285,502
	<hr/>	<hr/>
	323,208	368,507
	<hr/>	<hr/>
Bedfordshire Fund	262,216	196,173
Capital Purchase Fund	-	43,000
	<hr/>	<hr/>
	1,691,774	1,386,420
	<hr/>	<hr/>

3 Donations and gifts

	Unrestricted funds £	Restricted funds £	Total 2003 £	Total 2002 £
Individuals	180	143	323	970
Charitable foundations	-	116,150	116,150	21,750
Corporate Donors	11,659	38,400	50,059	40,600
	<hr/>	<hr/>	<hr/>	<hr/>
	11,839	154,693	166,532	63,320
	<hr/>	<hr/>	<hr/>	<hr/>

4 Total resources expended

	Staff costs	Other direct costs	Other allocated costs	Total 2003	Total 2002
Fund raising costs	23,558	5,311	-	28,869	23,818
Core activities	851,230	172,714	-	1,023,944	818,650
Homelessness fund	386,268	71,999	51,651	509,918	402,184
CAN Community housing fund	-	63,342	84,397	147,739	116,080
Bedfordshire fund	198,984	41,670	27,738	268,392	240,364
Corby Property fund	-	1,530	-	1,530	1,530
Capital Purchase fund	-	22,951	-	22,951	19,331
Management and administration	52,974	24,268	-	77,242	62,743
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,513,014	403,785	163,786	2,080,585	1,684,700
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
				2003	2002
Other direct costs include					
Depreciation				29,500	20,593
Audit fee				5,000	4,500

The County of Northampton Council on Addiction

Notes on Financial Statements

31 March 2003

5 Staff costs

	2003	2002
	£	£
Wages and salaries	1,373,183	1,105,633
Social security costs	107,185	89,412
Pension costs	32,646	29,839
	<u>1,513,014</u>	<u>1,224,884</u>

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

	2003	2002
Charitable activities	83	82
Cost of generating funds	1	1
Management and administration	2	2
	<u>86</u>	<u>85</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 £32,646 (2002 £29,839).

Notes on Financial Statements

31 March 2003

6 Tangible fixed assets

Cost	Office Equipment £	Leasehold Property Improvements £	Freehold Land and Buildings £	Total £
1 April 2002	49,586	34,784	271,283	355,653
Additions	20,834	5,630	151,000	177,464
31 March 2003	<u>70,420</u>	<u>40,414</u>	<u>422,283</u>	<u>533,117</u>
Depreciation				
1 April 2002	23,104	20,734	5,426	49,264
Charge for year	16,134	4,920	8,446	29,500
31 March 2003	<u>39,238</u>	<u>25,654</u>	<u>13,872</u>	<u>78,764</u>
Net book amount				
31 March 2003	<u>31,182</u>	<u>14,760</u>	<u>408,411</u>	<u>454,353</u>
31 March 2002	<u>26,482</u>	<u>14,050</u>	<u>265,857</u>	<u>306,389</u>

7 Debtors

	2003 £	2002 £
Amounts falling due within one year		
Grant income owing	106,229	24,621
Prepayments	361	1,258
Other debtors	30,481	9,926
	<u>137,071</u>	<u>35,805</u>

8 Creditors: amounts falling due within one year

	2003 £	2002 £
Instalments on Northampton Borough Council loan	6,000	6,000
Bank loan	1,724	1,624
Building Society mortgages	4,377	2,905
Other creditors	41,377	10,081
Other taxation and social security	35,260	27,150
Accruals	7,930	5,142
Deferred income	59,110	101,469
	<u>155,778</u>	<u>154,371</u>

The County of Northampton Council on Addiction

Notes on Financial Statements

31 March 2003

9 Creditors: amounts falling due after more than one year

	2003 £	2002 £
Instalments on Northampton Borough Council loan	9,000	15,000
Bank Loan	49,606	51,322
Building Society mortgages	146,092	53,993
	<u>204,698</u>	<u>120,315</u>

The loan from Northampton Borough Council is interest free and is repayable by six - monthly instalments of £3,000. The final instalment is payable on 19 May 2005.

The bank loan is secured on the freehold property in Corby, Northamptonshire and is repayable by monthly instalments of £396.37. The final instalment is payable 4th October 2020. The building society mortgages are as follows:-

Security - Freehold Property	Monthly Instalments	Final Instalment Payable
1. Weedon Road, Northampton	£ 417.10	01/10/2021
2. York Road, Corby	£ 259.95	20/05/2028
3. Kettering Road, Northampton	£ 449.00	20/05/2028

The County of Northampton Council on Addiction

Notes on Financial Statements

31 March 2003

10 Statement of funds

	At 1 April 2002 £	Income £	Expenditure £	At 31 March 2003 £
Unrestricted funds				
General reserve	63,219	1,241,628	1,130,055	174,792
Restricted funds				
Homelessness fund	100,052	458,294	509,918	48,428
Corby Property fund	18,220	-	1,530	16,690
CAN community housing fund	2,095	171,244	147,739	25,600
Bedfordshire fund	3,194	263,946	268,392	(1,252)
Capital purchase fund	83,669	103,800	22,951	164,518
Womens Refuge fund	20,000	2,000	-	22,000
Total restricted funds	227,230	999,284	950,530	275,984
Total funds	290,449	2,240,912	2,080,585	450,776

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

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 County of Northampton Council on Addiction

Notes on Financial Statements

31 March 2003

The Capital Purchase fund represents grants and donations totalling £206,800 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 Womens refuge fund represents donations of £22,000 received towards the cost of setting up a Womens refuge in the near future.

11 Analysis of net assets between funds

Fund balances at 31 March 2003 are represented by:

	Unrestricted funds £	Restricted funds £	Total £
Tangible fixed assets	137,101	317,252	454,353
Net current assets (liabilities)	46,691	154,430	201,121
Long term liabilities	(9,000)	(195,698)	(204,698)
	<hr/>	<hr/>	<hr/>
	174,792	275,984	450,776
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