

REGISTERED COMPANY NUMBER: 03063825 (England and Wales)
REGISTERED CHARITY NUMBER: 1051418

REPORT OF THE TRUSTEES AND CONSOLIDATED
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2009
FOR
DRUG ABUSE RESISTANCE EDUCATION (U.K.)
LIMITED

Hewitt Card Limited
Chartered Certified Accountants
70-72 Nottingham Road
Mansfield
Nottinghamshire
NG18 1BN

WEDNESDAY



ACZQIEHO

A69

28/10/2009

36

COMPANIES HOUSE

**DRUG ABUSE RESISTANCE EDUCATION (U.K.)
LIMITED**

**CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31st March 2009**

	Page
Report of the Trustees	1 to 9
Report of the Independent Auditors	10 to 11
Consolidated Statement of Financial Activities	12
Balance Sheets	13
Notes to the Financial Statements	14 to 22

**DRUG ABUSE RESISTANCE EDUCATION (U.K.)
LIMITED**

**REPORT OF THE TRUSTEES
for the year ended 31st March 2009**

The Trustees who are also directors of the charity for the purposes of the Companies Act 1985, present their report with the consolidated financial statements of the charity for the year ended 31st March 2009. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03063825 (England and Wales)

Registered Charity number

1051418

Registered office

D.A.R.E. House
Blue Coat School
Aspley Lane
Aspley, Nottingham
NG8 5GY

Trustees

A P Camilleri

C C Adkin

- Resigned 10.04.08

Clr K R Allsop

P Edwards

Dr R Chandran

R Goad

Ms S R Pella

R Flewitt

- Appointed 11.04.08

Chief Executive Officer

D Gilbert

Company Secretary

S Longcroft

Auditors

Hewitt Card Limited

Chartered Certified Accountants

70-72 Nottingham Road

Mansfield

Nottinghamshire

NG18 1BN

Bankers

National Westminster Bank

9 Church Street

Mansfield

Nottinghamshire

NG18 1AF

Solicitors

Freeth Cartwright LLP

80 Mount Street

Nottingham

NG1 6HH

**DRUG ABUSE RESISTANCE EDUCATION (U.K.)
LIMITED**

**REPORT OF THE TRUSTEES
for the year ended 31st March 2009**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Drug Abuse Resistance Education (UK) Limited is a company limited by guarantee and is registered as a charity with the Charity Commission, registration number 1051418. Its affairs are governed by its Memorandum and Articles of Association. The Company has to comply with both the Companies Act 1985 and the Statement of Recognised Practice.

The liability of the members in the event of the company being wound up is limited to a sum not exceeding £10 each.

The Memorandum of Association restricts the use of the charity's income and property, such that they must be applied solely toward the objects of the charity and specifically disallows the payment of dividends, bonuses or profits to the members.

Recruitment and appointment of new trustees

As set out in the Utricle of Association, the Chair of the trustees is appointed by the trustees. Any appointment of a trustee to an executive office shall terminate if he ceases to be a trustee. A trustee holding an executive office shall not be subject to retirement by rotation.

One third of the trustees shall retire by rotation at every Annual General Meeting, and subject to the provisions of the Act, the trustees to retire by rotation shall be those who have been longest in office since their last appointment.

If the charity, at the meeting at which a trustee retires by rotation, does not fill the vacancy, the retiring trustee shall, if willing to act, be deemed to have been re-appointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the appointment of the trustee is put to the meeting and lost.

No person other than a trustee retiring by rotation shall be appointed or re-appointed a trustee at any general meeting unless, he is recommended by the trustees and he has attained the age of 18 years.
The number of trustees shall not be less than three.

Induction and training of new trustees

Potential trustees are identified according to criteria set by the board, so that there is a varied range of abilities, skills and experience.

New trustees are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Committee and decision making processes, the business plan and recent financial performances of the charity.

There is an ongoing programme of information and training offered and given to the trustees.

Organisational structure

The trustees meet on a regular basis throughout the year.

Individual trustees report back to the board on their activity within a sub-committee structure. Sub-committees involve trustees and DARE members of staff.

A Chief Executive Officer is appointed by the trustees to manage the day to day operations of the charity.

Related parties

The company has a wholly owned subsidiary undertaking, Drug Abuse Resistance Education (Merchandise) Limited.

The principal activity of this company is the receipt of commissions relating to the sale of products associated with DARE (UK) Limited.

The subsidiary also trades with Pellacraft Limited a company in which the trustee Miss S R Pella, holds an interest, and New Edge Productions Limited a company in which the trustee Mr R Flewitt holds an interest.

**DRUG ABUSE RESISTANCE EDUCATION (U.K.)
LIMITED**

**REPORT OF THE TRUSTEES
for the year ended 31st March 2009**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees have a risk management strategy to identify and review the risks to which the charity is exposed and to ensure appropriate systems and controls are in place mitigate those risks and to provide reasonable assurance against fraud and error.

OBJECTIVES AND ACTIVITIES

Charitable Objectives

To preserve and protect the good health of persons in the UK who are in danger of becoming addicted to or have already become addicted to drugs and to benefit the public by educating them in the dangers of drug, solvent, and alcohol abuse.

This is achieved by educating children about the consequences of drug misuse, providing them with the means to resist the temptation to experiment, within a health promotion framework, and by mobilising the support of the whole community in this endeavour.

Aims and Intended Impacts

- * To prevent drug misuse by young people
- * To provide young people with the skills and knowledge to make their own informed choices about drugs, alcohol and tobacco instead of succumbing to peer pressure.
- * To teach children how to lead healthy lives and give them coping skills to avoid violent behaviour.

Objectives for the year

Objectives for the year will remain the same, but with the additional objectives of:

- * Development of a robust marketing plan
- * A Newsletter to be produced each term to reflect the business year.(ie the school year)
- * To address the impact of the recession to ensure that the organisation can continue to grow and move towards being a revenue dependant organisation.

Strategies to achieve the Year's Objectives

Last year it was reported that the charity would be working to a newly developed three year development strategy. The Trustees felt this was the right approach for the Charity at this point in its life to bring a clear focus to its overall purpose.

In addition new meeting arrangements were introduced, for Trustees, the most significant being a Planning meeting to be held at the beginning of each year for the purpose of:

- Reviewing performance of the past year against objectives set
- Analysing the potential changes needed based on environmental scanning
- Setting the new objectives and pathway for the coming year.

Although the first planning meeting took place in January 2008, the bulk of the activity to achieve those aims and objectives took place during the 08-09 year. The three year strategy is set out in a separate document. Performance against objectives is set out later in this report.

**DRUG ABUSE RESISTANCE EDUCATION (U.K.)
LIMITED**

**REPORT OF THE TRUSTEES
for the year ended 31st March 2009**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Following significant organisational change mainly due to the charity employing DARE Officers directly for the first time it was recognised that the increase in overheads required a more reliable source of income. A three year development strategy was produced with clear aims and objectives, geared towards moving the charity to a more revenue dependant organisation. Performance against the first year's objectives, are set out below.

1. Resources

The Primary programme was updated and once again schools had a fresh workbook for their pupils to use from the start of the b08/09 academic year.

The 'Keeping on Track' resource was launched in January 2009 and made available through Experian, to all Nottinghamshire schools.

The DARE Active (initially called DARE Sport) was sent for comment to education experts in July 2008, and returned needing further work. This was commissioned externally and completed 28th November 2008. However, due to the changes being significant, arrangements were made for the programme to be given a final run in schools to test use and capture good practice with a view to a launch later in 2009.

All resources are now quality checked for 'Every Child Matters' compliance and so they remain an active learning resource. Further work is planned to develop and make available to schools enhancements to cover:

- Parenting
- Drugs in the workplace
- Over the counter drugs
- Internet
- Gangs

DARE is now being delivered to parts of Derbyshire and Leicestershire. Developments are also in place for the programme to be tested in the London Borough of Dagenham. DARE continues to be delivered in the Falkland Islands following training by staff from DARE UK.

In summary the new counties and cities where DARE is now being delivered exceeds the 10 new areas target set for the year.

By promoting in new areas new issues are emerging, including:

- Finding the personnel to train and deliver the programme
- Achieving local access to partners/funding/in-kind support
- Effective coordination at local level

These challenges will be looked at closer during the new year.

2. Professional Development

During the year new officers were recruited and trained as follows:

6 Devon
6 London
1 Nottingham

**DRUG ABUSE RESISTANCE EDUCATION (U.K.)
LIMITED**

**REPORT OF THE TRUSTEES
for the year ended 31st March 2009**

ACHIEVEMENT AND PERFORMANCE- continued

Of the existing DARE Officers employed by DARE UK, they were provided with training in respect of:

- Diversity
- Drugs information and drug use update

Training was also delivered in March 2009 as follows:

- Royal Military Police officers - Germany
- Additional DARE Officers newly recruited to DARE UK

3. Effective Communication

During the year we have improved our communication with schools, making better use of email in addition to the existing land mail systems.

Regular meetings are held with key partners to maintain relationships.

Regular press releases and media coverage has increased to inform the public of our progress (an example being, when DARE was provided with a car for operational use by Rainworth Skoda)

A new website has been developed and is now live. We have built into it monitoring components to measure visits to the site to help with future developments.

In respect of newsletters we have published only two during the year and we aim to improve in both content and frequency during the next year.

4. Quality Assurance

A Quality Assurance policy has been developed, with assistance from experts at Nottinghamshire County Council. This has been accepted by the Trustees and is being implemented in everyday business.

5. Evaluation of Products

DARE initially approached two independent organisations to carry out this work and quickly established that the minimum spend would be £25k.

However, Trustee, Richard Flewitt assisted in engaging Nottingham Trent University. The initial meetings indicate they can carry out this research for less than half the quoted figures and may even be able to secure some funding from the University itself. During the year, efforts have been made for the research to commence.

6. Funding

During the year DARE developed improved monitoring tools by regular use of two year cash flow forecasts, primarily due to the academic year straddling two financial years. This process assisted in showing trend lines against current spend and identified that additional income streams would be needed to ensure the charity remained in a healthy position.

Those streams were identified as:

- DARE Active
- Golf Day/Dinner
- Car Raffle
- Extra workbook sales for new areas (e.g. Dagenham, Derbyshire, Leicestershire etc)
- The impending sponsorship from new partners Willmott Dixon

**DRUG ABUSE RESISTANCE EDUCATION (U.K.)
LIMITED**

**REPORT OF THE TRUSTEES
for the year ended 31st March 2009**

ACHIEVEMENT AND PERFORMANCE- continued

For the new year, arrangements will be put into place to extend the audit year to August 2010 and from that point ensure that the financial year for DARE is consistent with the academic year.

The precarious nature of being supported by sponsors was recognised and hence we introduced a three year development strategy to become more revenue dependant. However, in January and April 2009, DARE received news from the two main sponsor, that their respective funding will either cease or be drastically reduced.

This shortfall is being addressed through a range of measures including cost cutting, efficiency savings, applications to funding sources, and advice and support from financial and business institutions. Progress and success will be reported on in the next annual report.

The threat of copyright litigation was not finalised during this year, but a strong case was put to the Department of Health for them to take responsibility for dialogue and resolution with the relevant photographer. The outcome will be reported in the next annual report. However, in July 2009, the charity did receive written confirmation from the Department of Health stating "...we wish to reassure you of our full support in resolving this matter with and emphasise that we are actively taking steps to address the root of his financial demands. As expected this may not happen overnight but we shall be contacting..... shortly with a proposal and promise to keep you updated in this regard".

7. Partnerships

Existing partnerships were maintained through regular dialogue and updates. New partnerships were formed with the following organisations:

- Hettys and WAM
- Parentline plus
- Rainworth Skoda
- Miss Mansfield & Sherwood Forest
- Fields in Trust
- Drop De Drug
- Willmott Dixon Construction
- Light Box events
- National Association of Head Teachers

These were formed to:

- secure additional capacity
- take advantage of in-kind support
- promote our work
- complement our respective work

Summary

The year has been challenging but much has been achieved. The new year will bring even greater challenges through the impact of global recession and already DARE is working to address two major funding shortfalls to ensure it can continue to grow and develop.

**DRUG ABUSE RESISTANCE EDUCATION (U.K.)
LIMITED**

**REPORT OF THE TRUSTEES
for the year ended 31st March 2009**

FINANCIAL REVIEW

Reserves policy

The trustees have examined the charity's requirements for reserves in light of the main risks to the organisation and consider that 180 days of expenditure is sufficient to meet the charity's requirements. The trustees therefore aim to establish unrestricted reserves of 6 months expenditure, this currently equates to £169,000. At 31.3.09 unrestricted reserves amounts to £17,532.

The reserves are needed to meet the working capital requirements of the charity and the trustees are confident that at this level they would be able to continue the current activities of the charity in the event of a significant drop in funding.

The present level of reserves fall significantly short of the target level. Although the strategy is to continue to build the reserves through planned operating surpluses, the trustees are well aware that it is unlikely that the target level will be reached in the next few years. In the short term the trustees have considered the extent to which existing activities and expenditure could be curtailed, should such circumstances arise.

Results for the year

Incoming resources have decreased by 12% from £393,000 to £346,000 in 2009.

This can be explained by citing previous sources of income during 2007-8 not contributing during the 2008-9 namely:

Police	£15k
One Nottingham	£10k
John Eastwood Foundation	£ 1k
Peter Harrison Foundation	£10k
Nottinghamshire Councillor	£ 4k

In addition the football foundation contribution this year reduced by £14k. Whilst showing a reduction in income the figures also demonstrate consistency of income from schools demand for the service and revenue secured from this source.

The charity, has generated a loss for the year, with an decrease of funds of £(42,000) (2008: increase of £28,000) as set out in the Statement of Financial Activities on page 8.

Investment policy and objectives

Aside from retaining a prudent amount in reserves each year most of the charity's funds are to be spent in the short term so there are few funds for long term investments. Having considered the options available, the trustees have decided to invest the small amount that it has available in business & capital reserve accounts with Natwest Bank.

**DRUG ABUSE RESISTANCE EDUCATION (U.K.)
LIMITED**

**REPORT OF THE TRUSTEES
for the year ended 31st March 2009**

FUTURE DEVELOPMENTS

The charity plans continuing the activities outlined above in the forthcoming years subject to satisfactory funding arrangements.

The following objectives have been set by the Trustees:

1. Resources-

- Ensure our core primary resource remains up to date and refreshed
- Promote the DARE Active resource
- Develop new resources that complement the current DARE resources
- Ensure our resources remain inclusive; meet the needs of young people and families; developed in line with user involvement
- Ensure our resources are lined up with the Every Child Matters agenda
- Ensure our resources involve active learning
- Make available resources that are present throughout school life, year on year
- Increase the use of our product range across the UK

2. Professional Development -

Develop and deliver training to our own staff and those from partners agencies in a way that includes:

- Active learning,
- A range of learning styles
- Appropriate safeguarding

3. Effective Communication -

Improve our methods and the effectiveness of our communication by focusing on parents, schools, partners and young people.

Develop a marketing plan to improve the knowledge, understanding and availability of our products.

4. Quality Assurance-

Monitor and improve arrangements in respect of quality assurance to ensure:

- we improve our business at strategic and operational levels
- we consider emerging policy and research
- they allow us to review and refresh training and resources more effectively
- the integrity of our resources are maintained and not compromised

5. Evaluation of products-

Make the necessary arrangements for independent research to be carried out on :

- the effectiveness of our product range
- our organisation through an appropriate stakeholder feedback strategy

6. Funding-

- Develop short, medium and long term financial plans
- Become sustainable through revenue dependence
- Develop our fund raising capability

7. Partnerships-

Maintain and develop existing partnerships with:

- parents,
- schools,
- other organisations

Identify new partners key to the work of DARE

- Develop and maintain new partnerships

**DRUG ABUSE RESISTANCE EDUCATION (U.K.)
LIMITED**

**REPORT OF THE TRUSTEES
for the year ended 31st March 2009**

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charitable company and group and of the surplus or deficit of the charitable company, and group, for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- 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 1985. 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 234ZA of the Companies Act 1985) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, Hewitt Card Limited, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

.....
Trustee

Date: 27/10/09

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
DRUG ABUSE RESISTANCE EDUCATION (U.K.)
LIMITED**

We have audited the financial statements of Drug Abuse Resistance Education (U.K.) Limited for the year ended 31st March 2009 on pages eleven to twenty one. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable 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 charitable company's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page eight.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the Report of the Trustees is consistent with the financial statements.

In addition, we report to you if, in our opinion, 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 other transactions is not disclosed.

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

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 trustees 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
DRUG ABUSE RESISTANCE EDUCATION (U.K.)
LIMITED**

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31st March 2009 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Trustees is consistent with the financial statements.



Hewitt Card Limited
Chartered Certified Accountants
70-72 Nottingham Road
Mansfield
Nottinghamshire
NG18 1BN

Date: 27/10/09

**DRUG ABUSE RESISTANCE EDUCATION (U.K.)
LIMITED**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31st March 2009**

	Notes	Unrestricted funds £	Restricted funds £	2009 Total funds £	2008 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	109,211	-	109,211	102,774
Activities for generating funds	3	195,090	40,723	235,813	288,022
Investment income	4	<u>1,427</u>	<u>-</u>	<u>1,427</u>	<u>2,728</u>
Total incoming resources		305,728	40,723	346,451	393,524
RESOURCES EXPENDED					
Costs of generating funds					
Costs of generating voluntary income	5	2,275	-	2,275	16,576
Charitable activities					
Educational & publication expenses	6	43,977	42,366	86,343	130,382
Support costs		1,001	8,338	9,339	29,550
Management & administration		286,672	-	286,672	185,266
Governance costs	7	<u>4,500</u>	<u>-</u>	<u>4,500</u>	<u>3,690</u>
Total resources expended		338,425	50,704	389,129	365,464
NET INCOMING/(OUTGOING) RESOURCES before transfers					
		(32,697)	(9,981)	(42,678)	28,060
Gross transfers between funds	17	<u>(11,454)</u>	<u>11,454</u>	<u>-</u>	<u>-</u>
Net incoming/(outgoing) resources		(44,151)	1,473	(42,678)	28,060
RECONCILIATION OF FUNDS					
Total funds brought forward		61,683	27,942	89,625	61,565
TOTAL FUNDS CARRIED FORWARD		<u>17,532</u>	<u>29,415</u>	<u>46,947</u>	<u>89,625</u>

CONTINUING OPERATIONS

All incoming resources and resources expended arise from continuing activities.

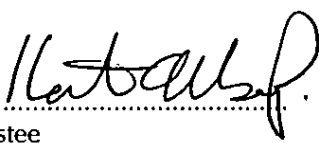
The notes form part of these financial statements

**DRUG ABUSE RESISTANCE EDUCATION (U.K.)
LIMITED**

**CONSOLIDATED BALANCE SHEET
At 31st March 2009**

		Group		Company	
	Notes	2009 £	2008 £	2009 £	2008 £
FIXED ASSETS					
Tangible assets	11	4,919	4,935	4,194	3,847
Investments	12	-	-	1	1
		<u>4,919</u>	<u>4,935</u>	<u>4,195</u>	<u>3,848</u>
CURRENT ASSETS					
Debtors : amounts falling due within one year	13	83,539	51,940	83,339	59,006
Cash at bank and in hand		38,637	69,258	22,869	46,379
		<u>122,176</u>	<u>121,198</u>	<u>106,208</u>	<u>105,385</u>
CREDITORS					
Amounts falling due within one year	14	(80,148)	(36,508)	(78,410)	(34,779)
NET CURRENT ASSETS		<u>42,028</u>	<u>84,690</u>	<u>27,798</u>	<u>70,606</u>
NET ASSETS		<u>46,947</u>	<u>89,625</u>	<u>31,993</u>	<u>74,454</u>
FUNDS	16				
Unrestricted funds		17,532	61,683	2,577	46,512
Restricted funds		29,415	27,942	29,416	27,942
TOTAL FUNDS		<u>46,947</u>	<u>89,625</u>	<u>31,993</u>	<u>74,454</u>

The consolidated financial statements were approved by the Board of Trustees on 20/04/09
and were signed on its behalf by:



Trustee

The notes form part of these financial statements

**DRUG ABUSE RESISTANCE EDUCATION (U.K.)
LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31st March 2009**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, the Companies Act 1985 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the charitable company qualifies as a small charitable company.

Consolidated Financial statements

The consolidated financial statements incorporate the financial statements of DARE (UK) limited and its subsidiary undertaking, made up to 31st March 2009.

The parent company has taken advantage of the available exemption not to present its own income and expenditure account. The amount of net incoming resources for the year attributable to the parent company is £(42,461). (2008: £29,564)

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

All income is accounted for when received with the exception of income from income tax refunds from covenants and gift aid, which is accounted for on an accruals basis.

Resources expended

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.

Tangible fixed assets

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

Fixtures and fittings	-33.33% on reducing balance and
	-Straight line over 3 years
	-Straight line over 4 years

The cost of tangible fixed assets is the purchase price together with any incidental costs of acquisition.

Taxation

The charity 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 charity.

Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Investments

Investments are stated at the lower of cost less any provision for impairment.

Branches

Branches and groups, which are non-autonomous, that is those which operate under the Registered Charity number 1051418 of DARE (UK) Limited, are included in full in these accounts.

Voluntary help and gifts in kind

The charity benefits from the many voluntary hours contributed by its supporters. In addition, companies and organisations have provided the use of facilities and equipment without charge. It would be impossible to place a value on all these gifts in kind for which the charity is extremely grateful, and without which, much of the work undertaken could not be achieved.

**DRUG ABUSE RESISTANCE EDUCATION (U.K.)
LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
for the year ended 31st March 2009**

2. VOLUNTARY INCOME

	2009	2008
	£	£
Donations – Wilkinsons	20,000	20,000
- K McDonald	50,000	50,000
- Police property fund	-	7,500
- Carlton Male Voice Choir	11,324	-
Other donations	<u>27,887</u>	<u>25,274</u>
	<u><u>109,211</u></u>	<u><u>102,774</u></u>

3. ACTIVITIES FOR GENERATING FUNDS

	2009	2008
	£	£
D.A.R.E. programme - school charging	163,852	153,732
Golf day income	19,510	15,935
Officer training income	-	11,753
Commissions received	3,195	9,985
Other	<u>8,533</u>	<u>3,639</u>
	<u>195,090</u>	<u>195,055</u>
Restricted income	<u>40,723</u>	<u>92,978</u>
	<u><u>235,813</u></u>	<u><u>288,022</u></u>

4. INVESTMENT INCOME

	2009	2008
	£	£
Interest received	<u>1,427</u>	<u>2,728</u>

5. COSTS OF GENERATING VOLUNTARY INCOME

	2009	2008
	£	£
Marketing and advertising	1,414	2,249
Consultancy fees	-	7,400
Other costs	<u>861</u>	<u>6,927</u>
	<u><u>2,275</u></u>	<u><u>16,576</u></u>

**DRUG ABUSE RESISTANCE EDUCATION (U.K.)
LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
for the year ended 31st March 2009

6. CHARITABLE ACTIVITIES COSTS

	2009 £	2008 £
Educational and publication expenses		
Depreciation	-	5,583
Workbook purchases	40,910	32,947
Other costs	45,433	91,852
	<u>86,343</u>	<u>130,382</u>
 Support costs		
Officer training	1,001	4,576
Restricted funds costs	8,338	24,974
	<u>9,339</u>	<u>29,550</u>
 Management and administration		
Salaries	205,318	132,384
Postage and stationery	7,846	5,054
Telephone	2,285	1,803
Travel and meeting expenses	23,369	12,771
Accountancy	1,493	3,723
Depreciation	2,114	3,593
Rent and rates	7,200	7,200
Professional fees	6,729	7,349
Other costs	30,318	11,389
	<u>286,672</u>	<u>185,266</u>

7. GOVERNANCE COSTS

	2009 £	2008 £
Auditors' remuneration	<u>4,500</u>	<u>3,690</u>

**DRUG ABUSE RESISTANCE EDUCATION (U.K.)
LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
for the year ended 31st March 2009**

8. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	2009	2008
	£	£
Auditors' remuneration – audit group	4,500	3,690
- audit company	3,000	3,000
Depreciation - owned assets	2,114	9,176
Deficit on disposal of fixed asset	<u>(76)</u>	<u>292</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

The following trustees were remunerated for services provided as follows:

	2009	2008
	£	£
C Adkin – accounting services (through Adkin Sinclair)	-	1,815
S Pella	See note 18	
R Flewitt	See note 18	

Trustees' Expenses

During the year trustees' expenses were paid to cover hotel and mileage costs incurred during the course of their work for the charity:

	2009	2008
	£	£
P Edwards	1,656	934
Cllr K R Allsop	314	194

10. STAFF COSTS

	2009	2008
	£	£
Wages and salaries	185,677	118,811
Social security costs	<u>19,641</u>	<u>13,573</u>
	<u>205,318</u>	<u>132,384</u>

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

2009	2008
<u>11</u>	<u>7</u>

The charity had no staff who were paid in excess of £60,000 in the current or previous year.

During the year there has been a substantial increase in the wages and salaries costs of approximately £73,000. This is a reflection of the growth of the charity and the need for more dedicated staff. Dare officers were employed for a full year this year, compared to only part of last year, following the changes implemented by Nottinghamshire Police. This alone accounts for £41,000 of the increase.

This year also sees the first full year costs for the CEO, showing an increase in costs of £14,000. Head office salary costs have also increased by £12,000.

**DRUG ABUSE RESISTANCE EDUCATION (U.K.)
LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
for the year ended 31st March 2009**

11. TANGIBLE FIXED ASSETS

	Group Fixtures & Fittings £	Company Fixtures & Fittings £
COST		
At 1 st April 2008	40,216	32,135
Additions	2,233	2,233
Disposals	<u>(18,532)</u>	<u>(18,532)</u>
At 31 st March 2009	<u>23,917</u>	<u>15,836</u>
DEPRECIATION		
At 1 st April 2008	35,279	28,287
Charge for year	2,114	1,751
Eliminated on disposal	<u>(18,396)</u>	<u>(18,396)</u>
At 31 st March 2009	<u>18,997</u>	<u>11,642</u>
NET BOOK VALUE		
At 31 st March 2009	<u>4,920</u>	<u>4,194</u>
At 31 st March 2008	<u>4,935</u>	<u>3,848</u>

12. FIXED ASSET INVESTMENTS

	2009 £	Company 2008 £
1 £1 ordinary share of Drug Abuse Resistance Education (Merchandise) Limited	<u>1</u>	<u>1</u>

DARE (Merchandise) Limited is a 100% subsidiary. Its results have been included within the consolidated financial statements. The company is incorporated in England & Wales, and its principal activity is the merchandising of products related to its parent company. Full audited accounts have been filed with the Registrar of Companies under reference 03096336.

During the year ended 31 March 2009 DARE (Merchandise) Limited reported turnover of £3,195 (2008: £4,183) and a (loss) before and after taxation of (£217) (2008: £141). At that date the shareholders funds were £14,955 (2008: £15,172).

**DRUG ABUSE RESISTANCE EDUCATION (U.K.)
LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
for the year ended 31st March 2009

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Trade debtors	52,556	28,947	50,926	26,917
Amounts due from group companies	-	-	1,691	9,882
Prepayments	30,983	22,993	30,722	22,207
	<u>83,539</u>	<u>51,940</u>	<u>83,339</u>	<u>59,006</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Trade creditors	18,375	7,589	18,375	7,589
Social security and other taxes	238	7,720	-	7,491
Accruals and deferred income	61,535	21,199	60,035	19,699
	<u>80,148</u>	<u>36,508</u>	<u>78,410</u>	<u>34,779</u>

15. SHARE CAPITAL

The company is limited by guarantee, and as such has no share capital.

The liability of its members in the event of the company being wound up is limited to a sum not exceeding £10 each.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	2009 Total funds	2008 Total funds
	£	£	£	£
Fixed assets	4,919	-	4,919	4,935
Current assets	77,710	44,466	122,176	121,198
Current liabilities	<u>(65,097)</u>	<u>(15,051)</u>	<u>(80,148)</u>	<u>(36,508)</u>
	<u>17,532</u>	<u>29,415</u>	<u>46,947</u>	<u>89,625</u>

**DRUG ABUSE RESISTANCE EDUCATION (U.K.)
LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
for the year ended 31st March 2009

17. MOVEMENT IN FUNDS

	At 1.4.08 £	Net movement in funds £	Transfers between funds £	At 31.3.09 £
Unrestricted funds - group				
General fund	61,683	(32,697)	(11,454)	17,532
Restricted funds – Group and company				
Joyce Henstock fund	782	-	-	782
Website development (b)	(629)	(2,088)	2,717	-
Project respect (d)	933	(21)	-	912
Football foundation (f)	5,099	9,456	-	14,555
One Nottingham (g)	4,758	(12,560)	7,802	-
DARE officer funding (h)	6,249	(6,250)	1	-
Notts DAAT (i)	5,000	(1,684)	(3,316)	-
Nottingham schools (j)	5,750	(5,180)	-	570
DARE active (m)	-	6,097	4,250	10,347
DARE evaluation (n)	-	2,250	-	2,250
	<u>27,942</u>	<u>(9,980)</u>	<u>11,454</u>	<u>29,416</u>
TOTAL FUNDS	<u>89,625</u>	<u>(42,677)</u>	<u>-</u>	<u>46,948</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds- group			
General fund	305,728	(338,425)	(32,697)
Restricted funds- group and company			
Football foundation (f)	24,476	(15,020)	9,456
DARE officer funding (h)	-	(6,250)	(6,250)
Notts DAAT (i)	4,500	(6,184)	(1,684)
Nottingham schools (j)	900	(6,080)	(5,180)
DARE active (m)	8,097	(2,000)	6,097
DARE evaluation (n)	2,750	(500)	2,250
Website Development (b)	-	(2,088)	(2,088)
Project respect (d)	-	(21)	(21)
One Nottingham (g)	-	(12,560)	(12,560)
	<u>40,723</u>	<u>(50,703)</u>	<u>(9,980)</u>
TOTAL FUNDS	<u>346,451</u>	<u>(389,128)</u>	<u>(42,677)</u>

**DRUG ABUSE RESISTANCE EDUCATION (U.K.)
LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
for the year ended 31st March 2009**

17. MOVEMENT IN FUNDS - continued

- (a) The Joyce Henstock fund has been established by Mrs Henstock in memory of her late husband. The funds purpose is to provide a prize or award for outstanding activity in the support of charity.
- (b) The website development is funding for the continual use and upgrade of the DARE (UK) website. Costs have currently been expended and a grant is being applied to cover for the current and future costs.
- (d) Respect in schools is a secondary education programme that follows on from the work that DARE does at primary level. It is made up of a collaboration of members who each have their input either at boardroom or planning level. We have fundraised money on behalf of this project. The members of Respect in Schools are DARE (UK), Nottinghamshire Police, Nottinghamshire Local Authority and National Healthy Schools.
- (f) The football foundation is a three year funded project to the total of £122,000 to provide football schools in all 9 areas of Mansfield. These courses are for 11 - 16 year olds from the local community and FA Level 1 courses are provided to those who want them.
- (g) One Nottingham is funding for delivering the DARE programme in schools which otherwise we would be unable to fund the programme.
- (h) DARE officer funding is a one off fund to support the costs of DARE officers wages for a year following the withdrawal of direct funding under TUPE.
- (i) Notts DAAT is funding for an initiative to help young people develop the personal, learning and thinking skills essential to success in any sport, learning environment, everyday life and at work, using sport to facilitate this.
- (j) Nottingham schools is funding for the delivery of DARE projects to Nottingham schools.
- (m) DARE active is a fund to be used for the design and production of DARE active workbooks and delivery of the DARE active programme to schools.
- (n) DARE evaluation is for the assessment of the primary DARE product and its effectiveness on the children, it is being evaluated by Nottingham Trent University.

**DRUG ABUSE RESISTANCE EDUCATION (U.K.)
LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
for the year ended 31st March 2009**

18. RELATED PARTY DISCLOSURES

The company has taken advantage of the exemption under Financial Reporting Standard 8 not to disclose transactions with its 100% owned subsidiary undertaking.

During the year the charity traded with Pellacraft Limited and new Edge Productions Limited, companies in which the trustees Miss S R Pella (Pellacraft Ltd) and R. Flewitt (New Edge Productions Limited) are directors. The trade was all conducted at arms length, the transactions during the year were:-

	2009	2008
	£	£
Pellacraft Limited – Sales commission	3,195	4,183
Pellacraft Limited – purchase of DARE merchandise	46,763	53,231
New Edge Productions Limited – purchase of training video	4,113	-
	<u> </u>	<u> </u>

The amounts outstanding at 31st March were:

	2009	2008
	£	£
Pellacraft Limited	1,678	2,030
New Edge Productions Limited	-	-
	<u> </u>	<u> </u>

For other transactions with Trustees of the Charity see Note 9.

19. ULTIMATE CONTROLLING PARTY

The controlling party is the trustees of the company and group, no one individual has overall control