

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

**Report of the Trustees and Group
Financial Statements for the Year Ended 31 March 2017
for**

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

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

FRIDAY



L6LSNWP

L16

22/12/2017

#124

COMPANIES HOUSE

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

**Contents of the Financial Statements
for the Year Ended 31 March 2017**

	Page
Report of the Trustees	1 to 6
Report of the Independent Auditors	7 to 8
Consolidated Statement of Financial Activities	9
Consolidated Balance Sheet	10
Balance Sheet	11
Consolidated Cash Flow Statement	12
Notes to the Cash Flow Statement	13
Notes to the Financial Statements	14 to 27

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

**Report of the Trustees
for the Year Ended 31 March 2017**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the consolidated financial statements of the charity and its subsidiaries for the year ended 31 March 2017 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act 2006 purposes.

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

OBJECTIVES AND ACTIVITIES

Objectives and aims

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

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

Vision

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

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

Values

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

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

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

We believe all individuals are entitled to respect and dignity within a safe environment.

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

**Report of the Trustees
for the Year Ended 31 March 2017**

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

Key Performance Indicator 1

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

National target is below 20% - Drugaid services achieved an average of 17.8% (2016 : 15%).

Key Performance Indicator 2

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

National target in above 80% - Drugaid services achieved an average of 86.5% (2016 : 83%).

Key Performance Indicator 3

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

National target is 73.7% - Drugaid services achieved an average of 71.8% (2016 : 80%).

Key Performance Indicator 4

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

National target is 56.9% - Drugaid services achieved an average of 66.5% (2016 : 40%).

Key Performance Indicator 5

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

National target is 67.1% - Drugaid services achieved an average 75.5% (2016 : 82%).

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

Significant activities

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

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

Services and interventions are as follows:

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

Public benefit

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

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

**Report of the Trustees
for the Year Ended 31 March 2017**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

- We continue to see increase access of all our services.
- We have continued to grow the ranges and diversity of our service across and larger geographical area.
- A number of the Charity's Needle Exchanges have been highlighted as being some of the busiest in Wales.
- The Charity continued to dispense 'Prenoxad' naloxone kits to service users, which had led to the saving of numerous lives.
- The Gwent Drug and Alcohol Service (GDAS) has continued to operate successfully with partners Kaleidoscope and G4S.
- The Dyfed Drug and Alcohol Service (DDAS) has continued to operate successfully with partners Kaleidoscope and G4S.
- SMART Recovery groups have continued to meet across a number of services and has expanded to include a SMART parenting Group.
- A number of staff and service users participated in the annual Recovery Walk up Pen y Fan.
- A number of successful open days were arranged, which attracted service users and other partner agencies to attend.
- The Charity has continued its partnerships with the local Food Banks in certain areas and has been responsible for distributing food parcels to service users during the year.
- Children and Young Persons services have continued to develop their school education and prevention work and are working with numerous schools throughout Wales.
- The Charity continued to be one of the agencies that the media in Wales approaches regarding any substance misuse issues. The Charity is committed to raising its profile, but also contribute to both local and national debate around substance misuse.
- The Charity continues to have a high profile presence on social media.
- The Charity continued consulting with service users to measure satisfaction and the progress of clients.
- The Charity was successful in its Tender bid and will be delivering the new Child & Young Persons Service throughout Gwent from 1st April 2017.
- We continue to influence policy to improve services for our communities.
- The Charity is an active part of the DACW consortium delivering the new European funded Out of Work Service, working alongside Partner agencies in Gwent and Western Bay and is the Lead Partner in the Dyfed area.
- The Charity's social enterprise, Tyfu Café established a catering van 'Tyfu on the go'.
- The Charity retained its Silver Investors in People award for a further 3 years.

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

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

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

The Charity will be drafting its next 3-year Business Plan, which will be effective from 1st April 2018 (2018 - 2021).

FINANCIAL REVIEW

Principal funding sources

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

Investment policy and objectives

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

Reserves policy

The management committee have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ("the free reserves") held by the charity should be between three and six months of the resources expended (between £1,241,365 and £2,482,730). At this level, the management committee feel that they would be able to meet the obligations and requirements that would result should there be a significant loss in funding. It would obviously be necessary to consider how the funding would be replaced or activities changed. At the balance sheet date the free reserves amounted to £xxx. Efforts to increase reserves in line with policy will be made in future years.

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

**Report of the Trustees
for the Year Ended 31 March 2017**

FUTURE PLANS

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

- To work towards achieving the PQASSO quality standard
- To continue consolidating our services in Dyfed
- To continue services for older people Drink Wise Age Well in Cwm Taf
- To continue service in Gwent within the new consortium GDAS
- To continue working with DACW partners to deliver the new Out of Work Service
- To support partners in delivering the Dyfodol service in South Wales
- To continue to take opportunities to expand our services
- To support and grow our range of strategic partners
- To continue to invest in our infrastructure to support our staff and service users
- To continue to influence national strategy and policy
- To implement a rebranding exercise for the Charity
- To expand Board Membership numbers and diversity of experience

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

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

Recruitment and appointment of new trustees

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

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

Organisational structure

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

The Senior Management Team consists of the following personnel:

- Chief Executive (Caroline Phipps)
- Regional Director - East (Sian Prior)
- Regional Director - West (Ifor Glyn)
- Director of Corporate Services (Ian Hughes)

Induction and training of new trustees

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

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

Key management remuneration

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

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

**Report of the Trustees
for the Year Ended 31 March 2017**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

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

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

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

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

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

01073381 (England and Wales)

Registered Charity number

265008

Registered office

1st Floor Integra House
Vaughan Court
Celtic Springs
Newport
NP10 8BD

Trustees

S D Scarf
W G D Smith
L M Hodgson
J W Brown
J McNally
J Taylor

- resigned 3.4.17

Company Secretary

L M Hodgson

Auditors

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

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

**Report of the Trustees
for the Year Ended 31 March 2017**

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Natwest
Caerphilly Branch
19 Cardiff Road
Caerphilly
CF83 1WF

COMMENCEMENT OF ACTIVITIES

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

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

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

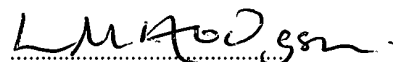
- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

AUDITORS

The auditors, O'Brien & Partners, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 18/12/17 and signed on its behalf by:



L M Hodgson - Trustee

**Report of the Independent Auditors to the Members of
South Wales Association for
Prevention of Addiction Limited
Trading as Drugaid**

We have audited the financial statements of South Wales Association for Prevention of Addiction Limited for the year ended 31 March 2017 which comprise the Group Statement of Financial Activities, the Group and Charitable Company Balance Sheet, the Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities set out on page six, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charitable company's affairs as at 31 March 2017 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Opinion on other matter prescribed by the Companies Act 2006

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

**Report of the Independent Auditors to the Members of
SOUTH WALES ASSOCIATION FOR
PREVENTION OF ADDICTION LIMITED
TRADING AS DRUGAID**

Matters on which we are required to report by exception

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

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

G. Francis.

Gareth Francis FCCA (Senior Statutory Auditor)

for and on behalf of O'Brien & Partners

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

Chartered Accountants

& Statutory Auditors

Highdale House

7 Centre Court

Treforest Industrial Estate

Pontypridd

Rhondda Cynon Taff

CF37 5YR

Date: *18th December 2017.*

Note:

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

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

**Consolidated Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2017**

	Notes	Unrestricted funds £	Restricted funds £	31.3.17 Total funds £	31.3.16 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities	4				
Local Health boards		125,199	-	125,199	105,904
Unitary authorities and Community Safety Partnerships		4,541,037	-	4,541,037	3,729,252
Other		593,947	164,045	757,992	291,867
Support and casework		16,850	-	16,850	-
Lottery Income		750,919	-	750,919	445,758
Other trading activities	2	18,819	1	18,820	1,560
Investment income	3	1,368	-	1,368	1,280
Other income	5	07,774	15,000	22,774	1,624,601
Total		6,055,913	179,046	6,234,959	6,200,222
EXPENDITURE ON					
Raising funds	6	51,525	-	51,525	-
Charitable activities	7				
Support and casework		5,984,903	261,018	6,245,921	4,931,863
Training		39,078	-	39,078	33,597
Total		6,075,506	261,018	6,336,524	4,965,460
NET INCOME/(EXPENDITURE)		(19,593)	(81,972)	(101,565)	1,234,762
RECONCILIATION OF FUNDS					
Total funds brought forward		1,360,721	1,072,408	2,433,129	1,198,367
TOTAL FUNDS CARRIED FORWARD		<u>1,341,128</u>	<u>990,436</u>	<u>2,331,564</u>	<u>2,433,129</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

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

The notes form part of these financial statements

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

**Consolidated Balance Sheet
At 31 March 2017**

		Unrestricted funds £	Restricted funds £	31.3.17 Total funds £	31.3.16 Total funds £
	Notes				
FIXED ASSETS					
Tangible assets	14	139,503	1,275,304	1,414,807	1,215,124
CURRENT ASSETS					
Stocks	15	258	-	258	-
Debtors	16	1,555,963	120,000	1,675,963	984,115
Cash at bank and in hand		<u>721,403</u>	<u>132</u>	<u>721,535</u>	<u>1,386,268</u>
		2,277,624	120,132	2,397,756	2,370,383
CREDITORS					
Amounts falling due within one year	17	(1,071,841)	(10,000)	(1,081,841)	(985,809)
NET CURRENT ASSETS		<u>1,205,783</u>	<u>110,132</u>	<u>1,315,915</u>	<u>1,384,574</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,345,286	1,385,436	2,730,722	2,599,698
CREDITORS					
Amounts falling due after more than one year	18	(4,158)	(395,000)	(399,158)	(166,569)
NET ASSETS		<u>1,341,128</u>	<u>990,436</u>	<u>2,331,564</u>	<u>2,433,129</u>
FUNDS	19				
Unrestricted funds				1,341,128	1,360,721
Restricted funds				<u>990,436</u>	<u>1,072,408</u>
TOTAL FUNDS				<u>2,331,564</u>	<u>2,433,129</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 18/12/17 and were signed on its behalf by:


W G D Smith - Trustee

The notes form part of these financial statements

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

**Balance Sheet
At 31 March 2017**

	Notes	Unrestricted funds £	Restricted fund £	31.3.17 Total funds £	31.3.16 Total funds £
FIXED ASSETS					
Tangible assets	14	136,158	975,304	1,111,462	915,124
CURRENT ASSETS					
Debtors	15	1,596,538	120,000	1,716,538	983,077
Cash at bank and in hand		<u>677,978</u>	<u>132</u>	<u>678,110</u>	<u>993,892</u>
		2,274,516	120,132	2,394,648	1,976,969
CREDITORS					
Amounts falling due within one year	16	(1,281,782)	(10,000)	(1,291,782)	(1,164,824)
NET CURRENT ASSETS		<u>992,734</u>	<u>110,132</u>	<u>1,102,866</u>	<u>812,145</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,128,892	1,085,436	2,214,328	1,727,269
CREDITORS					
Amounts falling due after more than one year	17	(4,158)	(395,000)	(399,158)	(166,569)
NET ASSETS		<u>1,124,734</u>	<u>690,436</u>	<u>1,815,170</u>	<u>1,560,700</u>
FUNDS	18				
Unrestricted funds				1,124,734	788,292
Restricted funds				<u>690,436</u>	<u>772,408</u>
TOTAL FUNDS				<u>1,815,170</u>	<u>1,560,700</u>

The financial statements were approved by the Board of Trustees on 18/12/17 and were signed on its behalf by:



W G D Smith - Trustee

The notes form part of these financial statements

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

**Consolidated Cash Flow Statement
for the Year Ended 31 March 2017**

	Notes	31.3.17 £	31.3.16 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>(366,101)</u>	<u>709,130</u>
Net cash provided by (used in) operating activities		<u>(366,101)</u>	<u>709,130</u>
 Cash flows from investing activities:			
Purchase of tangible fixed assets		(300,000)	(408,285)
Interest received		<u>1,368</u>	<u>1,280</u>
Net cash provided by (used in) investing activities		<u>(298,632)</u>	<u>(407,005)</u>
 Change in cash and cash equivalents in the reporting period		<u>(664,733)</u>	<u>302,125</u>
Cash and cash equivalents at the beginning of the reporting period		<u>1,386,268</u>	<u>1,084,143</u>
Cash and cash equivalents at the end of the reporting period		<u><u>721,535</u></u>	<u><u>1,386,268</u></u>

The notes form part of these financial statements

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

**Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 March 2017**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.17 £	31.3.16 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(101,565)	1,234,762
Adjustments for:		
Depreciation charges	89,712	96,537
Interest received	(1,368)	(1,280)
Assets on consolidation of subsidiary	(4,395)	(349,492)
Release of capitalised grant	15,000	-
Increase in stocks	(258)	-
Increase in debtors	(715,025)	(572,075)
Increase in creditors	<u>351,798</u>	<u>300,678</u>
Net cash provided by (used in) operating activities	<u><u>(366,101)</u></u>	<u><u>709,130</u></u>

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

**Notes to the Financial Statements
for the Year Ended 31 March 2017**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

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

Basis of consolidation and comparatives

From 1 April 2017, Tyfu Community Enterprises CIC became consolidated into the group. Previously it was not considered to be material. Therefore the comparatives do not include this organisation.

The financial statements consolidate the results of the charity and its wholly owned subsidiaries on a line by line basis. No separate Statement of Financial Activities (SOFA) has been prepared for the Charitable Company as permitted by Section 408 of the Companies Act 2006.

Income

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

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

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

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

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

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

Donated services, assets and facilities

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

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

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

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

1. ACCOUNTING POLICIES - continued

Expenditure

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

Employee benefits

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

Allocation and apportionment of costs

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

Tangible fixed assets

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

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

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

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

Financial instruments

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

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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

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

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

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

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

1. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

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

Critical accounting estimates and judgements

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

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

2. OTHER TRADING ACTIVITIES

	31.3.17	31.3.16
	£	£
Shop income	15,238	-
Training income	<u>3,582</u>	<u>1,560</u>
	<u>18,820</u>	<u>1,560</u>

3. INVESTMENT INCOME

	31.3.17	31.3.16
	£	£
Deposit account interest	<u>1,368</u>	<u>1,280</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	31.3.17	31.3.16
	£	£
Grants	125,199	105,904
Grants	4,541,037	3,729,252
Grants	757,992	291,867
Other	16,850	-
Grants	<u>750,919</u>	<u>445,758</u>
	<u>6,191,997</u>	<u>4,572,781</u>

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

	31.3.17	31.3.16
	£	£
Capital Grant Receivable	164,045	-
Grants	<u>6,011,102</u>	<u>4,572,781</u>
	<u>6,175,147</u>	<u>4,572,781</u>

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

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

5. OTHER INCOME

	31.3.17	31.3.16
	£	£
Sands Cymru (Harm Reduction) Ltd reserves on acquisition	-	1,063,350
Cyswllt Contact Limited Income	-	561,251
Other income	2,829	-
Miscellaneous income	<u>19,945</u>	<u>-</u>
	<u>22,774</u>	<u>1,624,601</u>

6. RAISING FUNDS

Other trading activities

	31.3.17	31.3.16
	£	£
Purchases	8,389	-
Staff costs	38,228	-
Licensing	293	-
Commission	725	-
Bad debts	860	-
Light and heat	1,370	-
Cleaning	76	-
Telephone and fax	458	-
Insurance	1,362	-
Advertising	188	-
Other legal and professional	226	-
Depreciation	1,050	-
Loss on sale of assets	<u>(1,700)</u>	<u>-</u>
	<u>51,525</u>	<u>-</u>

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

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

7. CHARITABLE ACTIVITIES COSTS

	Support and casework costs	Training costs	Total	
			31.3.2017	31.3.2016
Direct costs	£	£	£	£
Salaries, NI, pension	3,844,529	12,865	3,857,394	3,012,471
Partner charge salaries and expenses	1,097,470	-	1,097,470	950,362
Supervision and sessional work	28,522	-	28,522	33,329
Motor and mileage expenses	183,725	2,042	185,767	156,716
Advertising, printing & reproduction	48,316	-	48,316	36,283
Needles	54,809	-	54,809	49,882
Client costs, diversionary activity	82,393	-	82,393	64,655
	<u>5,339,764</u>	<u>14,907</u>	<u>5,354,671</u>	<u>4,303,698</u>
Allocated support costs				
Salaries, NI, pension	72,316	-	72,316	72,316
Training expenses	12,080	5,627	17,707	5,656
Recruitment costs	3,320	-	3,320	5,839
Rent and rates	89,334	2,291	91,624	61,511
Insurance	22,632	1,191	23,824	15,037
Healthcare	4,584	-	4,584	4,247
Heating and lighting	55,305	2,912	58,217	43,099
Repairs and cleaning	204,405	-	204,405	69,117
IT Software, consumables, maintenance	40,270	2,119	42,389	35,313
Telephone and communication	105,600	5,587	111,187	85,689
Stationery	22,653	1,199	23,852	12,690
Postage	6,331	352	6,683	3,124
Equipment leasing	9,484	499	9,983	-
Subscriptions and publications	6,597	-	6,597	3,862
Legal & professional fees	50,629	-	50,629	61,636
Consultancy fees	29,297	-	29,297	33,874
Sundry office costs	45,507	2,394	47,902	24,041
Depreciation	89,712	-	89,712	96,537
Governance costs	36,101	-	36,101	28,174
	<u>906,157</u>	<u>24,171</u>	<u>930,328</u>	<u>661,762</u>
	<u><u>6,245,921</u></u>	<u><u>39,078</u></u>	<u><u>6,284,999</u></u>	<u><u>4,965,460</u></u>

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

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

8. SUPPORT COSTS

Support costs includes the following governance costs:

	31.3.2017 £	31.3.2016 £
Salaries, NI, pension	18,079	18,079
Telephone and communication	559	431
Stationery	120	64
Postage	-	164
Advertising, printing and reproduction	2,056	-
Legal & professional fees	3,016	3,244
Bank charges	2,191	2,172
Auditors remuneration	<u>10,080</u>	<u>4,020</u>
	<u>36,101</u>	<u>28,174</u>

9. NET INCOME/(EXPENDITURE)

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

	31.3.17 £	31.3.16 £
Auditors' remuneration	10,080	4,020
Depreciation - owned assets	89,712	96,537
Other operating leases	116,608	61,510
Surplus on disposal of fixed asset	<u>(1,700)</u>	<u>-</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2017 nor for the year ended 31 March 2016.

Trustees' expenses

	31.3.17 £	31.3.16 £
Trustees' expenses	<u>27</u>	<u>225</u>

During the year one (2016: One) trustees received reimbursement for travel expenses.

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

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

11. STAFF COSTS

	31.3.17	31.3.16
	£	£
Wages and salaries	3,383,125	2,670,921
Social security costs	285,431	225,253
Other pension costs	<u>261,154</u>	<u>206,692</u>
	<u><u>3,929,710</u></u>	<u><u>3,102,866</u></u>

Key management personnel

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

The total employment benefits of the key management personnel were £262,312 (2016: £166,865) which consisted of gross pay, employers' national insurance and employers' pension costs.

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

	31.3.17	31.3.16
Charitable activities	158	158
Management and administration	<u>11</u>	<u>11</u>
	<u><u>169</u></u>	<u><u>169</u></u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.3.17	31.3.16
£60,001 - £70,000	<u>1</u>	<u>-</u>

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Local Health boards	105,904	-	105,904
Unitary authorities and Community Safety Partnerships	3,729,252	-	3,729,252
Other	291,867	-	291,867
Lottery Income	445,758	-	445,758
Other trading activities	1,560	-	1,560
Investment income	1,280	-	1,280
Other income	<u>974,601</u>	<u>650,000</u>	<u>1,624,601</u>
Total	5,550,222	650,000	6,200,222
EXPENDITURE ON			
Charitable activities			
Support and casework	4,855,331	76,532	4,931,863
Training	<u>33,597</u>	<u>-</u>	<u>33,597</u>
Total	<u>4,888,928</u>	<u>76,532</u>	<u>4,965,460</u>
NET INCOME/(EXPENDITURE)	661,294	573,468	1,234,762

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

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	699,427	498,940	1,198,367
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD	<u>1,360,721</u>	<u>1,072,408</u>	<u>2,433,129</u>

13. CHARITABLE COMPANY RESULTS

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

	Total 2017	Total 2016
Total incoming resources	6,552,583	5,327,793
Total resources expended	<u>(6,298,113)</u>	<u>(4,965,460)</u>
Net	254,470	362,333
Funds:		
At 1 April 2016	<u>1,560,700</u>	<u>1,198,367</u>
At 31 March 2017	<u>1,815,170</u>	<u>1,560,700</u>

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

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

14. TANGIBLE FIXED ASSETS

	Freehold property £	Short leasehold £	Improvements to property £
COST			
At 1 April 2016	1,068,805	410,219	114,580
Additions	-	300,000	-
Reclassification	-	-	-
At 31 March 2017	<u>1,068,805</u>	<u>710,219</u>	<u>114,580</u>
DEPRECIATION			
At 1 April 2016	52,194	410,219	68,491
Charge for year	15,377	-	2,292
Reclassification/transfer	-	15,000	-
At 31 March 2017	<u>67,571</u>	<u>425,219</u>	<u>70,783</u>
NET BOOK VALUE			
At 31 March 2017	<u>1,001,234</u>	<u>285,000</u>	<u>43,797</u>
At 31 March 2016	<u>1,016,611</u>	-	<u>46,089</u>

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 April 2016	319,777	183,217	339,612	2,436,210
Additions	-	-	-	300,000
Reclassification	<u>6,953</u>	-	-	<u>6,953</u>
At 31 March 2017	<u>326,730</u>	<u>183,217</u>	<u>339,612</u>	<u>2,743,163</u>
DEPRECIATION				
At 1 April 2016	280,364	130,246	279,572	1,221,086
Charge for year	21,124	21,278	29,641	89,712
Reclassification/transfer	<u>2,558</u>	-	-	<u>17,558</u>
At 31 March 2017	<u>304,046</u>	<u>151,524</u>	<u>309,213</u>	<u>1,328,356</u>
NET BOOK VALUE				
At 31 March 2017	<u>22,684</u>	<u>31,693</u>	<u>30,399</u>	<u>1,414,807</u>
At 31 March 2016	<u>39,413</u>	<u>52,971</u>	<u>60,040</u>	<u>1,215,124</u>

CHARITABLE FIXED ASSETS (CHARITABLE COMPANY)

	Freehold property £	Short leasehold £	Improvements to Property £
COST			
At 1 April 2016	768,805	710,219	114,580
Additions	-	300,000	-
At 31 March 2017	<u>768,805</u>	<u>710,219</u>	<u>114,580</u>

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

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

14. TANGIBLE FIXED ASSETS - continued

DEPRECIATION

At 1 April 2016	52,194	410,219	68,491
Charge for the year	15,377	-	2,292
Reclassification	-	15,000	-
At 31 March 2017	<u>67,571</u>	<u>425,219</u>	<u>70,783</u>

NET BOOK VALUE

At 31 March 2017	<u>701,234</u>	<u>285,000</u>	<u>43,797</u>
At 31 March 2016	<u>716,611</u>	-	<u>46,089</u>

	Fixtures and fittings £	Motor Vehicles £	Computer Equipment £	Total £
COST				
At 1 April 2016	319,777	183,217	339,612	2,136,210
Additions	-	-	-	300,000
At 31 March 2017	<u>319,777</u>	<u>183,217</u>	<u>339,612</u>	<u>2,136,210</u>

DEPRECIATION

At 1 April 2016	280,364	130,246	279,572	1,221,086
Charge for the year	20,074	21,278	29,641	96,537
Reclassification	-	-	-	15,000
At 31 March 2017	<u>300,438</u>	<u>151,524</u>	<u>309,213</u>	<u>1,324,748</u>

NET BOOK VALUE

At 31 March 2017	<u>19,339</u>	<u>31,693</u>	<u>30,399</u>	<u>1,111,462</u>
At 31 March 2016	<u>39,413</u>	<u>52,971</u>	<u>60,040</u>	<u>915,124</u>

Short term leasehold additions represents the capitalisation of a 5 year lease agreement for 25 North Parade, Aberystwyth, for which the Charity received a corresponding £300,000 grant. The grant has also been deferred and included within creditors. Both the asset and liability are being released in line with the term of the lease agreement.

15. STOCKS

	31.3.17	31.3.16
	£	£
Stocks	<u>258</u>	<u>-</u>

There is no stock in the Charitable Company.

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.17	31.3.16
	£	£
Trade debtors	1,344	-
Amounts recoverable on contract	1,524,147	962,359
Prepayments	<u>150,472</u>	<u>21,756</u>
	<u>1,675,963</u>	<u>984,115</u>

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

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

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

Charitable Company

	31.3.17	31.3.16
	£	£
Amounts recoverable on contracts	1,566,066	961,230
Prepayments	<u>150,472</u>	<u>21,756</u>
	<u><u>1,716,538</u></u>	<u><u>983,077</u></u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.17	31.3.16
	£	£
Trade creditors	2,527	-
Social security and other taxes	67,697	69,920
Other creditors	25,002	11,455
Accruals and deferred income	803,575	416,335
Deferred government grants	<u>183,040</u>	<u>488,099</u>
	<u><u>1,081,841</u></u>	<u><u>985,809</u></u>

Charitable Company

	31.3.2016	31.3.2015
	£	£
Social security and other taxes	67,697	69,921
Other creditors	215,474	190,469
Accruals and deferred income	825,571	416,335
Deferred government grants	<u>183,040</u>	<u>488,099</u>
	<u><u>1,291,782</u></u>	<u><u>1,164,824</u></u>

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

	31.3.17	31.3.16
	£	£
Deferred government grants	<u><u>399,158</u></u>	<u><u>166,569</u></u>

The above is for the Group and Charitable Company.

19. MOVEMENT IN FUNDS

	At 1.4.16 £	Net movement in funds £	At 31.3.17 £
Unrestricted funds			
General fund	1,360,721	(19,593)	1,341,128
Restricted funds			
Capital	1,072,408	(81,972)	990,436
TOTAL FUNDS	<u><u>2,433,129</u></u>	<u><u>(101,565)</u></u>	<u><u>2,331,564</u></u>

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

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

19. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	6,055,913	(6,075,506)	(19,593)
Restricted funds			
Capital	179,046	(261,018)	(81,972)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>6,234,959</u>	<u>(6,336,524)</u>	<u>(101,565)</u>

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

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

19. MOVEMENT IN FUNDS - continued

Restricted funds

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

Unrestricted funds

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

Designated funds

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

Movements in funds (Charitable Company)

	At 1.4.16 £	Net movement in funds £	At 31.3.17 £
Unrestricted funds			
General fund	398,352	336,442	734,794
Designated funds	<u>389,940</u>	<u>-</u>	<u>389,940</u>
	788,292	336,442	1,124,734
Restricted funds			
Capital	<u>772,408</u>	<u>(81,972)</u>	<u>772,408</u>
TOTAL FUNDS	<u><u>1,560,700</u></u>	<u><u>254,470</u></u>	<u><u>1,815,170</u></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	6,373,373	(6,037,095)	336,442
Restricted funds			
Capital	179,046	(261,018)	(81,972)
	<u>6,552,583</u>	<u>(6,298,113)</u>	<u>254,470</u>

Restricted funds

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

Unrestricted funds

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

Designated funds

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

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

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

20. RELATED PARTY DISCLOSURES

During the year the South Wales Association for Prevention of Addiction Limited received £Nil (2016: £211,251) from Cyswilt Contact Limited and received a donated asset from them valued at £Nil (2016: £350,000).

During the year the South Wales Association for Prevention of Addiction Limited gave a grant of £19,437 (2016: £28,763) to Tyfu Community Enterprises CIC. At the balance sheet date, Tyfu Community Enterprises CIC owed them £41,919 (2016: £19,114).

During the year the South Wales Association for Prevention of Addiction Limited received a donation of £350,000 (2016: £190,921) from Sands Cymru (Harm Reduction) Ltd. At the balance sheet date, Sands Cymru (Harm Reduction) Ltd owed them £213,649 (2016: £190,469).

21. LEGAL STATUS OF THE CHARITABLE COMPANY

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