

Company Registration No. 2493904
Registered Charity No. 1010541

CARDIFF UNIVERSITIES SOCIAL SERVICES
(A Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS
For the year ended 31st March 2000



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**Notley
Pearson
Shewring**

Chartered Accountants

CARDIFF UNIVERSITIES SOCIAL SERVICES

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OFFICERS AND PROFESSIONAL ADVISERS

Company Registration No. 2493904

Registered Charity No. 1010541

Trustees:
Ms S. Kemp
Mr. A. Pursell (Chair)
Mr. B.J. Weare (Deceased)
Mr. I. Brown (Resigned 31st March 2000)
Mr. D. Allan
Mr T. Gape
Ms. A. Brunt (Appointed March 2000)

Secretary:
J Gilkes (Appointed 1st April 2000)
L. Cumberbatch (Resigned 31st March 2000)

Registered Office:
433 Cowbridge Road East
Canton
Cardiff

Auditors:
Notley Pearson Shewring
Chartered Accountants
Registered Auditors
38 Chepstow Road
Newport
South Wales
NP19 8PT

Bankers:
National Westminster Bank PLC
277 Cowbridge Road East
Canton
Cardiff
CF5 1YE

Solicitors:
Morgan Cole
Bradley Court
Park Place
Cardiff
CF1 3DP

Peter Mallia & Co
196 Cowbridge Road East
Cardiff
CF5 1GX

TRUSTEES REPORT

Year ended 31st March 2000

The Trustees present their annual report on the affairs of Cardiff Universities Social Services and the audited financial statements. The Charity is a company limited by guarantee, registration number 2493904 and is governed by its Memorandum and Articles of Association. It is also registered with the Charity Commission, number 1010541. The Trustees are also Directors of the Charity.

Trustees:

Ms S. Kemp
Mr. A. Pursell (Chair)
Mr. B.J. Weare (Deceased)
Mr. I. Brown (Resigned 31st March 2000)
Mr. D. Allan
Mr T. Gape
Ms. A. Brunt (Appointed March 2000)

The Trustees are appointed at the annual general meeting.

Objectives of the Organisation

- To develop quality and innovative services that reflect the core values of the organisation and meet the needs of service users.
- Develop and expand volunteer opportunities for students, and others, promoting an understanding of the issues related to people with disabilities.
- To work in partnership with service users, their carers, other providers, purchasers and the wider community to promote models of good practice.
- To achieve a level of investment in staff development, training and support that enables the delivery of quality services and reflects their contribution to the achievement of the organisation's mission and aims.
- To offer a service which is responsive to and respects race, religion, culture, language, gender, sexuality and abilities of service users and of staff.

TRUSTEES' REPORT (CONTINUED)

Year ended 31st March 2000

Main Activities of the Organisation

- QUEST supported employment. Helping people to get jobs.
- Community Living Developments. Supporting people in their homes.
- Field Days. Providing a range of work experiences.
- Student Volunteer Projects. Working with children, families and schools through student volunteers.
- Transitions Project. Career planning for young school and college leavers.
- Short Stay Services. Providing short stay and holiday services.
- Emergency Accommodation Services. Supporting people who are in a crisis.
- CUSS Community Link. Supporting people to develop new interests and relationships with the help of volunteers.
- Central Support Services. Providing personnel, financial and administrative support to CUSS and to other organisations where agreed.
- Consultancy and Staff Development.

Financial Review

The organisation carried out a valuation exercise on its properties in September 1998 and the values were as follows:

18 Pantbach Avenue	£100,000
66 Hamilton Street	£120,000
433 Cowbridge Road	£110,000
67 Pembroke Road	£175,000

The surplus for the year of £103,662 is considered satisfactory and reflects the continuing strenuous efforts made by all of the company's employees and in particular the management team to control expenditure in order to clear the bank overdraft.

This surplus has enabled a further £15,650 to be transferred to the Building Maintenance and Replacement of Equipment reserves this year.

TRUSTEES' REPORT (CONTINUED)

Year ended 31st March 2000

Financial Review (Continued)

The general funds of £94,115 at 31st March 2000 have previously been expended to purchase fixed assets for which the net book value funded from the Charity's own funds at 31st March 2000 is £177,282.

Accordingly, the Trustees and management team will strive to generate further surpluses in the forthcoming years to generate funds for contingencies, in particular, additional staffing costs that could be incurred through redundancy, maternity or long term sickness cover.

Directors' Responsibilities

Company Law requires the Directors, who are the Trustees, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the profit or loss of the Charity for that period. In preparing those financial statements the Directors are required to:-

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. follow applicable accounting standards, subject to any material departures disclosed and explained in the financial statements;
- d. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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

Trustees and Their Beneficial Interests

The Trustees have no beneficial interests as the Charity has no share capital being limited by guarantee.

Fixed Assets

Full details of the fixed assets owned by the Charity are provided in the notes to the financial statements.

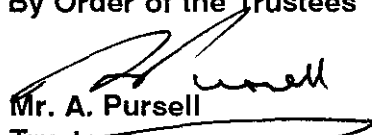
TRUSTEES' REPORT (CONTINUED)

Year ended 31st March 2000

Auditors

A resolution will be proposed at the Annual General Meeting to re-appoint the auditors Notley Pearson Shewring.

By Order of the Trustees


Mr. A. Pursell
Trustee

10th August 2000

We have audited the financial statements on pages 7 to 17 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets, and the accounting policies set out on pages 10 to 12.

Respective Responsibilities of Directors and Auditors

As described on page 5, the company's trustees who are also the directors for the purposes of company law, are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of Opinion

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

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

Opinion

In our opinion the financial statements give a true and fair view of the charitable company's state of affairs as at 31st March 2000 and of its incoming resources and application of resources including its income and expenditure for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

Notley Pearson Shewring

Notley Pearson Shewring
Chartered Accountants
Registered Auditors

38 Chepstow Road
Newport
South Wales
NP19 8PT

14th August 2000

STATEMENT OF FINANCIAL ACTIVITIES

Year ended 31st March 2000

	Note	Unrestricted Funds	Restricted Funds	Total Fund	1999 Total Funds
Incoming Resources					
Grants and allowances	2	1,430,220	196,872	1,627,092	1,666,159
Transfer from deferred income		-	-	-	(42,381)
Donations and fund raising		5,852	-	5,852	4,173
Rents receivable		138,743	-	138,743	111,367
Interest receivable		4,671	-	4,671	1,137
Expenditure reimbursed		111,030	-	111,030	149,239
Other income		<u>23,729</u>	<u>-</u>	<u>23,729</u>	<u>43,107</u>
Total Incoming Resources		<u>1,714,245</u>	<u>196,872</u>	<u>1,911,117</u>	<u>1,970,944</u>
Resources Expended					
Direct charitable expenditure	3	1,618,443	159,943	1,778,386	1,796,784
Management and administration	4	<u>20,157</u>	<u>-</u>	<u>20,157</u>	<u>25,429</u>
Total Resources Expended		<u>1,638,600</u>	<u>159,943</u>	<u>1,798,543</u>	<u>1,822,213</u>
Net Incoming Resources Before Transfers					
		75,645	36,929	112,574	148,731
Transfers between funds		<u>28,017</u>	<u>(28,017)</u>	<u>-</u>	<u>-</u>
Net Movement in Funds		103,662	8,912	112,574	148,731
Fund balances brought forward		<u>78,063</u>	<u>505,722</u>	<u>583,785</u>	<u>435,054</u>
Fund Balances Carried Forward		<u>£181,725</u>	<u>£514,634</u>	<u>£696,359</u>	<u>£583,785</u>

The notes on pages 10 to 17 form part of these statutory financial statements.

INCOME AND EXPENDITURE ACCOUNT

Year ended 31st March 2000

Notes

1999

Income

Grants and allowances		1,590,445	1,567,746
Rents receivable		138,743	111,367
Other income		<u>168,628</u>	<u>219,845</u>
Operating Income		1,897,816	1,898,958
Project costs		(1,589,915)	(1,596,243)
Administrative costs		<u>(202,146)</u>	<u>(209,377)</u>
Operating Surplus	5	105,755	93,338
Interest receivable		4,671	1,137
Interest payable		<u>(6,764)</u>	<u>(16,593)</u>
Surplus for the Year		103,662	77,882
Transfers to designated reserves		(14,326)	(25,176)
General Fund Brought Forward		<u>4,779</u>	<u>(47,927)</u>
General Fund Carried Forward		<u>£94,115</u>	<u>£4,779</u>

Continuing Operations

None of the company's activities were acquired or discontinued during the above two financial years.

Recognised Gains and Losses

The company has no recognised gains or losses other than the surplus or deficit for the above two financial years.

The notes on pages 10 to 17 form part of these financial statements.

BALANCE SHEET

At 31st March 2000

Notes**1999****Fixed Assets**

Tangible assets	8	772,848	741,103
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Current Assets

Debtors	9	62,814	50,995
Cash at bank and in hand		<u>26,666</u>	<u>26,349</u>

		89,480	77,344
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Creditors: Amounts Falling Due Within One Year

10	<u>118,118</u>	<u>180,130</u>
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Net Current Liabilities

	<u>(28,638)</u>	<u>(102,786)</u>
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Total Assets Less Current Liabilities

	744,210	638,317
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Creditors: Amounts Falling Due After More Than One Year

10	<u>(47,851)</u>	<u>(54,532)</u>
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	<u>£696,359</u>	<u>£583,785</u>
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Represented By:-**Unrestricted Funds**

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General fund	94,115	4,779
Revaluation reserve	30,460	31,784
Building maintenance reserve	28,850	24,500
Equipment replacement reserve	<u>28,300</u>	<u>17,000</u>

	181,725	78,063
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Restricted Funds

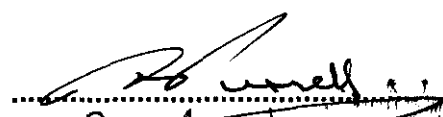
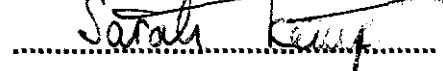
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	<u>514,634</u>	<u>505,722</u>
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	<u>£696,359</u>	<u>£583,785</u>
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These financial statements were approved by the Trustees on behalf:-

10th August 2000 and signed on their

A. Pursell (Trustee and Chair)

Ms S. Kemp (Trustee)

The notes on pages 10 to 17 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st March 2000

1. Accounting Policies**(a) Basis of Accounting**

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain of the Charity's freehold property, and in accordance with applicable Accounting Standards and the Statement of Recommended Practice

(b) Depreciation

Depreciation is calculated to write off the cost or valuation, less estimated residual values, of tangible fixed assets over their estimated useful lives. The annual depreciation rates and methods are as follows:-

Freehold property - office	- 6 $\frac{2}{3}$ % on cost
- short term care houses	- 4% on cost
Improvements to rented premises	- 10% on written down value
Computer equipment	- 33 $\frac{1}{3}$ on cost
Other fixtures and equipment	- 25% on written down value
Motor vehicles	- 25% on cost

(c) Capital Grants

Capital grants, received to fund the purchase of fixed assets, are held in a restricted fund and transferred to general funds over the expected useful lives of the related assets.

(d) Revenue Grants

Revenue grants are recognised in the period in which the expenditure to which they relate is incurred.

Where there are conditions attached to the use of these grants they are credited to the Restricted Fund. All other revenue grants are included in the General Fund in unrestricted funds.

(e) Leased Assets

Where the charity enters into operating and/or finance leases, these leases are regarded as finance leases where their terms give rights approximating to ownership.

Assets held under finance leases (including hire purchase contracts) are capitalised at the fair value of the asset at the inception of the lease, with an equivalent liability categorised as appropriate under creditors due within and after one year. Assets are depreciated over the shorter of the lease term and their useful economic life; in the case of assets held under hire purchase agreements, they are depreciated over their useful economic life. Finance charges are allocated to accounting years over the life of each lease to produce a constant rate of charge on the outstanding balance.

Rentals under operating leases are charged on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st March 2000

(f) Pensions

Contributions to the charity's defined contribution pension scheme are charged to the income and expenditure account in the accounting period for which they are due.

(g) Internal Charges

Internal charges are made within the organisation for management services.

(h) Apportionment of Expenditure

All expenditure incurred by the company is allocated at the time that it is incurred to direct charitable expenditure or management and administration of the company by reference to the nature of the expense.

The staff costs for each employee are allocated to direct charitable expenditure and management and administration by reference to the proportion of the employee's time spent on each activity or task and the nature of these activities and tasks.

Expenditure that relates to the company as a whole, and which cannot otherwise be accurately apportioned is apportioned by reference to the total salary costs allocated to direct charitable expenditure and to management and administration respectively. This method of apportionment is considered to best reflect the proportion of these expenses that are direct charitable expenditure and management and administration respectively.

(i) Designated Reserves**(i) Building Maintenance Reserve**

This reserve has been established to fund future major and cyclical repairs expenditure on freehold properties owned by the company.

(ii) Equipment Replacement Reserve

This reserve has been established to fund the cost of replacing existing project fixtures and equipment.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st March 2000

2. Grants and Allowances

	General Fund	Restricted Fund	Total	1999
Revenue Grants				
All-Wales Strategy	595,967	-	595,967	607,194
Resettlement team	604,508	-	604,508	668,078
Other Local Authorities grants	32,708	-	32,708	40,796
Health Authorities grants	27,790	-	27,790	56,790
European Social Fund	-	129,182	129,182	53,566
Community Care allowance	131,565	-	131,565	84,441
National Lottery	-	16,212	16,212	22,423
SHRG	14,061	-	14,061	24,862
Other	<u>23,621</u>	<u>-</u>	<u>23,621</u>	<u>11,228</u>
	1,430,220	145,394	1,575,614	1,569,378
Capital Grants				
Jane Hodge Foundation	-	25,000	25,000	75,000
Other	<u>-</u>	<u>26,478</u>	<u>26,478</u>	<u>21,781</u>
	£1,430,220	£196,872	£1,627,092	£1,666,159

3. Direct Charitable Expenditure

	General Funds	Restricted Funds	Total	1999
Staff costs	1,345,770	143,770	1,489,540	1,445,039
Depreciation	52,535	-	52,535	64,823
Other administrative costs	<u>220,138</u>	<u>16,173</u>	<u>236,311</u>	<u>286,922</u>
	£1,618,443	£159,943	£1,778,386	£1,796,784

4. Management and Administration of the Charity

	2000	1999
Salaries	7,340	7,300
Audit and professional fees	12,102	17,389
Other costs	<u>715</u>	<u>740</u>
	£20,157	£25,429

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st March 2000

5. Operating Surplus/(Deficit)

The operating surplus/(deficit) is stated after charging:-

	2000	1999
Depreciation	52,535	64,823
Profit on disposal of assets	(249)	-
Auditors' remuneration	7,873	7,638
Hire of equipment	2,274	1,365
	<u> </u>	<u> </u>

6. Staff Costs

	2000	1999
The cost of employing staff was:-		
Wages and salaries	1,345,902	1,294,355
Social Security costs	105,962	115,248
Pension costs	<u>45,016</u>	<u>42,736</u>
	<u>£1,496,880</u>	<u>£1,452,339</u>

The average weekly number of employees during the year was:-

Central administration staff	8	8
Care workers, etc.	<u>109</u>	<u>112</u>
	<u>117</u>	<u>120</u>

There were no emoluments paid to the Trustees in either year.

7. Taxation

The company has been granted exemption from corporation tax due to its charitable status.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st March 2000

8. Tangible Fixed Assets

	Freehold Property	Improvements to Rented Premises	Computer Equipment	Fixtures and Fittings	Motor Vehicles	Total
Cost/Valuation						
At 1st April 1999	718,753	2,409	32,689	162,648	25,628	942,127
Additions in year	63,878	-	6,282	14,121	-	84,281
Disposals	-	-	-	-	(9,933)	(9,933)
At 31st March 2000	782,631	2,409	38,971	176,769	15,695	£1,016,475
Depreciation						
At 1st April 1999	27,957	653	29,900	118,113	24,401	201,024
Charge for year	32,737	176	4,336	14,063	1,223	52,535
Written off on disposal	-	-	-	-	(9,932)	(9,932)
At 31st March 2000	60,694	829	34,236	132,187	15,692	243,627
Net Book Value						
At 31st March 2000	£721,937	£1,580	£4,735	£44,593	£3	£772,848
At 31st March 1999	£690,796	£1,756	£2,789	£44,535	£1,227	£741,103

The historical cost of freehold land and buildings is £749,523 (1999: £685,645).

9. Debtors

	2000	1999
Grants due	25,876	15,398
Rent due	6,930	9,510
Expenditure to be reimbursed	4,178	4,091
Other debtors and prepayments	25,830	21,996
	£62,814	£50,995

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st March 2000

10. Creditors

	2000	1999
a. Amounts Falling Due Within One Year		
Secured:		
Bank Overdraft	-	75,493
Bank loan	<u>6,376</u>	<u>5,765</u>
	6,376	81,258
Taxation and social security	31,872	32,669
Deferred income	11,348	14,504
Other creditors	<u>68,522</u>	<u>51,699</u>
	<u>£118,118</u>	<u>£180,130</u>
b. Amounts Falling Due After More Than One Year		
Secured:		
Bank loan	<u>£47,851</u>	<u>£54,532</u>
Bank loan payable by instalments		
In less than one year	6,376	5,765
In 1 - 2 years	7,000	6,000
Between 2 - 5 years	23,100	21,500
After 5 years	<u>17,751</u>	<u>27,032</u>
	<u>£54,227</u>	<u>£60,297</u>

The bank loan and overdraft are secured on the company's freehold properties at 433 Cowbridge Road East and 66 Hamilton Street.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st March 2000

11. Unrestricted Funds

	General Fund	Revaluation Reserve	Building Maintenance Reserve	Equipment Replacement Reserve	Total
At 1st April 1999	4,779	31,784	24,500	17,000	78,063
Surplus for year	103,662	-	-	-	103,662
Transfers	<u>(14,326)</u>	<u>(1,324)</u>	<u>4,350</u>	<u>11,300</u>	<u>-</u>
At 31st March 2000	<u>£94,115</u>	<u>£30,460</u>	<u>£28,850</u>	<u>£28,300</u>	<u>£181,725</u>

12. Restricted Funds

	Capital Grants	European Social Fund Grants	Lottery Grants	Total
At 1st April 1999	487,418	9,706	8,598	505,722
Received in the year	51,478	129,182	16,212	196,872
Expended in the year	-	(138,481)	(21,462)	(159,943)
Transfers between funds	<u>(28,017)</u>	<u>-</u>	<u>-</u>	<u>(28,017)</u>
At 31st March 2000	<u>£510,879</u>	<u>£407</u>	<u>£3,348</u>	<u>£514,634</u>

13. Analysis of Net Assets Between Funds

	Unrestricted Funds	Restricted Funds	Total
Fixed assets	261,969	510,879	772,848
Current assets	85,725	3,755	89,480
Creditors: Amounts falling due within one year	(118,118)	-	(118,118)
Creditors: Amounts falling due after more than one year	<u>(47,851)</u>	<u>-</u>	<u>(47,851)</u>
	<u>£181,725</u>	<u>£514,634</u>	<u>£696,359</u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st March 2000

14. Related Party Transactions

One of the Trustees, A. Pursell, is a director of a company of independent financial advisers that provides pensions advice to the company and its employees.

During the year the company purchased computer equipment and computer supplies from a business of which a Trustee, I. Brown, is the sole proprietor. Mr. Brown was appointed as a Trustee of the company in June 1998, and since that date £9,990 has been spent on computer equipment and computer supplies. Mr Brown resigned as a Trustee on 31st March 2000.

15. Capital Commitments

Capital expenditure of £290,229 (1999; Nil) was authorised and contracted for at 31st March 2000, for the building of a new property at New Road, Cardiff.

Capital expenditure of £219,000 was authorised but not contracted for at 31st March 2000 for the building of a further new property.