

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 2001



CARDIFF UNIVERSITIES SOCIAL SERVICES

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CARDIFF UNIVERSITIES SOCIAL SERVICES

1

OFFICERS AND PROFESSIONAL ADVISERS

Company Registration No. 2493904

Registered Charity No. 1010541

Trustees: Ms S. Kemp
Mr. A. Pursell (Chair)
Mr. D. Allan
Mr T. Gape (resigned 25th January 2001)
Ms. A. Brunt (resigned 25th January 2001)
D. Thomas (appointed 23rd April 2000)
D. Davies (appointed 25th January 2001)

Secretary: J Gilkes (resigned 26th April 2001)
A Bird (appointed 26th April 2001)

Registered Office: 433 Cowbridge Road East
Canton
Cardiff
CF5 1JH

Auditors: BKR Haines Watts
Incorporating
Notley Pearson Shewring
Chartered Accountants
Registered Auditors
Pagefield House
24 Gold Tops
Newport
South Wales
NP20 4PG

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 2001

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 the Board of Management of the Charity.

Trustees:

Ms S. Kemp
Mr. A. Pursell (Chair)
Mr. D. Allan
Mr T. Gape (resigned 25th January 2001)
Ms. A. Brunt (resigned 25th January 2001)
D. Thomas (appointed 23rd April 2000)
D. Davies (appointed 25th January 2001)

The Trustees are appointed at the annual general meeting.

Aims 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 2001

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 and training.
- Student Volunteer Projects. Working with children, families and schools through student volunteers.
- Transitions Project. Career planning for young school and college leavers.
- Respite Services. Providing short stay and holiday services.
- Emergency Support 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 surplus for the year of £195,039 includes an exceptional surplus of £160,146 arising on the sale of the Pembroke Road property. This surplus has been transferred to a development reserve which will be fully utilised to partially fund the purchase and development of a replacement property.

The adjusted surplus of £34,893 (excluding this surplus on sale) is considered satisfactory and has enabled a further £12,153 to be transferred to the Building Maintenance and Replacement of Equipment reserves this year.

TRUSTEES' REPORT (CONTINUED)

Year ended 31st March 2001

Financial Review (Continued)

The general funds of £118,179 at 31st March 2001 have previously been expended to purchase fixed assets for which the net book value funded from the Charity's own funds at 31st March 2001 is £135,706.

The trustees are formulating policies for identifying and managing risks and determining the level of general funds that are required to cover these risks.

As the general funds have been previously expended, the Trustees and management team will strive to generate further surpluses in the forthcoming years to generate funds to cover these risks, in particular, additional unfunded staffing costs that may be incurred through redundancy, maternity or long term sickness cover.

Trustees' Responsibilities

Company Law requires the Board of Management, 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 trustees 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 trustees 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 2001

Auditors

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

By Order of the Trustees


Mr. A. Pursell
Trustee

30th August 2001

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 Trustees 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.

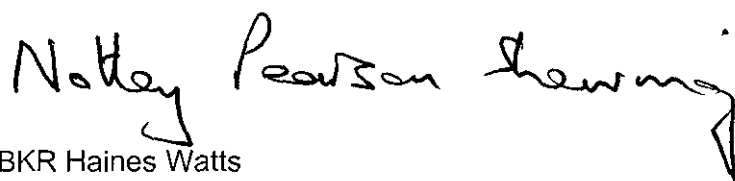
Basis of Opinion

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 trustees 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 2001 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.



BKR Haines Watts
Incorporating
Notley Pearson Shewring
Chartered Accountants
Registered Auditors

Pagefield House
24 Gold Tops
Newport
South Wales
NP20 4PG

31st August 2001

STATEMENT OF FINANCIAL ACTIVITIES

Year ended 31st March 2001

	Note	Unrestricted Funds	Restricted Funds	Total Fund	2000
Incoming Resources					
Grants and allowances	2	219,340	1,274,176	1,493,516	1,627,092
Donations and fund raising		4,036	-	4,036	5,852
Rents receivable		123,381	-	123,381	138,743
Interest receivable		7,897	-	7,897	4,671
Expenditure reimbursed		120,796	-	120,796	111,030
Gain on sale of freehold property		160,146	-	160,146	-
Other income		<u>33,239</u>	<u>-</u>	<u>33,239</u>	<u>23,729</u>
Total Incoming Resources		<u>668,835</u>	<u>1,274,176</u>	<u>1,943,011</u>	<u>1,911,117</u>
Resources Expended					
Direct charitable expenditure	3	296,891	1,340,778	1,637,669	1,778,386
Management and administration	4	<u>21,152</u>	<u>-</u>	<u>21,152</u>	<u>20,157</u>
Total Resources Expended		<u>318,043</u>	<u>1,340,778</u>	<u>1,658,821</u>	<u>1,798,543</u>
Net Incoming Resources Before Transfers					
		350,792	(66,602)	284,190	112,574
Transfers between funds		<u>(155,753)</u>	<u>155,753</u>	<u>-</u>	<u>-</u>
Net Movement in Funds		195,039	89,151	284,190	112,574
Fund balances brought forward		<u>181,725</u>	<u>514,634</u>	<u>696,359</u>	<u>583,785</u>
Fund Balances Carried Forward	12,13,14	<u>£376,764</u>	<u>£603,785</u>	<u>£980,549</u>	<u>£696,359</u>

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

INCOME AND EXPENDITURE ACCOUNT

Year ended 31st March 2001

	Notes	2000
Income		
Grants and allowances	1,372,271	1,590,445
Rents receivable	123,381	138,743
Other income	<u>190,164</u>	<u>168,628</u>
Operating Income	1,685,816	1,897,816
Project costs	(1,476,391)	(1,589,915)
Administrative costs	<u>(174,222)</u>	<u>(202,146)</u>
Operating Surplus	5 35,203	105,755
Interest receivable	7,897	4,671
Interest payable	(8,207)	(6,764)
Exceptional income	6 <u>160,146</u>	<u>-</u>
Surplus for the year before transfers to designated reserves	195,039	103,662
Transfers to designated reserves	<u>(170,975)</u>	<u>(14,326)</u>
Surplus for the year after transfers to designated reserves	24,064	89,336
General Fund Brought Forward	<u>94,115</u>	<u>4,779</u>
General Fund Carried Forward	<u>£118,179</u>	<u>£94,115</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.

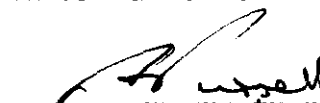
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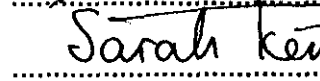
BALANCE SHEET

At 31st March 2001

	Notes		2000
Fixed Assets			
Tangible assets	9	690,105	772,848
Current Assets			
Debtors	10	188,910	62,814
Cash at bank and in hand		<u>191,770</u>	<u>26,666</u>
		380,680	89,480
Creditors: Amounts Falling Due Within One Year	11	<u>50,137</u>	<u>118,118</u>
Net Current Assets / (Liabilities)		<u>330,543</u>	<u>(28,638)</u>
Total Assets Less Current Liabilities		1,020,648	744,210
Creditors: Amounts Falling Due After More Than One Year	11	(40,099)	(47,851)
		<u>£980,549</u>	<u>£696,359</u>
Represented By:-			
Unrestricted Funds	12		
General fund		118,179	94,115
Revaluation reserve		29,136	30,460
Development reserve		160,146	-
Building maintenance reserve		33,075	28,850
Equipment replacement reserve		<u>36,228</u>	<u>28,300</u>
		376,764	181,725
Restricted Funds	13	<u>603,785</u>	<u>514,634</u>
		<u>£980,549</u>	<u>£696,359</u>

These financial statements were approved by the Trustees on 30th August 2001 and signed on their behalf: -





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 2001

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 2/3% on cost
- short term care houses	- 4% on cost
Improvements to rented premises	- 10% on written down value
Computer equipment	- 33 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 2001

(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.

(iii) Revaluation Reserve

Surpluses arising on the revaluation of fixed assets are credited to the revaluation reserve and are transferred back to general funds over the remaining useful life of the related asset.

(iv) Development Reserve

Surpluses arising on the disposal of properties are transferred to this reserve which has been established to assist in funding the purchase and development of new properties which will be used to further the aims of the Charity.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st March 2001

2. Grants and Allowances

	General Fund	Restricted Fund	Total	2000
Revenue Grants				
All-Wales Strategy	-	424,350	424,350	595,967
Resettlement team	-	596,257	596,257	604,508
Other Local Authorities grants	22,764	17,110	39,874	32,708
Health Authorities grants	6,790	-	6,790	27,790
European Social Fund	-	111,459	111,459	129,182
Community Care allowance	145,666	-	145,666	131,565
National Lottery	-	-	-	16,212
SHRG	14,212	-	14,212	14,061
Other	<u>29,908</u>	<u>-</u>	<u>29,908</u>	<u>23,621</u>
	219,340	1,149,176	1,368,516	1,575,614
Capital Grants				
Jane Hodge Foundation	-	125,000	125,000	25,000
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,478</u>
	<u>£219,340</u>	<u>£1,274,176</u>	<u>£1,493,516</u>	<u>£1,627,092</u>

3. Direct Charitable Expenditure

	General Funds	Restricted Funds	Total	2000
Staff costs	75,941	1,261,606	1,337,547	1,489,540
Depreciation	41,498	-	41,498	52,535
Other administrative costs	<u>179,452</u>	<u>79,172</u>	<u>258,624</u>	<u>236,311</u>
	<u>£296,891</u>	<u>£1,340,778</u>	<u>£1,637,699</u>	<u>£1,778,386</u>

4. Management and Administration of the Charity

	2001	2000
Salaries	6,350	7,340
Audit and professional fees	14,102	12,102
Other costs	<u>700</u>	<u>715</u>
	<u>£21,152</u>	<u>£20,157</u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st March 2001

5. Operating Surplus

The operating surplus is stated after charging: -

	2001	2000
Depreciation	41,498	52,535
Loss/(Profit) on disposal of assets	1,807	(249)
Auditors' remuneration	8,107	7,873
Hire of equipment	3,439	2,274

6. Exceptional income

This income represents the surplus arising in the year on the sale of the Charity's freehold property at Pembroke Road. This surplus has been transferred to the Development Reserve and will be fully utilised to partially fund the purchase and development of a new property to replace Pembroke Road.

7. Staff Costs

	2001	2000
The cost of employing staff was: -		
Wages and salaries	1,205,113	1,345,902
Social Security costs	93,555	105,962
Pension costs	<u>45,229</u>	<u>45,016</u>
	<u>£1,343,897</u>	<u>£1,496,880</u>

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

Central administration staff	7	8
Care workers, etc.	<u>105</u>	<u>109</u>
	112	117

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

8. Taxation

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

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st March 2001

9. Tangible Fixed Assets

	Freehold Property	Improvements to Rented Premises	Computer Equipment	Fixtures and Fittings	Motor Vehicles	Total
Cost/Valuation						
At 1st April 2000	782,631	2,409	38,971	176,769	15,695	1,016,475
Additions in year	202,705	-	-	4,103	-	206,808
Disposals	<u>(253,814)</u>	<u>-</u>	<u>(33,840)</u>	<u>(32,236)</u>	<u>(6,800)</u>	<u>(326,690)</u>
At 31st March 2001	<u>731,522</u>	<u>2,409</u>	<u>5,131</u>	<u>148,636</u>	<u>8,895</u>	<u>896,593</u>
Depreciation						
At 1st April 2000	60,694	829	34,236	132,176	15,692	243,627
Charge for year	28,804	1,580	1,710	9,404	-	41,498
Written off on disposal	<u>(20,856)</u>	<u>-</u>	<u>(33,065)</u>	<u>(17,917)</u>	<u>(6,799)</u>	<u>(78,637)</u>
At 31st March 2001	<u>68,642</u>	<u>2,409</u>	<u>2,881</u>	<u>123,663</u>	<u>8,893</u>	<u>206,488</u>
Net Book Value						
At 31st March 2001	<u>£662,880</u>	<u>£-</u>	<u>£2,250</u>	<u>£24,973</u>	<u>£2</u>	<u>£690,105</u>
At 31st March 2000	<u>£721,937</u>	<u>£1,580</u>	<u>£4,735</u>	<u>£44,593</u>	<u>£3</u>	<u>£772,848</u>

The historical cost of freehold land and buildings is £698,414 (2000: £749,523).

10. Debtors

	2001	2000
Grants due	168,945	25,876
Rent due	12,891	6,930
Expenditure to be reimbursed	-	4,178
Other debtors and prepayments	<u>7,074</u>	<u>25,830</u>
	<u>£188,910</u>	<u>£62,814</u>

Grants due includes an amount of £84,387 due from Cardiff County Council received shortly after the year-end.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st March 2001

11. Creditors

	2001	2000
a. Amounts Falling Due Within One Year		
Secured:		
Bank loan	8,148	<u>6,376</u>
	8,148	6,376
Taxation and social security	236	31,872
Deferred income	10,120	11,348
Other creditors	<u>31,633</u>	<u>68,522</u>
	£50,137	£118,118
	<u><u> </u></u>	<u><u> </u></u>
b. Amounts Falling Due After More Than One Year		
Secured:		
Bank loan	£40,099	£47,851
	<u><u> </u></u>	<u><u> </u></u>
Bank loan payable by instalments		
In less than one year	8,148	6,376
In 1 - 2 years	9,000	7,000
Between 2 - 5 years	28,000	23,100
After 5 years	<u>3,099</u>	<u>17,751</u>
	£48,247	£54,227
	<u><u> </u></u>	<u><u> </u></u>

The bank loan is 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 2001

12. Unrestricted Funds

	General Revaluation Fund	Revaluation Reserve	Building Maintenance Reserve	Equipment Replacement Reserve	Development Reserve	Total
At 1st April 2000	94,115	30,460	28,850	28,300	-	181,725
Surplus for year	195,039	-	-	-	-	195,039
Transfers	<u>(170,975)</u>	<u>(1,324)</u>	<u>4,225</u>	<u>7,928</u>	<u>160,146</u>	<u>-</u>
At 31st March 2001	£118,179	£29,136	£33,075	£36,228	£160,146	£376,764
	=====	=====	=====	=====	=====	=====

13. Restricted Funds

	Capital Grants	European Social Fund Grants	Lottery Grants	Total
At 1st April 2000	510,879	407	3,348	514,634
Received in the year	125,000	111,459	-	236,459
Expended in the year	-	(111,866)	(3,348)	(115,214)
Transfers between funds	<u>(32,094)</u>	<u>-</u>	<u>-</u>	<u>(32,094)</u>
At 31st March 2001	£603,785	£ -	£ -	£603,785
	=====	=====	=====	=====

14. Analysis of Net Assets Between Funds

	Unrestricted Funds	Restricted Funds	Total
Fixed assets - functional	183,953	506,152	690,105
Current assets	283,047	97,633	380,680
Creditors: Amounts falling due within one year	(50,137)	-	(50,137)
Creditors: Amounts falling due after more than one year	<u>(40,099)</u>	<u>-</u>	<u>(40,099)</u>
	£376,764	£603,785	£980,549
	=====	=====	=====

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st March 2001

15. 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.

16. Capital Commitments

Capital expenditure of £173,295 (2000: £290,229) was authorised and contracted for at 31st March 2001, for the building of a new property at New Road, Cardiff.

Capital expenditure of £300,000 (2000: £ Nil) was authorised but not contracted for at 31st March 2001 for the building of a further new property at Newport Road, Cardiff.