

Company Number: 2818814
Charity Number : 1025967

EACH

Ethnic Alcohol Counselling in Hounslow
(A company limited by guarantee)

Director's and Trustees' Report and Financial Statements
For the Year Ended 31 March 2011

ETHNIC ALCOHOL COUNSELLING IN HOUNSLOW

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Report of the Trustees for the year ended 31 March 2011

The Trustees are pleased to present their report together with the audited financial statements of the charity for the year ended 31 March 2011.

Reference and Administrative details

Charity Name: Ethnic Alcohol Counselling in Hounslow (EACH).
Status: A company limited by guarantee without share capital, registered as a charity.
Company Number: 2818814
Charity Number: 1025967
Registered Office: 729 London Road
Hounslow
Middlesex
TW3 1SE

Directors and Trustees:

Dr Zenobia Nadirshaw	Chair.
Toni Dawodu	Vice – Chair.
Anoop Ghai	Treasurer

Munira Thobani
Shaheen Dar
Dr. Ajaib Sandhu
Chahid Fourali
Raj Boyjoonauth
Helen Bedser
Rick Rutkowski
Jackie Patel
Edmund Joseph (Resigned 25th November 2010)

Sandra Machado Company Secretary

Senior Management Team

Sandra Machado	Director
Lakhvir Randhawa	Deputy Director (Brent, Harrow and Hillingdon)
Harsha Rai	Senior Counsellor
Femi Adebajo	Finance & Personnel Manager

Auditors

Lewis Jordan Limited, Laser House, 132 – 140 Goswell Road, London, EC1V 7DY.

Bankers

National Westminster Bank plc, 275 - 277 High Street, Hounslow, Middlesex, TW3 1ZA.
Bank of Scotland, Pentland House 8 Lochside Avenue, Edinburgh, EH12 9DJ.

Solicitors

Sinclair Taylor & Martin the Charity Team at Russell-Cooke
2 Putney Hill, Putney, London, SW15 6AB.

Structure, Governance and Management.

Governing Document

EACH (Ethnic Alcohol Counselling in Hounslow) is a charitable company limited by guarantee formed in May 1991 and incorporated as a limited company in May 1993. It is governed by a Memorandum of Association that determines its legal framework and governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Board of Trustees (Directors)

The Board of Trustees comprise of 11 members, who give their time voluntarily and are responsible for the governance, performance monitoring and strategic direction of the organisation. The Board meets 6 times a year to review and monitor the work of the organisation. The Trustees are members of EACH. Board members come from diverse professional backgrounds and have expertise at a senior level in relevant areas such as financial management and accountancy, business strategy and organisational development, health and social care, clinical governance, housing and communications.

The day to day running of the charity rests with the Director who is supported by members of the Senior Management Team. Responsibility to review the management accounts and annual financial statements and resources of the organisation is delegated to the Finance and Resource Sub committee which reports to the Board. There are two additional sub-committees covering Clinical Governance and Policy and Communications.

Recruitment and Appointment of the Board of Trustees

The Trustees are also Directors of the Charity for the purposes of charity law and under the company's Articles are known as members of the Management Committee. Under the requirements of the Memorandum and Articles of Association the Trustees are elected to serve for a period of three years after which they must stand down and have the option of being re-elected at the Annual General Meeting. They receive no benefits from the charity.

Due to the nature of work that the organisation is involved in and the communities that it serves, the Board seeks to ensure that the experiences and needs of its service users are appropriately reflected through the diversity, experience and skills of its board members.

The organisation operates an open recruitment process advertising in the Guardian newspaper. Prospective candidates are asked to provide their CV and a letter expressing interest. An information pack outlining the organisation's Strategic Plan, roles and responsibilities of board members and a copy of the annual report is provided to ensure full understanding of the organisation's work. An interview panel comprising of three board members including the Chairperson selects prospective candidates. They are invited to attend a full meeting as an observer before they make a commitment.

Changes to the Board of Trustees

Since the last report a new treasurer has been appointed.

Induction and Training of Trustees

Board members are inducted and familiarised with the aims and objectives of the Charity through a comprehensive induction which covers the following areas:

- Trustees role and responsibilities and code of conduct
- Operational framework for the Charity including the Memorandum and Articles
- Risk management
- The current financial position of the Charity as per the latest published accounts.
- Future plans and objectives as set out in the 3 year Strategic Plan.

Report of the Trustees for the year ended 31 March 2011

In addition members participate in open days, project launches and training events covering a number of topics related to EACH's work and its operational functions. Along with the Senior Management Team, Board members meet for a separate annual strategic planning and review day.

Evaluation and performance monitoring

Trustees are responsible for ensuring that EACH meets its overall strategic aims and objectives as set out in the Three Year Strategic Plan; reviewing annual performance and effectiveness; assessing, reviewing and monitoring risk, ensuring quality standards and meeting requirements of Companies House, Charities Commission regulations and other legal obligations.

There are three subcommittees – Finance and Resource sub committee, Clinical Governance and Policy sub committee and Communications sub committee. The Finance and Resource sub committee sets and reviews the annual budget, reviews monthly management accounts, oversees risk management issues, allocates and oversees resources and meets all financial requirements as per the financial policy and procedure. The Clinical Governance and Policy sub committee reviews: quality standards to ensure compliance with best practice; clinical governance; health and safety; work force development; policies and procedures on a regular basis. Communications sub committee reviews : EACH's communication strategy and effective ways to promote our work to service users and stakeholders. All committees make recommendations to the board and implement work plans as delegated by the Board.

Senior Management Team

The Senior Management Team comprises the Director, Deputy Director, Finance and Personnel Manager and Senior Counsellor. They are responsible for delivering the three year Strategic Plan which underpins and informs the key operational activities of EACH. The Senior Management Team work closely with respective Team leaders at all sites meeting bi-monthly to ensure the effective delivery and provision of all services as per the requirements set by Service Level Agreements. The Strategic Plan is reviewed annually by the Trustees and the Senior Management Team.

The charity operates from the head office in Hounslow and three other branches in Harrow, Brent and Ealing and additionally through satellite provision.

Staff

EACH has a diverse workforce employing 45 permanent staff consisting of full and part time members, with a range of experience, knowledge and skills. The organisation is committed to ensuring that staff have the opportunity to develop their skills and competencies through training, peer support and access to other learning opportunities such as through attending conferences, workshops and participating in forums in their areas of work.

Volunteers

The organisation supported 50 volunteers. Volunteers contributed 9, 800 hours to the charity over the last year through counselling hours, admin voluntary placements and organisational support.

Related Parties

EACH works in partnership with Equinox to undertake its criminal justice work in the borough of Hounslow; Look Ahead Housing and Care to run its generic floating support services in the borough of Brent and Minerva to deliver domestic violence counselling and support in Hammersmith.

Risk Management

Risk Management is conducted at a strategic and operational level. The Board reviews EACH's Risk Management document bi-annually to identify, prevent or reduce the impact and likelihood of unforeseen risks as reported by the Finance and Resource sub committee. Where risks have been identified contingency plans are in place to mitigate risks. The three year Strategic Plan incorporates the key areas that have to be addressed which includes organisational risks (dealing with vulnerable clients); financial risks (contracts, economic climate, organisational sustainability, commissioning and funding changes; payment by results); employer's risks (health and safety for staff, service users and the public; meeting legal and other statutory requirements) reputational risks (complaints, organisational effectiveness, service delivery).

The organisation adheres to the NICE Clinical guidelines which provides a robust framework to meet clinical standards as the basis of our work. The continuing review of policies and operating procedures, implementation of the Drugs and Alcohol National Occupational Standards (DANOS), adoption of the QuADS (Quality Assurance for Drugs and Alcohol) and the QAF (Quality Assurance Framework), BACP requirements ensure a consistent quality of delivery for all operational aspects of the charity.

Objectives and Activities

Public Benefits

Our charity's purposes as set out in the objects contained in the company's memorandum of association are to:

- Relieve mental or physical stress, or illness from alcohol related or other problems of individuals and their families, in particular those from ethnic minorities, through the provision of education, advice and counselling

Our aim which is carried out for the public benefit is to:

To be the leader in the development and provision of inclusive services that empower and meet the needs of individuals and families from diverse communities affected by drugs and alcohol, mental health and domestic violence concerns.

How our activities deliver public benefits:

- Providing quality and effective treatment to enhance positive outcomes for service users
- Developing services targeting socially excluded groups, particularly BAMER (Black, Asian, Minority Ethnic and Refugee) communities, young people and women
- Promoting and highlighting best practice
- Continuous professional development of our staff and volunteers to work competently and effectively
- Empowering service users to realise their potential and maximise the opportunities available to them to do so
- Ensuring a robust organisation able to grow and change to meet the challenges of the future

Report of the Trustees for the year ended 31 March 2011

EACH recognises that a range of services and approaches are essential to engage individuals and families who are affected by problems arising from substance misuse, domestic violence and mental health concerns, particularly those individuals and groups who are vulnerable, marginalised and hard to reach. EACH's services are offered within a holistic approach that is culturally sensitive and client centred to reflect the multiple and diverse needs of our service users.

The main services that are undertaken to further our charitable purpose for the public benefit, accessible to individuals of all ages and all communities are the following:

Substance misuse services in the community

One-to one motivational support is provided to individuals to engage and encourage them into treatment, including on an outreach basis in the community including harm reduction advice and information on risks associated with substance misuse.

Structured therapeutic interventions both brief and long term which follows a client centred and goal oriented approach to enable individuals to address their substance misuse issues. Counselling is delivered in 9 community languages.

Abstinence based programmes is undertaken for those individuals wishing to maintain and achieve abstinence. Structured psycho educational groups on relapse prevention, anger management and complementary therapies are provided to assist those contemplating change and to help individuals in their recovery.

After care services to address the educational and employment needs of service users and a Volunteer Empowerment project to enable services users build their confidence and skills through voluntary work placements is provided. This helps service users make positive life style changes and sustain their commitment to change and reintegrate back into the community.

A generic and specialist floating support service provides support to people at risk of losing their homes as a result of their substance misuse and to help maintain their tenancies. The majority of the work is undertaken through home visits by staff who support service users with life skills such as budgeting, cooking, understanding benefits and helping them access treatment and other community based provision including peer led support groups.

Outreach/ Satellite services in GP surgeries, Health centres and in partnership with voluntary and community groups to ensure that services are accessible to all communities and to achieve a good geographical spread.

Services for women

EACH's gender specific services has continued to be provided within a holistic approach to address their multiple and interconnected issues relating to mental health, substance misuse (either their own or their partner's) and domestic violence and abuse. Services include a specialist domestic violence counselling and support service for victims and survivors and gender specific support groups.

Services for young people and families

For young people from the age of 11 years a range of interventions is provided. These include motivational support, cognitive behaviour therapy, counselling, advice and information on harm reduction and the associated risks of substance misuse as well as group based activities and workshops on anger management, offending behaviour, knife and gun crime.

Support is at various locations, including thorough partnerships with local schools, colleges and other young people's services.

Families, partners, parents, friends and carers affected by substance misuse receive support both on a one to one basis as well as through therapeutic group work.

EACH continues to achieve the above aims by working in collaboration with a range of local stakeholders and commissioners and other partner agencies.

Achievements and Performance in 2010 - 2011*Counselling and support services*

During the year EACH supported a total of 2,361 services users of which 1,344 (57%) were male and 1,017 (43%) were female. The majority of men who accessed our services 92% presented with alcohol and drug issues. Of the total of 1017 women, 556 women presented with drug and alcohol related issues (55%) and 248 (24%) with domestic violence issues. 9192 counselling sessions and 1200 key working support sessions to drug and alcohol service users were delivered in the community. Targeted support to relatives affected by family member's use was provided through 1:1 and group work to 128 people.

Abstinence based programme and structured group work

The abstinence based day programme delivered in three outer London boroughs – Ealing, Hounslow and Harrow was accessed by 136 people of which 97 (71%) completed their 12 week programme and a further 144 people accessed Open Groups. At the end of every structured day programme service user consultations were held and EACH received very positive feedback on the benefits of the abstinence based programme.

Floating support services

The Hounslow service operated at or above its quota of 30 clients. A total of 47 clients received help of which 46 clients (97.7%) maintained their tenancy and were able to live independently in their own homes. The project also focused on service user involvement and held two groups which have contributed to planning and development of the service.

EACH's 3 generic floating support workers in Brent contributed to the performance of the EACH/ Look Ahead Housing and Care working partnership which assisted 103 people who presented as homeless were resettled into private accommodation.

Aftercare service and VEP

EACH helped 59 service users in recovery providing opportunities to access education, training and voluntary work experience in order to build their skills, confidence and experience. Of the 49 service users who were discharged 22 people accessed further education and IT courses, 15 (30%) returned to work and 13 used their voluntary experience to change direction. They contributed 2147 volunteering hours within the local community through their voluntary work experience.

Work with offenders

EACH assisted 150 adults with alcohol related offences in partnership with Equinox and Probation and supported 88 complete their Alcohol Treatment Requirements as part of their community order.

Specialist counselling service for women experiencing domestic violence and EACH was able to maintain its specialist domestic violence counselling and support service for all women and in particular BAMER women to meet a gap in provision in 7 outer London boroughs. Over this period Pukaar supported 180 women experiencing domestic violence and abuse of which 153 women (85%) reported improvement in health and well being after accessing counselling and advocacy.

Specialist mental health counselling service for BAMER communities

The project supported 118 people from BAMER communities in 6 London boroughs – Brent, Barnet, Harrow, Hillingdon, Ealing and Hounslow.

Community Advocacy Project

Funded by the Equality and Human Rights Commission (EHRC) this established project aims to empower and support vulnerable members of the Tamil community and Asian women living in West London affected by experiences of violence and abuse. The project supported 62 individuals in the boroughs of Hounslow, Brent and Ealing through satellite provision. Extensive outreach was undertaken to promote and publicise the project within local communities.

Report of the Trustees for the year ended 31 March 2011

Young people

EACH's work with Brent Youth Offending Service continued to do well through two staff members based within the YOS, providing specialist support to young people. 189 young people accessed the service and were provided with one to one individual support, including key-working and structured counselling and as part of a rolling group-programme. The latter included sessions and workshops on anger management, offending behaviour, bullying and gang membership. 77% (147) of the young people seen were from the black and minority ethnic communities.

The young persons' service in Harrow assisted 64 young individuals of which 45% seen were from an ethnic background. The range of interventions provided to young people included motivational support, cognitive behaviour therapy, key working and counselling.

Through the above work one of the key benefits has been that young people were able to explore and address underlying issues such as relationships, family dynamics, their role and environment that may be affecting their substance misuse and offending behaviour and consider alternatives unrelated to involvement in crime.

Somali Community Project – Brent and Hillingdon

EACH provided outreach and counselling to members of the Somali communities in Brent and Hillingdon. The work has involved outreach to locations such as maarfishes, Somali organisations, women's groups and the Mosques to highlight issues on the impact of khat use on individuals and families.

To reach the Tamil communities we worked in partnership with local GPs, health visitors, the Church and Salvation army to provide support in mother-tongue to both men and women affected by issues associated with displacement as refugees from Sri-Lanka. They presented with alcohol, domestic violence and post traumatic stress disorders.

Both services provided therapeutic interventions and support to 84 service users in the two boroughs to these communities including through educational workshops and presentations.

New developments

EACH has taken forward a number of new developments for this year:

- Piloted a project M-PACT (Moving Parents and Children Together) to support families affected by parental alcohol misuse in partnership with Action on Addiction.
- A training and development resource working towards National Open College Network Accreditation to support staff, volunteers and professionals
- A partnership project with Minerva providing counselling to women affected by multiple issues such as substance misuse, domestic violence, self harming behaviours and offending.

Report of the Trustees for the year ended 31 March 2011

Business and Infrastructure Development

- The enhanced management and support structure that EACH has established has been very beneficial in supporting a diverse team, managing new work and maintaining quality standards within EACH.
- In line with the needs of the service and requirements by funders EACH has recently reviewed and put in place a new Data Management System and to also comply with NDTMS (National Drug Treatment Monitoring System) requirements.

Future Plans

In 2011-2012 EACH will:

- Achieve a growth of 5 - 10%
- Extend and enhance our community engagement services to BAMER communities
- Seek funding to support our specialist counselling and support services to women experiencing domestic violence and abuse and extend services to other hard to reach BAMER communities.
- Explore opportunities to provide a diverse range of services – alcohol, drug, floating support, mental health
- Improve Service User Involvement
- Explore social enterprise opportunities

Financial Review

The year end financial statement shows an increase in the net assets of the Charity by £48,171 from £410,550 in 2009/10 to £458,721 in 2010/11. A surplus of £33,503 was recorded in General Funds and £66,000 was transferred from Designated Funds (office improvements) to General Funds. In the 2010/11 financial year income from Grants and Contracts decreased by £70,984 due to some projects coming to end of contract and cuts in public service funding. However, other income and interest from fixed deposit rose by £16,000 and £1,233 respectively compared to 2009/10 figures.

Principal Funding Sources

The charity continues to receive funding from a wide range of sources, which includes statutory bodies and charitable trusts. Income is derived from grants, donations, service level agreements and contracts. During the year the financial position has been strengthened by ensuring that the full management and administrative costs of projects are provided for. The charity will continue to develop its services through funding from existing sources and new contractual arrangements.

Investment Policy

Presently grant monies that are received in advance are deposited in a reserve account with our Bankers which generate interest income.

Reserves Policy

The trustees have examined the Charity's requirements for reserves in light of the main risks to the organisation and have accordingly established a policy whereby unrestricted funds of up to 3 months operational costs are set aside as reserves to meet its recurrent expenditure and liabilities as general funds (£362,916). An amount of £92,858 is earmarked as designated funds for purpose of Staffing (£25,000), Office Improvement (£20,858) and office relocation, Quality Standards (£22,000) and New Project Development (£25,000).

Trustee's responsibilities in relation to the financial statement

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

Company law requires the Management Committee to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the management committee are required to follow best practice and;

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Observe the methods and principles in Charities SORP: and
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.

The Trustees are responsible for maintaining 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.

Members of the Board of Trustees

Members of the Board who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 1.

In accordance with company law, as the company's directors, we certify that:

- So far as we are aware, there is no relevant audit information of which the company's auditors are unaware of; and
- As the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

Lewis Jordan Limited were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued March 2005) and in accordance with the special provisions of the Companies Act 2006.

Approved by the Board of Trustees on 4th October 2011 and signed on its behalf by:



Dr. Z Nadirshaw (Chair)

TO THE MEMBERS OF ETHNIC ALCOHOL COUNSELLING IN HOUNSLOW

We have audited the financial statements of Ethnic Alcohol Counselling in Hounslow for the year ended 31 March 2011 which comprise the Statement of Financial Activities, the Balance Sheet, the accounting policies and 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).

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' Responsibilities Statement set out on page 9, the trustees (who are also the directors of the charitable company for the purpose of the company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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 amount 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 statement. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statement. 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 charitable company's affairs as at 31 March 2011 and of its incoming resources and application of resources, including income and expenditure for the year then ended;
- have been properly prepared in accordance with the United Kingdom General Accepted Accounting Practice;
- have been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Trustees' Report is consistent with the financial statements.

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 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustee's remuneration specified by law are not made; or
- we have not received all the information and explanations we required for our audit; or
- the trustees were not entitled to prepare the financial statement in accordance with the small companies regime.

Versha Badiani
Versha Badiani FCCA
Senior Statutory Auditor
For and on behalf of
Lewis Jordan Limited
Statutory Auditors

Laser House
132-140 Goswell Road
London EC1V 7DY

Date: 4th October 2011

Statement of Financial Activities for the year ended 31 March 2011

Income and Expenditure Account

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2011 £	Total 2010 £
INCOMING RESOURCES					
Incoming resources from charitable activities					
Grants and contracts	2	643,721	1,022,391	1,666,112	1,737,096
Donations		9	-	9	385
Other income	3	21,316	-	21,316	5,316
Investment income	4				
Interest receivable		1,904	-	1,904	671
TOTAL INCOMING RESOURCES		666,950	1,022,391	1,689,341	1,743,468
RESOURCES EXPENDED					
Charitable activities		632,673	1,032,897	1,665,570	1,694,573
Governance costs		774	-	774	1,303
TOTAL RESOURCES EXPENDED	5	633,447	1,032,897	1,666,344	1,695,876
Net Income/(Expenditure) for the year		33,503	(10,506)	22,997	47,592
Bad Debt Recovery			25,174	25,174	-
NET MOVEMENTS IN FUNDS		33,503	14,668	48,171	47,592
Reconciliation of funds					
Funds brought forward 1 April 2010		424,271	(13,721)	410,550	362,958
Funds carried forward 31 March 2011		457,774	947	458,721	410,550

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derived from continuing activities.

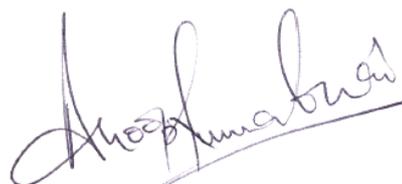
Balance Sheet at 31 March 2011

	Notes	2011	2010
		£	£
FIXED ASSETS			
Tangible Fixed Assets	10		4,396
CURRENT ASSETS			
Debtors	11	85,311	75,990
Cash at Bank and in hand		<u>544,503</u>	<u>462,371</u>
		629,814	538,361
LIABILITIES			
CREDITORS			
Amounts falling due within one year	12	<u>(173,048)</u>	<u>(132,207)</u>
NET CURRENT ASSETS			
		456,766	406,154
TOTAL ASSETS LESS			
CURRENT LIABILITIES			
	-	<u>£458,721</u>	<u>£410,550</u>
FUNDS OF THE CHARITY			
Restricted Funds	13	947	(13,721)
Designated Funds	14	92,858	158,858
General Funds		<u>364,916</u>	<u>265,413</u>
		<u>£458,721</u>	<u>£410,550</u>

These financial statements were approved by the management committee on 4th October 2011 and signed on its behalf by:



Dr. Z. Nadirshaw
Chair



Anoop Ghai
Treasurer

1. Accounting Policies

The principle accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

(a) Basis of Preparation

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Companies Act 2006 applicable accounting standards and the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005.

(b) Funding accounting

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

(c) Incoming Resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Investment income is included when receivable.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.
- Grants and donations intended for the purchase of fixed assets are included in Incoming Resources in the period for which they are receivable. Depreciation on related fixed assets is charged to Resources Expended.

(d) Resources Expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure also includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories on the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. floor areas, per capita or estimated usage as set out in Note 5.
- The charity makes payments to defined contribution pension schemes on behalf of employees. The contributions are treated as expenditure in the year in which they are payable.

(e) Tangible Fixed Assets and Depreciation

- Fixed assets are stated at cost less accumulated depreciation. The costs of minor additions or those costing below £350 are not capitalised. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, which in all cases is estimated at 3 years.
- A full year depreciation is charged in the year of acquisition of Fixed Assets
- All leases of buildings and equipment are considered to be operating leases, and rentals are charged to Resources Expended when incurred. No assets are held under hire purchase agreements.

Notes to the Financial Statements for the year ended 31 March 2011

2. GRANTS AND CONTRACTS

	Un-Restricted Fund	Restricted Fund	Total 2011	Total 2010
	£	£	£	£
London Councils	-	94,480	94,480	94,480
London Borough of Brent				
NHS Brent/Brent DAAT (Drug and Alcohol Action Team)	146,400	31,800	178,200	220,000
Brent Youth Offending Service	-	75,055	75,055	75,055
London Borough of Brent -Supporting People/Look Ahead Housing and Care		107,503	107,503	106,062
Brent PCT- Tier 4 Residential Rehab Project		-	-	25,174
London Borough of Ealing				
Ealing PCT/DAAT	-	62,088	62,088	65,000
Ealing Integrated Commissioning Team – Health and Social Care	107,000	-	107,000	107,000
London Borough of Harrow				
NHS Harrow/Harrow DAAT	81,998	260,570	342,568	338,920
Harrow PCT –Project Worker				15,216
London Borough of Harrow –Social Services	37,506		37,506	37,506
Harrow Drug Action Team –Young People’s Substance Misuse Team		59,337	59,337	57,568
London Borough of Hounslow				
NHS Hounslow/Hounslow DAAT	240,508	52,500	293,008	305,508
LB Hounslow Supporting People	-	157,482	157,482	148,420
LB of Hounslow Corporate Community Investment & Cohesion Unit	19,776		19,776	19,776
LB Hounslow Early Intervention Team	-	-	-	15,000
London Borough of Hillingdon				
Hillingdon PCT-Community Safety and Drug Strategic Partnership	-	37,120	37,120	37,121
NHS Hillingdon		8,456	8,456	8,290
Others				
London Probation Service/Equinox	-	36,000	36,000	36,000
Equality & Human Rights Commission (EHRC)	-	40,000	40,000	10,000
Government Office for London	-	-	-	15,000
M-PACT Project	10,533	-	10,533	-
	643,721	1,022,391	1,666,112	1,737,096

Notes to the Financial Statements for the year ended 31 March 2011

3. OTHER INCOME

	Unrestricted Funds	Restricted Funds	Total 2011	Total 2010
	£	£	£	£
Training Fees	1,930		1,930	2,278
Other Fees	10,726	-	10,726	2,038
Sub Total	12,656	-	12,656	4,316
Students Placement Fees	1,680	-	1,680	1,000
Others	6,980	-	6,980	
Total	21,316	-	21,316	5,316

4. INVESTMENT INCOME

	Unrestricted Funds	Restricted Funds	Total 2011	Total 2010
	£	£	£	£
Bank Accounts	1,904	-	1,904	671

Notes to the Financial Statements for the year ended 31 March 2011

5. TOTAL RESOURCES EXPENDED

Cost Directly Allocated To Activities	Basis of Cost Allocation	Advice, Information & Counselling	Structured Day Care	Education & Dev'	Govern'	2011 Total	2010 Total
		£	£	£	£	£	£
Staff Cost	Direct	1,216,819	91,222	36,261	-	1,344,302	1,356,917
Recruitment	Direct	5,941	-	-	-	5,941	13,806
Travel	Direct	6,068	14	-	-	6,082	7,182
Volunteer Expenses	Direct	2,073	75	2,565	599	5,312	5,697
Audit Fees	Direct	-	-	-	4,440	4,440	4,348
Annual Report	Direct	-	-	-	175	175	875
Training & Development	Direct	36,368	7,987	5,471	-	49,826	60,541
Total Direct Cost		1,267,269	99,298	44,297	5,214	1,416,078	1,449,366
Support Costs Allocated to Activities							
Premises	% of income	115,022	28,092	-	-	143,114	114,824
Communications	Direct/% of income	49,485	6,527	321	-	56,333	58,339
Consultancy	Usage	-	-	-	-	-	18,457
*General Office & Finance Staff	Staff time	47,273	3,902	70	-	51,245	14,200
Legal & Professional	Usage	-4,354	525	-	-	-3,829	8,355
Depreciation	Usage	2,441	-	-	-	2,441	6,330
Provisions on Doubtful Debts	Transaction	-	-	-	-	-	25,174
Bank Charges	Transaction	-	-	-	962	962	831
Total Support Cost		209,867	39,046	391	962	250,266	246,510
Total Resources Expended		1,477,136	138,344	44,688	6,176	1,666,344	1,695,876

* EACH deployed a new data management system during the year

6. NET INCOMING/ (OUTGOING) RESOURCES FOR THE YEAR

The Net Incoming/(Outgoing) Resources are stated after charging:

	2011	2010
	£	£
Depreciation	2,441	6,330
Auditors' Remuneration	4,440	4,348
	<u>4,440</u>	<u>4,348</u>

7. STAFF COSTS AND NUMBERS

Employees and Sessional Freelance Workers

	2011	2010
	£	£
Wages and Salaries	1,107,260	1,087,642
Employers National Insurance Contributions	109,823	106,348
Sessional Fees	71,097	109,058
Pension Costs	56,122	53,869
	<u>£1,344,302</u>	<u>£1,356,917</u>

There were no benefits in kind.

No employee received emoluments of more than £60,000.

The company makes payments to a non-contributory group personal pension scheme on behalf of its employees. On completion of a six-month probation period, the company makes contributions to each employee's pension at 6% of their basic salary. No contributions are made to the pensions of sessional staff.

The average number of employees during the year, calculated on the basis of full time equivalents, was as follows:

	2011	2010
	Number	Number
Advice, Information and Counselling	40.5	40.5
Day Care Services	1.5	1.5
Education and Development	1	1
Central	2	2
	<u>45</u>	<u>45</u>

The charity is grateful to its staff for their hard work and commitment towards the excellent service that was provided over the year. The charity would also like to extend special thanks to all volunteers who have contributed significantly throughout the year.

8. TRUSTEE REMUNERATION AND RELATED PARTY TRANSACTIONS

No members of the management committee received any remuneration during the year.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2010– 2011)

9. TAXATION

As a charity, Ethnic Alcohol Counselling in Hounslow is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

Notes to the Financial Statements for the year ended 31 March 2011

10. TANGIBLE FIXED ASSETS

	Furniture and Equipment	
	2011	2010
	£	£
Cost		
At 31 st March 2010	96,867	91,002
Additions in the year	0	5,865
At 31 st March 2011	<u>96,867</u>	<u>96,867</u>
Depreciation		
At 31 st March 2010	92,471	86,141
Charge for the year	2,441	6,330
At 31 st March 2011	<u>94,912</u>	<u>92,471</u>
Net Book Value		
At 31 st March 2011	<u>£1,955</u>	<u>£4,396</u>
At 31 st March 2010	<u>£4,396</u>	<u>£4,861</u>

Tangible Fixed Assets solely utilised for Charitable Purposes

11. DEBTORS

	2011	2010
	£	£
Grants and Contracts Receivable	63,571	56,638
Other Debtors	<u>21,740</u>	<u>19,352</u>
	<u>85,311</u>	<u>75,990</u>

12. CREDITORS: Amounts falling due within one year

	2011	2010
	£	£
Grants paid in advance	16,500	13,124
Other Creditors	<u>156,548</u>	<u>119,083</u>
	<u>£ 173,048</u>	<u>£ 132,207</u>

Notes to the Financial Statements for the year ended 31 March 2011

13. RESTRICTED FUNDS

	Balance at 31st March 2010 £	Transferred in the Year £	Incoming Resources £	Outgoing Resources £	Balance at 31st March 2011 £
London Councils (see note 17) (a,b)	-	-	94,480	94,480	-
NHS Brent Primary Care Trust (PCT)/Brent Drug and Alcohol Action Team (c)	-	-	31,800	31,800	-
Brent Youth Offending Service (d)	-	-	75,055	75,055	-
Brent Floating Support/Look Ahead (e)	-	-	107,503	107,503	-
Tier 4 - NHS Brent (f)	(25,174)	25,174	-	-	-
NHS Ealing PCT/DAAT (g)			62,088	62,088	-
NHS Harrow PCT/ Harrow Drug & Alcohol Action Team (DAAT) (h)		-	260,570	260,570	-
NHS Harrow PCT –Young Person (i, j)	11,453		59,336	70,789	-
Hounslow PCT –Volunteer Empowerment Project (k)			40,000	40,000	-
LB Hounslow Supporting People(l)	-	-	157,482	157,482	-
NHS Hounslow PCT –Drugs Counselling (m)	-	-	12,500	12,500	-
NHS Hillingdon PCT –Community Safety & Drug Strategic Partnership – Somali Project (n)	-	-	37,121	37,121	-
NHS Hillingdon PCT(0)	-		8,456	7,509	947
London Probation Service/Equinox (p)	-	-	36,000	36,000	-
Equality & Human Rights Commission (q)	-		40,000	40,000	-
	(13,721)	25,174	1,022,391	1,032,897	947

13. RESTRICTED FUNDS (Continued)

All the above restricted funds were utilised for the purposes for which they were intended as follows:

- a) To provide counselling, advocacy and support services for women, particularly BAMER women experiencing domestic violence and abuse in the seven outer London boroughs of Hounslow, Harrow, Brent, Ealing, Hillingdon, Barnet and Richmond upon Thames
- b) To provide mental health counselling and support to BAMER communities in seven outer London boroughs of Hounslow, Harrow, Brent, Ealing, Hillingdon, Barnet and Merton
- c) To provide counselling and outreach support to individuals and family members from the Somali community affected by substance misuse in Brent
- d) To provide counselling and support to young offenders within the criminal justice system
- e) To provide generic floating support services under Supporting People initiative for Brent residents at risk of homelessness in partnership with Look Ahead Housing and Care
- f) To provide culturally sensitive residential rehab Tier 4 services in the London Borough of Brent. Preliminary expenses incurred prior to commencement of the project will be funded by Brent PCT
- g) To provide alcohol counselling service for people affected by substance misuse in the London Borough of Ealing
- h) To provide an after care, outreach and counselling and support to drug and poly drug users and to family members and carers of those affected by substance misuse in LB Harrow
- i) To provide outreach, counselling and support to young persons affected by substance misuse in London Borough of Harrow
- j) To provide harm reduction, counselling and support services mainly for young people from the BAME communities in the London Borough of Harrow.
- k) To provide support to service users of EACH in Hounslow on the Volunteer Empowerment Project in order to help them to sustain their recovery
- l) To provide services under the Supporting People initiative for Hounslow residents experiencing problems around substance misuse
- m) To provide drug counselling service in Hounslow.
- n) To provide counselling and support to the Somali community affected by Substance misuse in Hillingdon
- o) To provide counselling and support to the Tamil community affected by mental health problems in Hillingdon
- p) To provide an alcohol counselling services for probation clients in the London Boroughs of Hounslow in partnership with Equinox
- q) To provide culturally appropriate advice, training, advocacy and support to women affected by violence and abuse in London Boroughs of Hounslow, Brent and Ealing and set up community peer advocacy volunteers.

Notes to the Financial Statements for the year ended 31 March 2011

14. DESIGNATED FUNDS

	Balance at 31st March 2010 £	Transferred in the year £	Incoming Resources £	Outgoing Resources £	Balance at 31st March 2010 £
A Staffing contingency	25,000		-	-	25,000
B Office improvements/ Relocation	86,858	(66,000)		-	20,858
C Quality Standards	22,000		-	-	22,000
D New Projects Development	25,000	-	-	-	25,000
	158,858	(66,000)		-	92,858

The designated funds which are to be utilised within 3 years period have been set-aside as follows:

Staffing Contingency

The staffing contingency fund represents the potential cost of providing locum cover in the case of maternity or long-term sick leave.

Office Improvements

This fund represents the potential cost of relocation and/or refurbishment of our existing offices and associated capital expenditure.

New Projects Development

This fund has been set aside for new project development, research and to progress Open College Network accreditation to enable the Charity to further its objects.

Quality Standards

This fund represents expenditure earmarked for meeting the charities legal and statutory responsibilities and maintaining quality standards and for training and professional development.

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets £	Net Current Assets £	2011 Total £
General funds	1,955	362,961	364,916
Designated funds		92,858	92,858
Restricted Funds	-	97	97
	£1,955	£456,766	£458,721

Notes to the Financial Statements for the year ended 31 March 2011

16. COMMITMENTS UNDER OPERATING LEASES

As the 31 March 2011, the company had the following annual commitments under non-cancellable operating leases:

	2011	2010
	£	£
Property leases expiring less than 1 year	24,383	24,383
Property lease expiring between 1 and 5 years	95,152	93,661
Other leases expiring between 2 and 5 years		10,747
Other leases expiring in less than 1 year	9,364	-

17. SECTION 37 STATEMENT: LONDON COUNCILS GRANT

Under the terms of our grant from London Councils and Section 37 of The Local Government and Housing Act 1989 we are required to present the following information.

a) Grant-aid of £37,302 is received in 2010-2011 from the London Councils Grants Committee to provide mental health counselling and therapeutic support to BAMER communities in the outer London Boroughs of Harrow, Brent, Ealing, Barnet, Hillingdon, Hounslow and Merton.

	<i>Grants(£)</i>	<i>Spent(£)</i>
<i>Salary Costs</i>	31,203	31,298
<i>Training (inc Volunteers)</i>	800	864
<i>Running Costs</i>	5,299	5140
<i>Total</i>	<u>37,302</u>	<u>37,302</u>

b) Grant-aid of £57,178 was received in 2010-2011 from the London Councils Grants Committee to provide counselling and psychotherapy services for women, particularly BAMER women, experiencing domestic violence and abuse in seven outer London boroughs of Hounslow, Ealing, Harrow, Hillingdon, Barnet, Brent and Richmond upon Thames.

	<i>Grants(£)</i>	<i>Spent(£)</i>
<i>Salary Costs</i>	47,771	47,945
<i>Training (inc Volunteers)</i>	1,000	1,078
<i>Premises Costs</i>	640	640
<i>Running Costs</i>	7,767	7,515
<i>Total</i>	<u>57,178</u>	<u>57,178</u>