

South East Advocacy Projects

(A company limited by guarantee)

Report and Financial Statements

31 March 2002



Charity no: 1080679

Company no: 3963421

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Legal and administrative information

Trustees

J. Bolton (retired 02/10/2001)
B. Browning
M. Casey
G. Clarke (retired 02/10/2001)
L. Fenton (appointed 02/10/2001)
M. Hawke (appointed 02/10/2001)
M. Heslop (appointed 02/10/2001)
J. Langley
B. Pearce (appointed 18/01/2002)

Registered Office

The Advocacy Centre
42 Robertson Street
Hastings
East Sussex
TN34 1HL

Auditors

James Hough & Co.
38 Ward Way
Bexhill on Sea
East Sussex
TN39 4HL

Bankers

Lloyds TSB Bank PLC
17 Wellington Place
Hastings
East Sussex
TN34 1NX

Solicitors

Heringtons
84 Battle Road
St. Leonards-on-Sea
East Sussex
TN37 7XL

Report of the trustees for the year ended 31 March 2002

The trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements of South East Advocacy Projects for the year ended 31 March 2002. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in October 2000 in preparing the annual report and financial statements of the charity.

Introduction

South East Advocacy Projects is a charitable company limited by guarantee and was set up on 3 April 2000. It is governed by a memorandum and articles of association which were last amended 11 July 2000.

Principal activities and aims

The general objects of the charity are to relieve persons who are in need by reason of their age, youth, disability, ill-health or social or economic circumstances through the provision of effective advocacy services in the south east of England. These objects are fulfilled through the provision of three specialist advocacy services in East Sussex:

- ◆ Xpress Advocacy Service for children and young people,
- ◆ MY CHOICE Advocacy Service for people with learning disabilities, and
- ◆ The Mental Health Advocacy Service for adult users of the health service.

The three advocacy services mentioned above were in existence for a number of years prior to being managed by South East Advocacy Projects. They now benefit from a common administration and management structure provided by the charity, which has its headquarters at the Advocacy Centre in Hastings.

South East Advocacy Projects, which houses the administration of all three advocacy services in one centre, is probably unique in the country. It provides a focal point for the promotion and development of independent advocacy services. Because they are housed under the same roof, staff members of the three specialist advocacy services are able to support each other, share information and resources, undertake work on a variety of issues/cases and develop a consistent approach to volunteers' recruitment, training, operational policies etc. The centre has a fully equipped meeting/training room that is used for advocates' training programmes. It is also used for courses run by local voluntary and community groups. There is a reception area that provides space for self-advocacy initiatives. Some of the office facilities are used by associated charities to complement the advocacy services.

South East Advocacy Projects is independent of local authorities and service providers. The charity provides accredited training courses for paid staff and volunteer advocates. The charity promotes and subscribes to national and locally agreed advocacy quality standards covering training, supervision, equal opportunities, referrals, user involvement, best interests, confidentiality, recruitment, involvement of volunteers, complaints, monitoring, evaluation and the provision of independent advocacy services. All the advocacy services managed by the charity are grant funded and free of charge to users.

Report of the trustees for the year ended 31 March 2002

Organisation

At the first annual general meeting of the charity in the autumn of 2001 all the trustees retired from office and members attending the meeting elected six trustees. Three were new trustees and three were re-elected. At future annual general meetings one third of the trustees shall be subject to retirement by rotation and will be eligible for re-election by members. The charity is organised so that the trustees are members of the executive committee that meets regularly to manage and control the resources administered by the charity. The executive committee includes the county manager of each advocacy service, service user representatives and specialist advisors.

The names of the trustees at the date the accounts were signed are set out on the schedule of legal and administrative details on page 1. They all served during the year under review, except as follows: J. Bolton and G. Clarke retired as trustees on 2 October 2001; L. Fenton and M. Hawke were elected as trustees on 2 October 2001; B. Pearse was appointed as trustee on 18 January 2002.

Trustees' responsibilities statement

Company and charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing those financial statements, the trustees have:

- ◆ selected suitable accounting policies and then applied them consistently;
- ◆ made judgements and estimates that are reasonable and prudent;
- ◆ stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepared the financial statements on the going concern basis.

The trustees have overall responsibility for ensuring that the charity has an appropriate system of controls, financial and otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and 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 and to provide reasonable assurance that:

- ◆ the charity is operating efficiently and effectively;
- ◆ its assets are safeguarded against unauthorised use or disposition;
- ◆ proper records are maintained and financial information used within the charity or for publication is reliable; and
- ◆ the charity complies with relevant laws and regulations.

Report of the trustees for the year ended 31 March 2002

Review of developments

In the year to 31 March 2002, the charity continued to manage three specialist advocacy services and to provide a focus for the promotion of independent advocacy. During the year, the following activities of the charity are worthy of note:

◆ South East Advocacy Projects – central administration

The charity recruited and appointed a new trustee to serve as treasurer in January 2002. The trustees have formulated policies and procedures for all the advocacy services. They have also worked on plans for the development of the charity, in particular to maximise the potential of the charity to provide training in the field of advocacy for a variety of clients and to influence the promotion of advocacy in the public and voluntary sectors. The charity is affiliated to approximately 30 other organisations that provide advocacy services or similar projects. The charity owes a debt of gratitude to Hastings Voluntary Action, which managed the Advocacy Centre and the advocacy services between 1995 and 2000.

£29,116 was spent on the management and administration of the charity. This included all the costs associated with constitutional and statutory requirements such as financial administration, external audit, legal costs, insurance cover, trustees meetings and compliance with health and safety regulations.

◆ The Advocacy Centre

The charity spent £17,062 on the rental and maintenance of the centre during the year. The three advocacy services and the other organisations using the centre met these costs. Apart from the advocacy staff, the principal users of the centre were Hastings & Rother Mediation Service, FOCUS on mental health, Manic Depression Fellowship, Hastings Mind, User Q, Community Health Council and the Rural Rother Creative Care Network.

During the year the centre has been used regularly for staff & trustees' meetings, training courses, client sessions and administration of the advocacy services. Office facilities have been developed so that members of staff in the different advocacy services could benefit from a variety of resources under the same roof.

The advocacy centre has undergone considerable growth this year. Damp and dry rot problems affected several offices in the centre – remedial work was carried out and four rooms were brought back into use. Work still has to be done in several other rooms. Some interior decoration work was carried out to make the reception area and other rooms more attractive for meetings and other events. Extensive interior redecoration of the premises will take place in a phased programme of work during the next three years.

The centre will continue to host meetings for trustees, staff and volunteers, youth groups and community groups. In the future it is planned to increase the number of training courses for staff and volunteer advocates.

Report of the trustees for the year ended 31 March 2002

Review of developments (continued)

◆ Xpress Advocacy Service for children and young people.

In this period Xpress was funded principally by grants of £154,304 from the Quality Protects programme, the aim of which is to transform the management and delivery of social services for children in need for whom the local authority has responsibility. A grant of £23,640 was received from Children in Need for setting up a Buddy Scheme for children with physical disabilities. All monies received by Xpress were held and accounted for in a restricted fund and were not available to the other advocacy services managed by the charity.

Using the grants from Quality Protects, a countywide advocacy service has been continued and expanded with 8 staff and 14 volunteers operating from Hastings, Eastbourne and Uckfield. Over 400 vulnerable children and young people in East Sussex have access to this service. Xpress continued to provide an independent visitor scheme for children in care in East Sussex. This scheme was extended following a successful recruitment campaign for volunteers to act as independent visitors. During the year Xpress was commissioned to start providing a new advocacy service for children and young people with physical and/or learning disabilities, including those attending respite care units, in East Sussex. These services will all continue next year.

Xpress also provided a specialist advocacy service at Chailey Heritage School.

Xpress published and distributed *Xpress Yourself*, a magazine for the children and young people who are Looked After or Accommodated by the Local Authority throughout East Sussex. Two issues were produced and circulated to 850 readers.

Xpress has also developed the Rights Xpress Young People's Group, which is for young people aged between 12 and 21. This group helps to ensure that young people are centrally involved in the evaluation and provision of an advocacy service that meets their needs. Members of the group contributed articles and features for the *Xpress Yourself* magazine. Next year it is planned to set up similar groups around the county.

Xpress continued to operate a freephone helpline for young people in care. Approximately 400 people used the helpline during the year.

The advocacy training course run by Xpress has received official accreditation from the Open College Network.

During the year Xpress contributed towards the administration of the charity and the running costs of the Advocacy Centre. These costs were all included in budgets submitted with grant applications for this year.

Review of developments (continued)

◆ **MY CHOICE Advocacy Service** for people with learning disabilities

In this period MY CHOICE was funded principally by grants of £108,590 from East Sussex, Brighton & Hove Health Authority and £12,500 from Social Services (reduced from £50,000). These grants were insufficient to meet the full costs of providing the advocacy service and MY CHOICE was obliged to expend reserve funds during the period. All monies received by MY CHOICE were held and accounted for in a restricted fund and were not available to the other advocacy services managed by the charity.

The countywide service has four local co-ordinators who cover the areas of Hastings & Rother, Eastbourne, Lewes and Wealden. During the year the co-ordinators recruited 13 new volunteer advocates who then went on to attend training programmes and regular supervision for their work with MY CHOICE.

During the year MY CHOICE was able to offer different forms of advocacy that were appropriate to the needs of individual persons with a learning disability. These included citizen advocacy, formal advocacy, group advocacy, self-advocacy and peer advocacy.

During the year MY CHOICE provided a separately funded reprovision advocacy service for people in a residential home in Hastings on behalf of South West London Community NHS Trust.

MY CHOICE staff regularly attended Social Services meetings including Partnership Board meetings in order to discuss current developments, to influence decisions being made and to voice the views of individual people and service users. MY CHOICE increased its efforts to make it possible for more people with learning disabilities to attend its meetings and to be represented on the Partnership Board. There are now three elected representatives of people with learning disabilities on the Partnership Board.

During the year MY CHOICE has provided direct advocacy support for 250 people with learning disabilities and 31 groups of service users. This support has been provided by 5 paid staff and 22 trained volunteer advocates based in several locations in East Sussex.

After the year-end MY CHOICE vacated the rented office in Lewes and there is no longer a staff member based there. Local clients are being referred to other staff members at Eastbourne and Crowborough. Volunteer advocates who used to be attached to the Lewes office are now attached to these other offices. These changes were brought about because of a lower level of available income for the year to 31 March 2003. The winding up costs of the Lewes office will have to be met from reserve funds.

MY CHOICE contributed towards the administration of the charity and the running costs of the Advocacy Centre in this period. These costs were all included in budgets submitted with grant applications for this year.

Review of developments (continued)

♦ **Mental Health Advocacy Service** for adult users of the health service.

In this period the service has been funded by grants of £46,115 from the East Sussex, Brighton & Hove Health Authority and £21,172 from Primary Care Trusts. Delays in receiving these grants meant that all reserve funds carried forward from the previous year were utilised. All monies received by the mental health advocacy service were held and accounted for in a restricted fund and were not available to the other advocacy services managed by the charity.

There is no other mental health advocacy service in the county of East Sussex and a unique contribution has been made by the charity towards the development of health care in this region. The mental health advocacy service has become well established in the Hastings & Rother area and the grant from the Primary Care Trust ensured that this work continued and that those with mental health problems were able to participate in and make decisions about their health and social care. Advocates have represented and supported their clients at Mental Health Act tribunals, outpatient appointments, ward rounds, Care Programme Approach reviews, Section 117 meetings and case conferences. Advocates have assisted in other situations where appropriate. Mental health users in the Hastings & Rother area have been encouraged to join FOCUS, the local user group which meets regularly in the Advocacy Centre. A drop-in advocacy surgery is held at a local mental health unit on a regular basis.

In total, the service has provided direct advocacy support this year for 152 people with mental health problems. This support has been provided by three paid staff and one trained volunteer advocate working in the Hastings area.

There have been regular requests for help from people in Eastbourne and the Wealden area to which the service was unable to respond, other than provide information over the telephone. Applications have been made to other grant awarding bodies to obtain funds for setting up a mental health advocacy service in Eastbourne and the Wealden area in the future with full-time advocates, but to date no grant has been awarded.

The mental health advocacy service has been approached by two residential care units with a request to provide part-time advocacy support for residents in the units. These requests have been followed up and costings have been prepared for service contracts.

After the year-end the Health Authority that provided the main grant was disbanded. The charity was obliged to utilise all the reserve funds of the mental health advocacy service in continuing the work of the county manager pending a decision of the four local Primary Care Trusts regarding future funding of this service.

The mental health advocacy service contributed towards the administration of the charity and the running costs of the Advocacy Centre in this period. These costs were all included in budgets submitted with grant applications for this year.

Report of the trustees for the year ended 31 March 2002

Risk Management

The trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to these risks.

The trustees have set up policies and procedures that have as their aim to achieve better governance through internal controls. A strategic plan is being formulated that will enable the charity to move forward effectively in a changing environment.

The trustees have promoted the awareness of responsibility for internal control as part of staff training, especially in financial management, and are pleased to report that the charity's internal financial controls conform with guidelines issued by the Charity Commission.

The charity has public liability insurance and professional indemnity insurance policies in place for protection in the event of a person being injured at a SEAP event or in the event of a claim in relation to services provided by volunteers, staff and trustees of the charity.

Reserves Policy

As part of the charity's risk management, the trustees have examined the requirement to maintain reserve funds and concluded that the most appropriate level of reserves for each advocacy service is about 3 months of operational expenditure. This level has been maintained for only two out of the three advocacy services. This is therefore a matter of serious concern to the trustees.

During the year reserve funds were utilised for the following reasons:

- To meet a shortfall in income due to reductions in grant funding.
- To resolve cash flow problems due to delays in receiving grants - during the year grants were delayed for five weeks (one grant), seven weeks (one grant), ten weeks (two grants) and twelve weeks (one grant).
- To meet the cost of redundancy
- To meet the cost of providing cover for staff on extended sick leave

After the year end the trustees decided to utilise reserve funds carried forward, and are aware of the consequences of depleting these funds in the following circumstances:

- Mental Health Advocacy Service – to continue the county manager's post on a temporary basis until written confirmation of funding is received (verbal assurance having already been given), the previous year's grant having been provided by a Health Authority that has now been disbanded.
- MY CHOICE Advocacy Service – to meet the costs of closure for one office and transfer of services for clients to other offices.

Report of the trustees for the year ended 31 March 2002

Financial review

A summary of the results for this period can be found on page 11 of the attached accounts.

Total incoming resources were £418,834 compared to £395,100 in 2001.

The charity incurred direct charitable expenditure of £375,582 (2001 - £315,115) in carrying out its charitable work. Costs of generating funds were £8,476 (2001 - £7,065) and charity administration costs were £29,116 (2001 - £21,653).

Reserves policy and financial position

The balance sheet shows total reserves of £119,799.

The trustees are mindful of the need to keep resources in reserve to manage the risks mentioned above and have estimated that reserves should be available to cover a quarter of the total annual expenditure. During this period the level of reserves was sufficient for only two out of the three advocacy services; also the level of reserves for the headquarters of the charity were too low and therefore the trustees will seek ways of building up reserves. Future plans include the setting up of a designated fund for the redecoration and maintenance of the advocacy centre during the next three years.

General funds to finance the administration headquarters and meet contingencies amount to £1,469.

Restricted fund balances of £118,330 are amounts held on trust for donors in connection with the three specialist advocacy services provided by the charity. Such funds are not available to finance the general work of the charity. These funds will be utilised in the next financial year as explained on page 8 under the heading Reserves Policy.

Investment policy

The charity has a policy of holding cash in an interest bearing account until required.

Employees, volunteers and supporters of the charity

The trustees wish to record their recognition of the loyalty and commitment of all their staff and volunteers. Their dedication, enthusiasm and positive approach are very much appreciated. The contribution of more than 50 volunteers to the advocacy services is worthy of note because they have given freely of their time and energy so that others may benefit. Without the volunteers, the charity would not be able to provide the advocacy services that are needed by so many people.

By order of the trustees:



Trustee

Approved on: 15.7.2002

Report of the auditors

Report of the auditors to the trustees of South East Advocacy Projects

We have audited the financial statements on pages 11 to 19 which have been prepared on the basis of the accounting policies set out on pages 13 to 14.

Respective responsibilities of trustees and auditors

As described on page 3 the trustees are responsible for the preparation of the financial statements in accordance with the United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

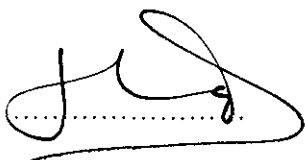
Basis of opinion

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 charity'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 state of affairs of the charity at 31 March 2002 and of its incoming resources and resources expended, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



James Hough & Co
Certified Accountant
38 Ward Way
Bexhill on Sea
East Sussex

29 July 2002

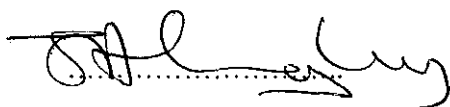
Statement of Financial Activities for the year ended 31 March 2002

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2002 £	Total funds 2001 £
Income and expenditure					
Incoming resources					
Grants received	2	444	353,766	354,210	367,088
Donations		-	3,043	3,043	6,002
Fees received		8,556	48,967	57,523	19,913
Bank interest receivable		-	4,058	4,058	2,097
Total incoming resources		9,000	409,834	418,834	395,100
Resources expended					
Costs of generating funds		1,910	6,566	8,476	7,065
Direct charitable expenditure	3	25,220	350,362	375,582	315,115
Management and administration	4	29,116	-	29,116	21,653
Total resources expended		56,246	356,928	413,174	343,833
Net incoming (outgoing) resources					
For the year	5	(47,246)	52,906	5,660	51,267
Transfers		48,478	(48,478)	-	-
Net movement in funds		1,232	4,428	5,660	51,267
Total funds brought forward					
At 1 April 2001		237	113,902	114,139	62,872
Total funds carried forward					
At 31 March 2002		1,469	118,330	119,799	114,139

Balance Sheet as at 31 March 2002

	Notes	2002 £	2002 £	2001 £	2001 £
Fixed assets	8				
Administration Headquarters			170		340
Advocacy Services			2,587		3,052
			<u>2,757</u>		<u>3,392</u>
Current assets					
Debtors	9				
Administration Headquarters		673		692	
Advocacy Services		7,394		5,723	
Cash at bank and in hand					
Administration Headquarters		3,686		497	
Advocacy Services		11,065		10,598	
Cash on deposit					
Administration Headquarters		-		-	
Advocacy Services		100,000		95,000	
		<u>122,818</u>		<u>112,510</u>	
Creditors: amounts falling due					
Within one year	10				
Administration Headquarters		(3,060)		(1,292)	
Advocacy Services		(2,716)		(471)	
Net current assets			<u>117,042</u>		<u>110,747</u>
Total net assets			<u>119,799</u>		<u>114,139</u>
Represented by:					
Funds					
Restricted	11		118,330		113,902
Unrestricted					
. Designated funds		-		-	
. General fund		1,469		237	
			<u>1,469</u>		<u>237</u>
			<u>119,799</u>		<u>114,139</u>

Approved by the Trustees
and signed on their behalf by:



Trustee

Approved on: 15.7.2002

1 Accounting policies

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with *Accounting and Reporting by Charities: Statement of Recommended Practice* issued in October 2000, applicable accounting standards and the Companies Act 1985.

(b) Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

(c) Income

Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

Voluntary income is credited to the statement of financial activities in the year in which it is received.

Fees received represent the remuneration for services provided by the charity under service agreements with various bodies.

Interest on cash deposits is credited to the statement of financial activities when received and includes recoverable tax deductions.

(d) Expenditure

Costs of generating funds include management time spent in researching grant funding for the advocacy services, filling in application forms and negotiating budgets with the grant providers.

Direct charitable expenditure comprises direct expenses incurred on the defined charitable purposes of the charity and includes direct staff costs attributable thereto.

Management and administration costs include expenditure on general administration of the charity and on compliance with constitutional and statutory requirements.

(e) Pensions

The charity has arranged a defined contribution scheme that is available to all members of staff. The assets of this scheme are held separately from those of the charity, being invested with The Pensions Trust. Pension costs charged in the Statement of Financial Activities represent the contributions payable by the charity in the year.

Notes forming part of the financial statements for the year ended 31 March 2002

(f) **Cash flow**

The financial statements do not include a cash flow statement, because the charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'Cash flow statements'.

(g) **Value added tax**

Value added tax is not recoverable by the charity and as such is included in the relevant costs in the Statement of Financial Activities.

(h) **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets over their expected useful lives at the following rates per annum:

Office equipment and furniture	20% on cost
Computer equipment	33% on cost

Items of equipment are capitalised where the purchase price exceeds £500.

(i) **Funds accounting**

The general fund comprises those monies which may be used towards meeting the charitable objectives of the charity at the discretion of the trustees.

The restricted funds are monies raised for, and their use restricted to, a specific advocacy service.

(j) **Services provided by volunteers**

For the purposes of these accounts no monetary value has been placed on administrative and other services provided by volunteers in the Advocacy Services.

Notes forming part of the financial statements for the year ended 31 March 2002

2 Grants Received

	General fund £	Restricted funds £	Total 2002 £	Total 2001 £
East Sussex: Social Services	-	153,949	153,949	142,100
East Sussex: Health Authority	-	154,705	154,705	208,700
Primary Care Trusts	-	21,172	21,172	-
BBC Children In Need	-	23,640	23,640	-
Other grants	444	300	744	16,288
	444	353,766	354,210	367,088

The "other grants" were awarded by the Hastings Community Fund and the Wealden Federation of Voluntary Organisations.

3 Direct Charitable Expenditure

	General fund £	Restricted funds £	Total 2002 £	Total 2001 £
Staff salaries	8,205	273,034	281,239	231,042
Rents and property maintenance	17,015	6,740	23,755	20,099
Staff training and travel	-	17,614	17,614	13,710
Volunteers' training and travel	-	6,228	6,228	5,512
Recruitment and publicity	-	5,051	5,051	5,039
Office equipment and running costs	-	24,600	24,600	27,009
Meetings and special projects	-	8,692	8,692	7,754
Professional fees	-	5,829	5,829	3,079
Depreciation	-	2,574	2,574	1,871
	25,220	350,362	375,582	315,115

4 Management and administration of the charity

	General fund £	Restricted funds £	Total 2002 £	Total 2001 £
Staff salary	22,921	-	22,921	14,208
Insurances	2,709	-	2,709	894
Office expenses	2,357	-	2,357	2,523
Legal and professional fees	959	-	959	3,858
Depreciation	170	-	170	170
	29,116	-	29,116	21,653

Notes forming part of the financial statements for the year ended 31 March 2002

5 Net incoming/(outgoing) resources for the year

This is stated after charging:

	General fund £	Restricted funds £	Total 2002 £	Total 2001 £
Staff costs (note 6)	33,036	279,600	312,636	252,315
Audit costs	764	-	764	764
Depreciation	170	2,574	2,744	2,041

6 Staff costs and trustees' remuneration

	2002 £	2001 £
Staff costs during the year were as follows:		
Wages and salaries	285,240	230,064
Social security costs	23,745	19,467
Pension costs	3,651	2,784
	312,636	252,315
Staff costs per function were as follows:		
Generating funds	8,476	7,065
Support of the charitable work of the charity	281,239	231,042
Management and administration of the charity	22,921	14,208
	312,636	252,315

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

	2002	2001
Part time	15	14
Full time	5	5
	20	19

No employee received remuneration of more than £50,000 during the year.

Trustees are not remunerated. Two trustees received reimbursement of travel expenses for attending meetings and training sessions amounting to £36 (2001: £368).

Notes forming part of the financial statements for the year ended 31 March 2002

7 Taxation

South East Advocacy Projects is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

8 Tangible fixed assets

	Advocacy Centre £	Advocacy Services £	Total £
Cost or valuation			
At 1 April 2001	510	5,612	6,122
Additions	-	2,109	2,109
Disposals	-	-	-
At 31 March 2002	<u>510</u>	<u>7,721</u>	<u>8,231</u>
Accumulated depreciation			
At 1 April 2001	170	2,560	2,730
Charge for year	170	2,574	2,744
Disposals	-	-	-
At 31 March 2002	<u>340</u>	<u>5,134</u>	<u>5,474</u>
Net book values			
At 31 March 2002	<u>170</u>	<u>2,587</u>	<u>2,757</u>
At 1 April 2001	<u>340</u>	<u>3,052</u>	<u>3,392</u>

The net book value at 31 March 2002 represents fixed assets used for:

	Computers £	Office Equipment £	Total £
Direct charitable purposes	2,587	-	2,587
Management and administration of the charity	170	-	170
	<u>2,757</u>	<u>-</u>	<u>2,757</u>

Notes forming part of the financial statements for the year ended 31 March 2002

9 Debtors

	2002	2001
	£	£
Fees receivable for services provided	7,026	5,728
Prepayments and other debtors	1,041	687
	8,067	6,415

10 Creditors: amounts falling due within one year

	2002	2001
	£	£
Audit costs	764	764
Other creditors	5,012	999
	5,776	1,763

11 Restricted funds

	At 1 April 2001 £	Incoming resources £	Resources expended £	At 31 March 2002 £
Xpress Advocacy Service	38,576	201,229	(163,905)	75,900
MY CHOICE Advocacy Service	58,431	140,489	(175,242)	23,678
Mental Health Advocacy Service	16,895	68,116	(66,259)	18,752
	113,902	409,834	(405,406)	118,330

The restricted funds comprise the unexpended balances of grants, donations and fees received for the specific purpose of each advocacy service.

Notes forming part of the financial statements for the year ended 31 March 2002

12 Analysis of net assets between funds

	Unrestricted Funds		Restricted Funds	Total
	General	Designated		2002
	£	£	£	£
Fund balances at 31 March 2002 are represented by:				
Tangible fixed assets	170	-	2,587	2,757
Current assets	4,359	-	118,459	122,818
Creditors: amounts falling due within one year	(3,060)	-	(2,716)	(5,776)
Total net assets	1,469	-	118,330	119,799

13 Contingent liabilities

In the event of the charity not receiving the full grant funding that was agreed in original budgets submitted for core advocacy services or for advocacy projects already in operation, the charity may have to end projects early and become liable for redundancy pay to employees who have to be laid off. In these circumstances the charity may also become liable to pay outstanding rent on premises that are occupied subject to a fixed term rent agreement. It is not possible to quantify such contingent liabilities, but in recognition of the risk, the trustees have decided to hold some monies in reserve from one year to the next for each advocacy service and for the administration headquarters.