

Registered Charity No: 1050829

A Company Limited by Guarantee No: 3093555

HAPAS
(A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE MANAGEMENT COMMITTEE
AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

TUESDAY



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COMPANIES HOUSE

BRADSHAW JOHNSON
CHARTERED ACCOUNTANTS

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HAPAS

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YEAR ENDED 31 MARCH 2014

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HAPAS
REPORT OF THE MANAGEMENT COMMITTEE
FOR THE YEAR ENDED 31 MARCH 2014

The Management Committee presents its report and financial statements for the year ended 31 March 2014.

Reference and Administrative Information

Charity name:	HAPAS
Charity registration number:	1050829
Company registration number:	3093555
Registered office and operational address:	30 High Street Welwyn Hertfordshire AL6 9EQ

Patron

Sir Simon Bowes Lyon KCVO

President

The Lady Parkinson	Resigned 14 May 2014
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Vice Presidents

The Lady Staughton JP, DL
Mr R Walduck OBE, JP, DL

Management Committee

Mrs P Clifford	Treasurer
Mr G P H Booth	Acting Chairman
Mr P W Palfrey JP	
Dr L E Raw	

Company Secretary

Mrs H Cooper

Senior Manager

Mrs H Cooper	Director of Training and Education
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Independent Examiner

Mr N C Harding FCA	Bradshaw Johnson, Croft Chambers, 11 Bancroft, Hitchin, Herts. SG5 1JQ
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Bankers

Barclays Bank Plc, 68 High Street, Stevenage, Herts. SG1 3DY

HAPAS
REPORT OF THE MANAGEMENT COMMITTEE
FOR THE YEAR ENDED 31 MARCH 2014 (continued)

Structure, Governance and Management

Governing Document

The charity is governed by its Memorandum and Articles of Association, and is a company limited by guarantee without share capital.

Management Committee

The members of the Management Committee are the directors of the company for the purposes of company law, and charity trustees for the purpose of charity law. They are also the members of the company. The minimum number of members is three. The members who served during the year and up to the date of this report are set out on page one.

Recruitment and Appointment

Members are drawn from the general business and commercial community and, so far as it is possible when relying on volunteers, the objective is to have a wide range of skills and experience represented on the Committee. Members serve for an indefinite period.

Trustees Induction and Training

There is no standard induction and training process for trustees. Some will have considerable knowledge of the charity's work before becoming a trustee, whilst others will join the Committee from commercial or business backgrounds. Induction and training is tailored to individual requirements.

Organizational Structure

The charity has a Management Committee with a minimum of three and a maximum of six members, which meets quarterly and is responsible for the strategic direction and policy of the charity. At present, the Committee has four members with a variety of professional and charitable backgrounds relevant to the work of the charity. The Director of Training and Education is present at meetings of the Management Committee but has no voting rights. The day-to-day management of the charity is delegated to the senior manager.

Risk Management

The Management Committee has conducted a review of the major risks to which the charity is exposed. Where appropriate, systems or procedures have been established to mitigate the risk faced by the charity. The principal external risk continues to be the structure of the new contracts announced by The Driver Vehicle Standards Agency to provide Drink Drive Rehabilitation Courses. The key risks in the new contracts are the removal of a minimum fee for courses and that more than one provider will be able to operate in each area. The systems of internal control are designed to provide reasonable, but not absolute, assurance against material loss or misstatements. The systems include:

- an annual budget approved by the Management Committee;
- critical appraisal of the financial results and budget variances by the Management Committee;
- delegation of authority and segregation of duties;
- identification and management of risks.

HAPAS
REPORT OF THE MANAGEMENT COMMITTEE
FOR THE YEAR ENDED 31 MARCH 2014 (continued)

Risk Management (continued)

The Management Committee conducts regular reviews of the above controls as a way of managing the risks to which the charity is exposed.

Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the centre.

Related Parties

The charity's policy is guided by the DFT and the DVSA Regulations and Procedures. The charity is a member of the Association of Drink Drivers Approved Providers of Training (ADDAPT).

Objectives and Activities

The charity is established to promote the prevention of alcohol and substance misuse, and to assist individuals suffering from alcohol and substance misuse.

The main objectives of the charity, as set out in the Memorandum of Association, include:

To gather, assess, prepare and disseminate, and to combine with others to disseminate information concerning alcohol/substance misuse, the incidence of alcohol/substance misuse in relation to society, to medical, social, educational and spiritual agencies who can assist those affected by alcohol/substance abuse, and the recognition, prevention and treatment of alcohol/substance misuse;

To promote the study of the nature and extent of alcohol/substance misuse and on its treatment, and to disseminate the information obtained;

To assist in the selection, training and education of professionals and other persons to further the objectives of the charity;

To give help and support to the families of alcohol/substance misusers.

In furtherance of its objectives, the charity operates an education and training service based on Drink Drive Rehabilitation Courses.

Activities, Achievements and Performance

The charity continues to run a significant number of government approved Drink Drive Rehabilitation Courses. Successful completion can lead to a reduction in the length of a driving ban.

In the report period the charity held 59 courses, delivered by a network of 11 trainers, at 16 different locations. This is a successful model which has the flexibility and capacity to expand the charity's work as the opportunity arises.

In the year ended 31 March 2014, the charity received 884 referrals from the Courts and 743 people completed a HAPAS Drink Drive Rehabilitation Course. The total number completing a course is not directly related to the total referrals received in the same period as offenders often delay taking a course until near the end of their ban period, and this can be many months or even more than a year later.

Referrals from the Courts dropped by nearly 50% in 2013/14 as there are now five other course providers operating in the area covered by the charity. This is DVSA Area 14 which covers Hertfordshire, Bedfordshire and Thames Valley.

The charity has been successful in partly offsetting the lower number of referrals by concentrating on increasing the conversion rate from referrals to course bookings. The conversion rate is now significantly better.

HAPAS
REPORT OF THE MANAGEMENT COMMITTEE
FOR THE YEAR ENDED 31 MARCH 2014 (continued)

Activities, Achievements and Performance (continued)

In previous years each course provider had exclusivity in their own area but under the current contractual arrangements with the Driver Vehicle Standards Agency, introduced in June 2013, exclusivity was removed and the market opened up to multiple providers in each DVSA Area.

As expected, this has forced down the course prices but has also resulted in operational issues between the DVSA , the Courts, course providers and offenders seeking courses. The charity continues to play a key role in discussions with the DVSA, and other course providers, to help with implementation of the new contracts. This work is carried out via the providers association, ADDAPT.

The charity continues to have a first class working relationship with key stakeholders and has continued to provide an excellent first point of contact for many local people with concerns about their own or another's drinking. The charity is well placed to give initial, well informed and specialized information.

The Trustees are pleased to record that the charity achieved ISO9001:2008 accreditation on 19 October 2012. Accreditation is for a 3 year period with annual re-validation inspections.

Financial Review

During the year, income from the provision of education and training for the rehabilitation of drink drive offenders was £150,515 (2012/13: £164,144) resulting in a surplus of £8,386 (2012/13: £10,667).

Principal funding source

During the year the charity's principal source of funding was fee income from Drink Drive Rehabilitation Courses.

Reserves policy

The Management Committee seeks to maintain free, unrestricted reserves equivalent to at least three months of unrestricted expenditure. It is considered that this level of reserves would provide sufficient resources to allow the charity to respond to changes or delays in funding. At the balance sheet date free, unrestricted reserves, were £67,351. The Management Committee have made changes to the structure of the organisation such that they believe that going forward the unrestricted reserves will continue to comply with the reserves policy.

Plans for the future

The Management Committee are continuing a strategic review to meet the requirements of the new DVSA contract, in particular the activities of competitors and the level of course fees.

The charity will continue to adopt the best practice methods of operating promoted by the Charity Commission, the disciplines of ISO9001:2008 Accreditation and DVSA's Guidance document. The Management Committee will continue to investigate potential new income streams for the charity and opportunities for diversification.

Public benefit

The Management Committee believe they pay due regard to the Charity Commission's guidance on public benefit in deciding what activities should be undertaken. In particular, they consider how the current and future activities of the charity contribute to its aims and objectives.

HAPAS
REPORT OF THE MANAGEMENT COMMITTEE
FOR THE YEAR ENDED 31 MARCH 2014 (continued)

The Management Committee's responsibility

Company law requires the trustees to prepare financial statements for the charity for each financial year which give a true and fair view of the charity's financial activities during the year and its surplus or deficit for the year and of the financial position at the end of the year. In preparing the attached financial statements the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare financial statements on a going-concern basis, unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2006 (including Section 4 of the Act), the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report is prepared in accordance with the small company regime (section 419(3)) of the Companies Act 2006.

Approved by the Management Committee on 19 December 2014



Mr G P H Booth
Acting Chairman

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HAPAS
FOR THE YEAR ENDED 31 MARCH 2014

I report on the accounts of the company for the year ended 31 March 2014, which are set out on pages seven to thirteen.

Respective responsibilities of directors and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under Section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

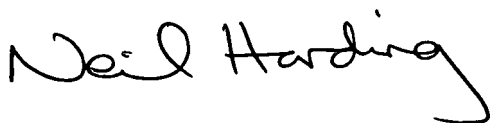
Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, I do not express an audit opinion on the view as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006, and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities (revised 2005) have not been met; or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Mr N C Harding FCA
Bradshaw Johnson
Chartered Accountants
Croft Chambers
11 Bancroft
Hitchin
Herts. SG5 1JQ

Dated: 22 December 2014

HAPAS
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2014

	<u>Note</u>	<u>Unrestricted</u> <u>Funds</u> £	<u>Restricted</u> <u>Funds</u> £	<u>Total</u> <u>Funds</u> <u>2014</u> £	<u>Total</u> <u>Funds</u> <u>2013</u> £
<u>Incoming resources</u>					
Incoming resources from generated funds:					
<i>Voluntary income:</i>					
Donations and gifts		1,153	-	1,153	4,200
<i>Investment income:</i>					
Bank interest receivable		347	-	347	623
Incoming resources from Charitable activities:					
Income from education and training	4	150,515	-	150,515	164,144
Other income		1,440	-	1,440	2,199
TOTAL INCOMING RESOURCES		153,455	-	153,455	171,166
<u>Resources expended</u>					
Charitable activities:					
Education and training	5	143,999	-	143,999	159,449
Governance	5	1,070	-	1,070	1,050
TOTAL RESOURCES EXPENDED		145,069	-	145,069	160,499
NET (EXPENDITURE)/INCOME FOR THE YEAR					
		8,386	-	8,386	10,667
TRANSFERS					
		-	-	-	-
TOTAL FUNDS AT 1 APRIL 2013					
		58,965	-	58,965	48,298
TOTAL FUNDS AT 31 MARCH 2014					
		67,351	-	67,351	58,965

There were no recognised gains and losses other than the results for the current year and the previous year.

The notes on pages 9 to 12 form part of these financial statements

HAPAS
BALANCE SHEET
AS AT 31 MARCH 2014

	<u>Note</u>	<u>2014</u> £	<u>2013</u> £
Fixed assets			
Tangible fixed assets	8	-	53
Current assets			
Debtors	9	780	266
Short term deposits		71,000	71,000
Cash at bank and in hand		19,250	21,711
		<u>91,030</u>	<u>92,977</u>
Creditors – amounts falling due within one year	10	<u>23,679</u>	<u>34,065</u>
Net current assets		67,351	58,912
Net assets		<u>67,351</u>	<u>58,965</u>
Funds:			
Unrestricted funds			
General	12	67,351	58,965
Restricted funds	12	-	-
Total funds		<u>67,351</u>	<u>58,965</u>

The company is entitled to exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2014. No member of the Company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The trustees acknowledge their responsibilities for:

- (a) ensuring that their company keeps accounting records which comply with Section 386 and 387 of the Act; and
- (b) preparing accounts which give a fair view of the state of affairs of the company at 31 March 2014 and of its profit for the year then ended in accordance with Section 394, and otherwise comply with the requirements of the Act relating to accounts, so far applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to Small Companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Management Committee on 19 December 2014



G P H Booth
Acting Chairman

The notes on pages 9 to 12 form part of these financial statements

HAPAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

1 Accounting Policies

Accounting Convention

These financial statements have been prepared under the historic cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity becomes legally entitled to the income, when the amount can be quantified with reasonable accuracy and when there is virtual certainty that the income will be received.

Voluntary income is received by way of grants and donations and is included in full in the SOFA when receivable. The charity receives grants from local authorities and other agencies to help fund the charity's various services and, sometimes, to help purchase fixed assets. This income is recognised in the SOFA when the charity is certain that it will fulfil its obligations under the terms of the grants. Where grant income has been received for expenditure in a future period, the income is deferred.

Income from the provision of courses is recognised in the SOFA as the charity fulfils its obligations to provide courses. Income received for courses that did not finish, or did not commence, until after the year end is deferred (either in part or in whole).

Resources Expended

Expenditure is recognized on an accruals basis as a liability is incurred. Expenditure includes irrecoverable VAT, and is reported as part of the expenditure to which it relates.

The cost of generating funds is the sum of the costs associated with attracting voluntary income, including grant income.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the costs of an external scrutiny of the accounts and costs linked to the strategic management of the charity.

All costs are allocated between expenditure categories of 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 area, staff costs etc.

Tangible Fixed Assets

Tangible fixed assets costing more than £500 are capitalised and included at cost, including any incidental expenses of acquisition. Depreciation is provided on all fixed assets, at rates calculated to write off the cost over the expected useful life, as follows:-

- Office Furniture & Equipment - 25% and 33% straight line

Leasing Commitments

Rentals payable under operating leases are charged to the SOFA as incurred.

HAPAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014 (continued)

2 Legal Status

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

3 Net Incoming Resources

This is stated after charging:

	<u>2014</u>	<u>2013</u>
	£	£
Independent examiner's remuneration - cost of external scrutiny	1,070	1,050
Depreciation	<u>53</u>	<u>638</u>

4 Incoming Resources from Charitable Activities

	Unrestricted Fund £	Restricted Fund £	Total 2014 £	Total 2013 £
Rehabilitation of drink drive offenders	150,515	-	150,515	164,144
	<u>150,515</u>	<u>-</u>	<u>150,515</u>	<u>164,144</u>

HAPAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014 (continued)

5 Total Resources Expended

	Unrestricted Fund £	Restricted Fund £	Total 2014 £	Total 2013 £
Provision of Courses				
Staff costs	55,749	-	55,749	56,671
Travel	663	-	663	1,214
Training & welfare	311	-	311	529
Premises	9,579	-	9,579	9,295
Office & sundry	21,746	-	21,746	16,259
Support costs	55,951	-	55,951	75,481
	<u>143,999</u>	<u>-</u>	<u>143,999</u>	<u>159,449</u>
Governance Costs				
External scrutiny & legal	1,070	-	1,070	1,050
	<u>1,070</u>	<u>-</u>	<u>1,070</u>	<u>1,050</u>
Total Resources Expended	<u>145,069</u>	<u>-</u>	<u>145,069</u>	<u>160,499</u>

6 Staff Costs, Trustees and Related Party Transactions

	<u>2014</u>	<u>2013</u>
	£	£
Salaries & wages	51,881	52,494
Social security costs	3,868	4,177
	<u>55,749</u>	<u>56,671</u>

The average number of full time equivalent employees, analysed by function, was:

	<u>2014</u>		<u>2013</u>	
	<u>Number of Employees</u>	<u>FTE</u>	<u>Number of Employees</u>	<u>FTE</u>
Management & administration	2	1	2	1
Rehabilitation of drink drive offenders	2	1	2	1
	<u>4</u>	<u>2</u>	<u>4</u>	<u>2</u>

No employee earned £60,000 or more.

Trustees are not remunerated, however travel expenses are reimbursed.

Fees are paid to Clifford Accountancy Services Ltd, a company controlled by one of the trustees, for accounts work carried out by her staff on behalf of the charity. These totalled £817.36 in the year ended 31 March 2014 and £2,347.50 in the previous year. These payments have been approved by the Trustees.

HAPAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014 (continued)

7 Taxation

The company is a registered charity and no liability for corporation tax has arisen on its activities.

8 Tangible Fixed Assets

**Office Furniture
& Equipment**
£

Costs

At 1 April 2013	42,138
Additions in year	-
At 31 March 2014	<u>42,138</u>

Depreciation

At 1 April 2013	42,085
Charge for year	53
At 31 March 2014	<u>42,138</u>

Net Book Value

At 31 March 2014	-
At 31 March 2013	<u>53</u>

9 Debtors

	<u>2014</u>	<u>2013</u>
	£	£
Prepayments & accrued interest	780	266
Other debtors	-	-
	<u>780</u>	<u>266</u>

10 Creditors

	<u>2014</u>	<u>2013</u>
	£	£
Other creditors	4,294	5,260
Deferred income	19,385	28,805
	<u>23,679</u>	<u>34,065</u>

11 Deferred Income

	<u>2014</u>	<u>2013</u>
	£	£
<i>Drink Drive Rehabilitation Courses</i>		
Balance brought forward 1 April 2013	28,805	34,236
Course fees received in advance less released to income	(9,420)	(5,431)
Balance carried forward 31 March 2014	<u>19,385</u>	<u>28,805</u>

12 Analysis of net assets between funds

	Fixed Assets	Net Assets	Total 2014	Total 2013
	£	£	£	£
Unrestricted fund	-	67,351	67,351	58,965
Restricted funds	-	-	-	-
	<u>-</u>	<u>67,351</u>	<u>67,351</u>	<u>58,965</u>

All of the funds are unrestricted – no restricted funds were held by the charity at the start of the year and all movements in the year relate to the general unrestricted fund.