

South of England Advocacy Projects

(A company limited by guarantee)

Report and Financial Statements

31 March 2007

Charity no: 1080679

Company no: 3963421

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Reference and Administrative Details

Trustees	B. Browning M. Casey A. Heslop S. Holmes-Smith S. Ward
Chief Executive	J. Miles
Company Secretary	J Miles, C Whelan (Joint Company Secretaries)
Registered Office	The Advocacy Centre 42 Robertson Street Hastings East Sussex TN34 1HL
Auditors	Ashdown Hurrey 20 Havelock Road Hastings East Sussex TN34 1BP
Bankers	Lloyds TSB Bank PLC 17 Wellington Place Hastings East Sussex TN34 1NX
Solicitors	Sherrards Solicitors Grosvenor Hall Bolnore Road Haywards Heath West Sussex RH16 4BX

Report of the Trustees for the year ended 31 March 2007

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 of England Advocacy Projects for the year ended 31 March 2007. The trustees have prepared the annual report and financial statements of the charity in accordance with ***Accounting and Reporting by Charities, Statement of Recommended Practice (2005)***.

Structure, Governance and Management

South of England Advocacy Projects (formerly South East Advocacy Projects) is a charitable company limited by guarantee, incorporated on 3 April 2000 and registered as a charity on 11 May 2000. It was established under a memorandum of association, which establishes its objects and powers and is governed under its articles of association which were last amended on 27 January 2006. The change of name from South East Advocacy Projects to South of England Advocacy Projects has been registered with both the Charity Commission and Companies House.

The charity is governed by a Trustees, which meet bi-monthly to manage and control the resources administered by the charity. The Board now numbers 7 people, and includes specialist advisors, the Chief Executive and the Company Secretary. The Project and Service Managers/Directors submit reports to all Board meetings and attend personally in rotation to allow in depth consideration of each advocacy project/service by the Trustees throughout the year.

Trustees are elected at the Annual General Meeting of the charity; and at each such meeting one third of the Trustees are subject to retirement by rotation and are eligible for re-election. The names of the Trustees at the date the accounts were signed are set out on the schedule of reference and administrative details on page 1

The charity's Trustees are recruited in such a way as to bring expertise in advocacy, governance and related areas to the charity.

During the year the Trustees met on 8 occasions to decide on practical measures for the charity's strategic development, risk management, finances, policies & procedures and project management. The Trustees met on several occasions in closed session for decision making on HR matters, and internal reorganisation.

Report of the Trustees for the year ended 31 March 2007

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 legislation and good practice guidance

The Trustees are pleased to report that the charity's internal financial controls conform to guidelines issued by the Charity Commission.

Risk Management

Throughout the year, the Trustees have considered a number of risks relating to the organisational management of the charity. These have included those concerned with:

- TUPE
- internal reorganisation
- expansion of the organisation's geographical remit
- location of the organisation's Head Office and central functions
- internal management structure
- financial systems/controls employed

in order to identify the risks to which the charity is exposed and to assess the likelihood of such risks occurring and the potential impact on the charity.

South of England Advocacy Projects has insurance policies in place for protection in the event of a person being injured at the charity's premises or in the event of a claim in relation to services provided by volunteers, staff and trustees of the charity.

Report of the Trustees for the year ended 31 March 2007

Objectives and Activities

The general objects of the charity are expressed in the governing document as follows:

***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 of England.***

These objects are fulfilled through the provision of four independent specialist advocacy services that are available free of charge to a wide range of client groups including:

- ◆ Xpress Advocacy Service for children and young people
- ◆ MY CHOICE Advocacy Service for people with learning disabilities
- ◆ The Mental Health Advocacy Service for working age adults dealing with mental health issues
- ◆ Independent Complaints Advocacy Service (ICAS) for people wishing to complain about their NHS health care

Further detailed information about each of the advocacy services is contained within their individual annual reports, available on request.

South of England Advocacy Projects aims to ensure that people, particularly those most vulnerable in our society, are enabled to express their views, wishes and feelings, either directly or through a competent and independent voice. Advocates work to ensure that the rights of vulnerable people are safeguarded and their voices heard and genuinely considered as part of the decision making process.

ADVOCACY is:

- ◆ ***Independent*** – not part of statutory or other services
- ◆ ***Confidential*** – unless something of a life threatening nature is disclosed or in other exceptional circumstances
- ◆ ***Empowering*** – the client is in control of the advocacy process and no decisions are made without their express consent
- ◆ ***Not concerned with making a judgement about the person's best interests*** – the client is the expert on their life and advocates will promote their views, views and feelings to decision-makers.

The ultimate aim of advocacy is to enable people, where they wish to and are able, to advocate on their own behalf, and to see statutory, voluntary and private service providers develop their services in ways which place the views, wishes and feelings of those who use them, firmly at the centre.

Report of the Trustees for the year ended 31 March 2007

South of England Advocacy Projects is committed to working with service providers from all sectors to this end.

South of England Advocacy Projects also aims to provide training, supervision and consultancy support within the advocacy field, and to influence local and national decision-making.

KEY AIMS FOR THE FINANCIAL YEAR INCLUDED

- ◆ strengthening the governance, infrastructure and strategic development of the organisation
- ◆ supporting individual projects in strengthening their individual infrastructures, obtaining additional development funding, and achieving their individual project objectives
- ◆ exploring potential methods of achieving financial independence from statutory funders, including areas such as Social Enterprise and developing an independent Trading Arm
- ◆ finalising work to develop a national advocacy qualification training
- ◆ strengthening the organisation's role in influencing local and national policy agendas within the field of advocacy, rights and social policy
- ◆ developing a membership structure for the charity

Report of the Trustees for the year ended 31 March 2007

KEY ACHIEVEMENTS AND DEVELOPMENTS RELATING TO THE ABOVE OBJECTIVES

- SEAP conducted an internal review of its Finance Department, resulting in a structure reconfiguration and the creation of the posts of Finance Director and Finance Officer
- SEAP identified funding to appoint a Business Development Manager who will assist the organisation in continuing to expand, reduce reliance on contract/grant funding, and support SEAP projects in identifying/securing additional funding
- SEAP recruited and appointed additional advocacy, managerial and support staff, increasing the number of staff to 119 at end March 2007 (2006 – 107 staff)
- SEAP is now involved in the work commissioned by the Department of Health and being undertaken by CSIP (Care Services Improvement Partnership) to develop a single advocacy qualification route for practitioners
- SEAP was grateful to utilise the services of 93 volunteers (2006 – 89 volunteers) during the year
- SEAP has been centrally involved in a number of local, regional and national fora throughout the year and has been pleased to play a significant role in ensuring that the views of those using services influence the government's health and social policy agenda.
- SEAP increased the number of funding streams to 45 for advocacy work (2006 – 43)
- SEAP decided not to develop itself as an advocacy membership organisation for other advocacy providers at this time.

Volunteers / Service Users

Volunteers play a vital role in SEAP's growing reputation as a leading advocacy agency, and a provider of choice. The quality of services provided by SEAP is considerably enhanced by the contribution of volunteers who are involved in a wide variety of areas including training, peer advocacy, recruitment, and evaluation of our services. SEAP also supports a number of self-advocacy and rights-based groups which work to ensure that service provision reflects the needs and views of those who use them.

Training

South of England Advocacy Projects continues to play a major role in the delivery of advocacy training both in-house and to a wide variety of external providers. Training programmes included:

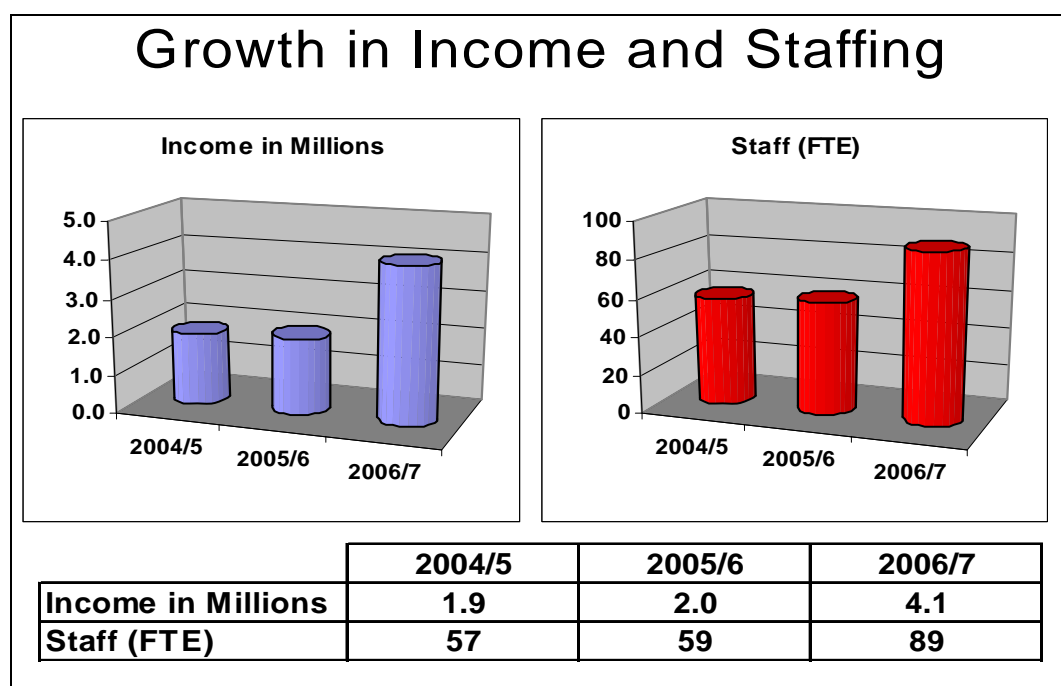
Report of the Trustees for the year ended 31 March 2007

- Peer Advocacy (Mental Health)
- Generalist and Specialist Basic Advocacy (Children / Young People, Mental Health, Learning Disability, ICAS)
- Total Respect (Children / Young People)
- Go For It (Children / Young People)

A wide range of additional in-house training in advocacy and related subjects was provided throughout the year for SEAP's workforce.

Board Away Day

In addition to their regular meetings, the Board met for a day in August 2006 to consider issues relating to Board development, and internal management structures. It was agreed to form an Executive Management Team (EMT) reporting directly to the Board through the CEO to monitor the implementation of the Business Plan.



AGM

The organisation held its Annual General Meeting on 5 March 2007 at which Project Managers/Director outlined the work undertaken during the previous year, and key note speeches were delivered by the Board Chair, and the CEO. The audited accounts were presented and accepted, one trustee resigned, and one trustee was re-elected for a further term of three years.



INDIVIDUAL PROJECT HIGHLIGHTS

Xpress Advocacy Service for children and young people.

Xpress is an advocacy and children's rights service which works with children and young people, aged 8-21 across East Sussex. Xpress is funded by a wide range of contracts and grants and deliver services to local authority and private sector services.

- **Advocacy** for children and young people who are Looked After; leaving care; have learning and/or physical disabilities and/or mental health issues. Advocacy is provided on a one-to-one and group basis; in residential units and within other establishments or agencies.
- **Independent Visitor Scheme** for Looked After children and young people who have little or no meaningful contact with the person who has parental responsibility for them, funded by the Local Authority.
- **Buddy Scheme** for young people aged 10 – 18yrs who have disabilities (funded by BBC Children in Need)
- **Go For It** training programme which trains young people to work as co-trainers and to be involved in recruiting processes (Big Lottery from March 2006).
- **Freephone help and information line**, accessible to children and young people
- **Xpress Yourself Magazine**, a quarterly magazine written by and for Looked After children and those who are leaving or who have left care.
- **Training**, in a range of advocacy and rights-related areas for professionals, volunteers and young people. Some of the courses are accredited by the Open College Network
- **Consultation exercises**, undertaken on behalf of a range of organisations to seek the views of young people about the provision and planning of local services.
- **Representation** on a range of national, regional and local fora addressing service provision, advocacy and representation of the rights of children and young people.

KEY DEVELOPMENTS AND ACHIEVEMENTS

During 2006/07 Xpress was extremely busy with its day-to-day business of advocacy, training, consultation and participation.

Advocacy – There has been a growing demand for advocacy for children and young people across East Sussex, with an increased number of often complex issues, especially around transition for young people with disabilities.

Training - Total Respect, a training course that directly informs practitioners / managers who work in a range of children's services about young people experiences of the care system. Xpress staff train and support five young people trainers, who are in the care system, to deliver the course 3 times a year.

OCN Child & Youth Advocacy Training – Two young people are now intrinsically involved in the delivery of the course and fully participate by delivering their own sections within the modules.

Report of the Trustees for the year ended 31 March 2007

Xpress Yourself Magazine/ Xpress Yourself Group, XYG, – Young people's involvement in both the magazine and group has increased over the past year. Three particular pieces of work to be highlighted are:

- Jacqueline Wilson visited the Hastings Office in October 2006, young people interviewed her and wrote an article for the magazine.
- 2006/07 Diary - XYG Young people were successful in raising the funds and developing a diary for their peers in care in East Sussex.
- New young people have been supported by the coordinator to run their own pages within Xpress Yourself Magazine

Xpress Yourself Group is a group of young people who volunteer as a steering group for Xpress Yourself and contribute ideas and artwork. They are involved in consultations pertinent to young people in the care system and they have fundraised for set projects.

Xpress Yourself Magazine - aims to involve its readers in its production. Each reader receives a feedback sheet to send in their ideas and suggestions.

Consultation

- Palliative Care
Xpress were commissioned to consult young people who are in receipt of palliative care services regarding their views of the service.
- Care matters
This was a national consultation which Xpress contributed towards. We ran the consultation through our Xpress Yourself magazine via a questionnaire; a report outlining the views of the young people who responded to the consultation and the views of Xpress was sent to the DFES.



MY CHOICE Advocacy Service for people with learning disabilities.

MY CHOICE is an East Sussex-wide advocacy service that provides advocacy support for:

- People living in a long-stay establishment. The advocate has worked for a number of years at Osborne House, a Sutton and Merton Primary care Trust service in Hastings. Service users are supported to discuss their views and wishes and consider the options for their future, in line with a re-provision of the service.
- People living independently. This is to provide advocacy support to a person with an acquired brain injury living in the community.
- Advocacy support to people living in private sector residential accommodation. MY CHOICE has a contract with two private residential services to provide regular advocacy support.

Report of the Trustees for the year ended 31 March 2007

- Parents with learning disabilities whose children may be subject to Child Protection proceedings. This is funded by Comic relief and has two paid advocates supporting parents who have a learning disability to understand and be actively involved in the processes and procedures involving child welfare agencies.
- Voices for Change group. This group is made up of people with a learning disability from Hastings and Rother, who come together to discuss their views and wishes of services provided. It is currently funded by the Community Chest Global grant. Voices for change has been influential in raising the profile of people with learning disabilities to those who develop and oversee local services and has representatives attending a number of key groups and meetings.
- People with a mild learning disability living independently and/or who are not eligible for specialist learning disability services from the local authority. Funding finished for this project from the British Institute of Learning Disabilities ended in March 2007

KEY DEVELOPMENTS AND ACHIEVEMENTS

- Employment of a second advocate to undertake work with the parent project.
- Securing a further year funding for the Parent project.
- Securing funding for research in to the levels of support required for parents who have a learning disability.
- Continuation of funding for one to one and group advocacy in services in the voluntary and private sectors.

Mental Health Advocacy



Mental Health Advocacy Services

This service (financed through a range of funding streams) works with working age adults who have a mental health issue. The scheme operates in East Sussex and across East Berkshire, West Berkshire and Slough to provide a full range of advocacy and advice services to mental health service users both in-patient and in the community:

- Meeting with in-patient service users in hospitals via regular clinics and appointments
- Supporting service users at ward rounds and CPA reviews
- Providing supporting at mental health tribunals and S117 meetings
- Assisting service users in expressing their views, wishes and concerns to other professionals
- Providing advocacy support at clinical appointments
- Meeting with service users in the community by appointment
- Providing telephone advocacy support for service users and carers
- Linking service users with appropriate voluntary or statutory services

Report of the Trustees for the year ended 31 March 2007

- Work within secure forensic units and prison settings
- Facilitation of the development of Patient Councils and user empowerment initiatives
- Expansion of peer advocacy training courses in East Sussex and across Berkshire.
- Increase in the number of volunteers and peer advocates working with the project in East Sussex and Berkshire.

KEY DEVELOPMENTS AND ACHIEVEMENTS

- Funding has been secured for three years from East Sussex PCTs.
- The Mental Health Advocacy Project has now been firmly established in East Berkshire, West Berkshire and Slough. Funding for three years has been secured for all areas of the project across Berkshire.
- The work of the scheme in Lewes Prison has been developed and is recognized as a model of good practice, which it is hoped will be expanded to other prisons in the area.
- There has been considerable success with peer advocacy training in East Sussex and across Berkshire. The project has supported twelve peer advocates to enter employment following attendance on the training course.
- The service has begun new work in East Berkshire as well as expanded in to several other areas. Further work has begun across the Weald and Havens areas of East Sussex, and to a range of other service providers, including residential services and secure units.



Independent Complaints Advocacy Service (ICAS)

ICAS provides free and independent advocacy support to people wishing to complain about the treatment or care they have received from the National Health Service (NHS). ICAS is a government initiative, funded by the Department of Health, which is delivered nationally by a number of independent advocacy providers. South of England Advocacy Projects has provided ICAS in the South East region since 2002 and, in early 2006, won a further five year contract from the Department of Health to continue to provide the service in the region, as well as an additional five year contract to provide the service in the South West region.

Throughout the year, SEAP ICAS has consolidated the service, strengthening its relationships with local health providers, and working closely with the Department of Health to ensure that trends in client complaints and broad-based areas of concern are highlighted and inform changes to service development and delivery.

Report of the Trustees for the year ended 31 March 2007

SEAP has also worked through a transition period, developing and delivering new working practices, with more resources focused on working with clients in communities; supporting more vulnerable clients through the NHS complaints process; empowering more clients to advocate for themselves; and continually improving quality and consistency of service, systems and processes across both regions. This has included the transfer of 21 staff from the previous service provider in the South West under Transfer of Undertakings (Protection of Employment) Regulations (TUPE).

SEAP ICAS is committed to supporting the development of a patient-led NHS, improving patient experiences with regard to their healthcare, and providing support to address and resolve complaints.

KEY DEVELOPMENTS AND ACHIEVEMENTS

Advocacy:

SEAP ICAS has provided advocacy support to 1750 clients in the South East region during the year, an increase of 22.5% on the previous year. In the South West, we provided advocacy support to 1284 clients. SEAP ICAS offers a range of advocacy support including the provision of information through Self Help Information Packs; the SEAP ICAS website; remote advocacy support for those able to manage their complaint individually; and more active, face to face support on an ongoing basis for those who require it. In 2006/07, we worked with other ICAS providers across the country to provide common format leaflets and promotional posters and we developed a DVD to provide visual, spoken word and sign language support to clients with hearing and sight impairments, as well as those whose first language is not English.

Working in prisons:

In 2006/07, our Specialist Outreach co-ordinators developed our service in, and specialist support materials for, the 27 prisons in the South East region and the 14 prisons in the South West. Our advocates can now provide a comprehensive ICAS service in prisons, including face-to-face advocacy support for prisoners.

Specialist support – mental health:

We have focused work this year on making the service accessible to people with mental health issues. In Secure Units, Clinical Managers have been welcoming and links have been made with local generic mental health advocacy groups working within them. ICAS teams are familiar with these local advocacy groups and are developing positive working relationships with them to enable and enhance referrals and quality of service to individual clients.

Report of the Trustees for the year ended 31 March 2007

Key Performance Indicators:

Following consultation with ICAS providers, the Department of Health introduced a demanding range of Key Performance Indicators (KPI) in October 2006. The KPIs reflected measurable improvements and achievements in a range of areas, including Improved Accessibility; Improved Supervision and Support for Advocates; Increased Training and

Development Opportunities; Confidentiality; Independence; Partnership with Stakeholders; Empowerment; Successful Service Transition; and Implementation of Quality Standards.

SEAP ICAS achieved 84% of its targets under the KPIs, a figure acknowledged by the Department of Health as very high for a first year of operation under the new contracts, and as a result was awarded nearly £12,500 under the Department's High Performance Recognition Scheme.

Forward look 07/08:

In the coming year, our key aims and objectives will include securing a 5% increase in client cases and contacts across both regions, further promoting ICAS to stakeholder and community groups to ensure awareness and increase referrals from potential clients in vulnerable groups and working directly with the voluntary and community sector to effectively develop the service for people with learning disabilities.

MONITORING PERFORMANCE

South of England Advocacy Projects monitors the delivery of its services in a variety of ways. These include:

- **Client Satisfaction Surveys:** clients are asked to comment on their experience of receiving the service and ways in which this could be improved. The views of those using our services is extremely important to SEAP and clients have been involved in a number of service delivery improvements.
- Individual advocacy projects adhere to **National Advocacy Standards** where these exist. SEAP is currently involved with a number of other national providers in developing National Occupational Standards for advocates.
- **Quality Assurance Model:** In April 2006, SEAP committed to using a single quality assurance model across the whole organisation. EFQM (European Framework for Quality Monitoring) is now in its second year of implementation.
- **Quality Mark:** The organisation is committed to achieving a relevant Quality Mark and will be pursuing either ISO 9000:2000 or the EFQM Accreditation Award.

Report of the Trustees for the year ended 31 March 2007

OBJECTIVES FOR THE COMING YEAR

- To identify and address consolidation issues following a period of rapid growth
- To further invest in the training of SEAP's workforce, including the purchase of a senior management training programme
- To explore the organisation's potential to trade and reduce reliance on grant/contract funding
- To maximise growth opportunities, and to assist the growth of SEAP projects/services
- To continue to promote SEAP as a leading advocacy provider and provider of choice
- To strengthen SEAP's involvement in the national health and social policy agenda
- To increase membership of SEAP's Board
- To increase client involvement across all areas and at all levels of the organisation.

Report of the Trustees for the year ended 31 March 2007

Financial Review

The results for this period can be found on page 20 of the attached accounts. There was a significant overall increase in the activities of the charity compared to the previous year.

Total incoming resources for the year ended 31 March 2007 were £4,125,063 (2006: £2,120,797)

Expenditure on charitable activities was £3,251,251 (2006 – £2,157,823). Support costs of £372,122 (2006 – £258,622) were included in this figure. Costs of generating funds were £24,336 (2006 – £23,874), and governance costs were £6,939 (2006 – £5,376).

Financial position

The balance sheet shows total funds of £1,388,913 (2006 – £546,376)

General funds to finance the administration headquarters and meet contingencies amount to £194,951 (2006 - £141,156).

Designated funds allocated for specific projects amount to £280,176 (2006 - £0)

Restricted fund balances of £913,786 (2006 – £405,220) are amounts held on trust for donors in connection with the specialist advocacy services provided by the charity. Such funds are not available to finance the general work of the charity.

Reserves Policy

The charity needs, and has used, reserves for several reasons; to prevent serious disruption to its charitable work in the event of delays in receiving grants, to meet contingencies that cannot be met out of income; and to plan for future activities before funding is received.

The trustees have reviewed the level of reserves that are freely available in the general fund of the charity, in conjunction with the nature of the income and expenditure requirements of the charity's activities. The trustees have concluded that the most appropriate level of free reserves in the general fund of the charity should be approximately £140,000. At the end of the year the balance of the charity's free reserves was £162,335 (2006 - £137,848).

The trustees have also reviewed the level of reserves that are held in the restricted funds of the charity, in conjunction with the nature of the income and expenditure requirements of each fund. The trustees have concluded that based upon the terms and conditions for each income stream included in restricted funds no reserves should be held in any of the funds. The balance on each of the restricted funds is not reserves but under spends that will be spent in the following year.

Investment policy

The charity has a policy of holding cash in excess of working capital requirements in a high interest bearing account until required.

Report of the Auditors

Independent auditors' report to the trustees of South of England Advocacy Projects

We have audited the financial statements of South of England Advocacy Projects for the year ended 31 March 2007 which comprise the statement of financial activities, balance sheet and related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the trustees as a body, in accordance with section 44 of the Charities Act 1993. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The responsibilities of the trustees of South of England Advocacy Projects for preparing the report of the trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the statement of responsibilities of the trustees. We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the report of the trustees is not consistent with the financial statements, if the charity has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

We read other information contained in the report of the trustees, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Report of the Auditors

Independent auditors' report to the trustees of South of England Advocacy Projects (continued)

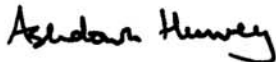
Basis of opinion

We conducted our audit in accordance with United Kingdom 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 Charity in the preparation of 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 Charity's state of affairs as at 31 March 2007 and of its incoming resources and application of resources for the year then ended and have been properly prepared in accordance with the Charities Act 1993.



Ashdown Hurrey

Ashdown Hurrey
Chartered Accountants
20 Havelock Road
Hastings
East Sussex TN34 1BP

27th July 2007

**Statement of Financial Activities (including Income and Expenditure Account)
for the year ended 31 March 2007**

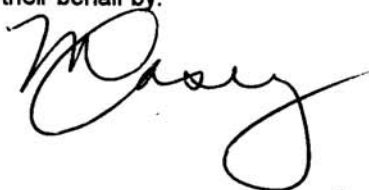
	Notes	Unrestricted funds £	Restricted funds £	Total funds 2007 £	Total funds 2006 £
Income and Expenditure					
Incoming Resources					
Voluntary income		653	2,627	3,280	3,502
Activities for generating funds		-	-	-	4,165
Investment income		30,644	4,191	34,835	20,923
Income from charitable activities	2	100	4,086,848	4,086,948	2,092,207
Total Incoming Resources		31,397	4,093,666	4,125,063	2,120,797
Resources expended					
Costs of generating funds		12,163	12,173	24,336	23,874
Charitable activities	3	312,652	2,938,599	3,251,251	2,157,823
Governance costs	5	6,939	-	6,939	5,376
Total resources expended		331,754	2,950,772	3,282,526	2,187,073
Net Incoming (Outgoing) resources for the year	6	(300,357)	1,142,894	842,537	(66,276)
Transfers	9	634,328	(634,328)	-	-
Net movement in funds		333,971	508,566	842,537	(66,276)
Total funds brought forward at 1 April 2006		141,156	405,220	546,376	612,652
Total funds carried forward at 31 March 2007		475,127	913,786	1,388,913	546,376

Balance Sheet as at 31 March 2007

	Notes	2007 £	2007 £	2006 £	2006 £
Fixed Assets	10				
Tangible assets:					
SEAP Admin		4,163		2,581	
Advocacy Services		28,453		727	
		<u> </u>	32,616	<u> </u>	3,308
Current Assets					
Debtors & prepayments	11				
SEAP Admin		1,257		-	
Advocacy Services		170,613		93,784	
Cash at bank and in hand					
SEAP Admin		28,376		24,914	
Advocacy Services		42,789		(18,399)	
Cash on deposit					
SEAP Admin		455,450		116,661	
Advocacy Services		710,400		585,105	
		<u> </u>	1,408,885	<u> </u>	802,065
Creditors: amounts falling due within one year:	12				
SEAP Admin		(4,120)		(3,000)	
Advocacy Services		(48,468)		(255,997)	
		<u> </u>		<u> </u>	
Net current assets			1,356,297		543,068
Total Net assets			<u>1,388,913</u>		<u>546,376</u>
Represented by:					
Funds					
Restricted funds:	14				
Advocacy Services		903,786		405,220	
General Fund		10,000		-	
		<u> </u>	913,786	<u> </u>	405,220
Unrestricted funds:					
Designated funds	15	280,176		-	
General fund		194,951		141,156	
		<u> </u>	475,127	<u> </u>	141,156
			<u>1,388,913</u>		<u>546,376</u>

Approved by the Trustees on 13 July 2007
and signed on their behalf by:

M. Casey
Trustee



Notes forming part of the Financial Statements for the year end 31 March 2007

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 (2005)*, 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

Voluntary income includes, donations and core funding grants of a general nature. This income is credited to the Statement of Financial Activities in the year in which it is received.

Activities for generating funds includes the letting of rooms held primarily for functional use by the charity but temporarily surplus to operational requirements.

Investment income includes interest on cash deposits that is credited to the Statement of Financial Activities when received.

Income from charitable activities includes grants and contracts for the provision of services to beneficiaries as specified in service level agreements with local authorities, government bodies and other organisations. This income is recognised in the Statement of Financial Activities in the period to which the provision of service relates.

Income is deferred if any conditions for use imposed by the donor have not been met.

(d) Expenditure

Costs of generating income include management time spent in researching grants of all types, preparing budgets, filling in application forms and negotiating the application itself with the grant providers. Costs are apportioned on the basis of hours spent on these tasks by each project.

Costs of charitable activities comprise direct expenses incurred on the defined charitable purposes of the charity and include direct staff costs attributable thereto.

Support costs include expenditure on the rental and maintenance of offices, insurances and depreciation. Costs are apportioned on the basis of office space occupied and the number of staff working in each project.

Governance costs relate to the general running of the charity and include audit, legal advice and costs associated with constitutional and statutory requirements.

Notes forming part of the Financial Statements for the year end 31 March 2007

(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.

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

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

In the event of a project being funded for a period of less than three years, depreciation is provided at a higher rate, to match the shorter expected useful life of the relevant equipment.

(i) Funds accounting

The unrestricted funds comprise 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 charity.

Notes forming part of the Financial Statements for the year end 31 March 2007

2 Income from charitable activities

	General fund £	Restricted fund £	Total 2007 £	Total 2006 £
Social Services	-	263,849	263,849	234,350
Department of Health	-	3,216,086	3,216,086	1,580,175
Primary Care Trusts	-	426,084	426,084	136,444
*Other grants and contracts	-	160,198	160,198	122,933
Fees and donations	100	20,631	20,731	18,305
	100	4,086,848	4,086,948	2,092,207

*Other grants and contracts of £5,000 or more were received from Comic Relief, BBC Children in Need, Chailey Heritage School, Big Lottery Fund, Evesleigh and the South East Development Centre . Other grants and contracts of less than £5,000 were received from 13 sources.

3 Charitable activities

	General fund £	Restricted fund £	Total 2007 £	Total 2006 £
Recruitment	7,627	33,184	40,811	28,070
Staff salaries	189,099	2,161,334	2,350,433	1,524,173
Agency fees	-	31,707	31,707	17,137
Staff training and travel	6,661	149,424	156,085	113,661
Volunteers' training and travel	-	5,103	5,103	8,240
Telephones, postage & photocopying	8,094	76,308	84,402	61,898
Stationery and publicity materials	5,820	59,984	65,804	44,282
Computer and office equipment	9,439	105,131	114,570	73,321
Meetings and special activities	5,296	24,918	30,214	28,419
Support costs (Note 4)	80,616	291,506	372,122	258,622
	312,652	2,938,599	3,251,251	2,157,823

4 Support costs

	General fund £	Restricted fund £	Total 2007 £	Total 2006 £
Rents and property maintenance	33,058	189,390	222,448	182,589
Fees	25,171	87,884	113,055	50,646
Insurances	18,123	-	18,123	11,732
Depreciation	4,264	14,232	18,496	13,655
	80,616	291,506	372,122	258,622

Notes forming part of the Financial Statements for the year end 31 March 2007

5 Governance of the charity

	General fund £	Restricted fund £	Total 2007 £	Total 2006 £
Trustees insurances	600	-	600	600
Trustees travel	819	-	819	187
Trustees meetings and AGM	589	-	589	1,589
Audit fee	4,931	-	4,931	3,000
	6,939	-	6,939	5,376

6 Net incoming (outgoing) resources for the year

This is stated after charging:

	General fund £	Restricted fund £	Total 2007 £	Total 2006 £
Staff costs (note 7)	201,262	2,173,506	2,374,768	1,548,047
Audit costs (note 5)	4,931	-	4,931	3,000
Depreciation (notes 4 and 10)	4,264	14,232	18,496	13,655

7 Staff costs

	2007 £	2006 £
Staff costs during the year were as follows:		
Salaries	2,156,270	1,395,259
Employer's national insurance contributions	193,194	131,144
Employer's pension contributions	25,304	21,644
	2,374,768	1,548,047

Staff costs per function were as follows:

	2007	2006
Generating income	24,336	23,874
Charitable activities	2,350,432	1,524,173
	2,374,768	1,548,047

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

	2007	2006
Part time	53	36
Full time	59	40
	112	76

The whole time equivalent number of employees was 89 (2006:59)

(cont...)

7 Staff costs

No employee received remuneration of more than £60,000 during the year.

Retirement benefits are accruing under money purchase schemes to 23 employees as at 31 March 2007 (2006: 19 employees).

Two trustees received reimbursement of travel expenses for attending meetings and training sessions amounting to £819 (2006: £187).

During the financial year, £600 was expended on the purchase of trustee indemnity insurance that indemnifies any trustee, committee member, volunteer or employee of the charity against claims for damages and legal expenses for which they may be personally legally liable by reason of any wrongful act such as breach of trust, breach of duty, error or omission, or defamation committed in the course of the activities of the charity.

8 Taxation

South of England 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.

9 Transfers

The general fund of South of England Advocacy Projects is used to pay centrally for support costs and central functions that are required by the advocacy services, such as office rent, property maintenance, insurances, and the central functions of management, development, human resources and finance. These costs are then apportioned between the advocacy services and transfers of funds are made from the restricted funds to the general fund to match the apportioned costs.

- Office rents and property maintenance costs are apportioned on the basis of actual office space occupied by each of the advocacy services,
- Other support costs such as insurance are apportioned on the basis of staffing levels in each of the advocacy services,
- Salaries and office running costs for central functions of management, development, human resources and finance are apportioned on the basis of staffing levels in each of the advocacy services.

Notes forming part of the Financial Statements for the year end 31 March 2007

10 Tangible fixed assets

Fixtures, fittings and equipment

	Charity Admin £	Advocacy Services £	Total £
Cost			
At 1 April 2006	10,145	113,687	123,832
Added in year	5,846	41,958	47,803
Disposal in year	-	-	-
	<hr/>		
At 31 March 2007	15,991	155,645	171,635
	<hr/>		
Depreciation			
At 1 April 2006	7,564	112,960	120,524
Charge for the year	4,264	14,232	18,496
Disposal in year	-	-	-
	<hr/>		
At 31 March 2007	11,828	127,192	139,020
	<hr/>		
Net book values			
At 31 March 2007	4,163	28,453	32,616
	<hr/>		
At 31 March 2006	2,581	727	3,308
	<hr/>		

The net book value at 31 March 2007 represents fixed assets used for:

	Computers £	Office equipment £	Total £
Charitable activities	28,310	4,306	32,616
	<hr/>		
	28,310	4,306	32,616
	<hr/>		

Notes forming part of the Financial Statements for the year end 31 March 2007

11 Debtors

	2007	2006
	£	£
Prepayments and other debtors	64,506	113
Accrued income for IMCA set up costs	107,364	-
Accrued income for ICAS set up costs	-	93,671
	<u>171,870</u>	<u>93,784</u>

12 Creditors: amounts falling due within one year

	2007	2006
	£	£
Deferred income (note 13)	-	249,686
Accruals	52,588	9,311
	<u>52,588</u>	<u>258,997</u>

13 Deferred income

	2007	2006
	£	£
Balance at 1 April 2006	249,686	-
Grants received in advance	-	249,686
Grants released	(249,686)	-
Balance at 31 March 2007	<u>-</u>	<u>249,686</u>

14 Restricted funds

	At				At
	1 April	Incoming	Resources	Transfers	31 March
	2006	resources	expended		2007
	£	£	£	£	£
General Fund	-	10,000	-	-	10,000
Xpress Advocacy Service	29,131	309,256	(242,724)	(22,243)	73,420
My Choice Advocacy service	50,512	72,227	(95,489)	(7,363)	19,887
Mental Health Advocacy service	45,401	369,343	(300,386)	(8,778)	105,580
Independent Complaints					
Advocacy Service	280,176	3,206,116	(2,296,760)	(595,944)	593,588
SEAP Portsmouth and Cornwall	-	126,724	(15,413)	-	111,311
	<u>405,220</u>	<u>4,093,666</u>	<u>(2,950,772)</u>	<u>(634,328)</u>	<u>913,786</u>

Included in the Xpress Advocacy Services is the:

Big Lottery Fund Grant – Income (£30,914) Expenditure (£22,514)

Notes forming part of the Financial Statements for the year end 31 March 2007

15 Designated Funds

Designated funds comprise the following:	2007	2006
	£	£
ICAS Conference/training accreditation	45,000	-
Additional management posts	99,000	-
Consolidation and office move	70,000	-
Creation of a trading company	45,000	-
Implementation of a fundraising strategy	21,176	-
	<u>280,176</u>	<u>-</u>

16 Analysis of net assets between funds

	General fund £	Designated fund £	Restricted fund £	Total 2007 £
Fund balances at 31 March 2007 are represented by:				
Tangible fixed assets	4,163	-	28,453	32,616
Current assets	204,908	280,176	923,801	1,408,885
Creditors: amounts falling due within one year	(4,120)	-	(48,468)	(52,588)
Total net assets	<u>204,951</u>	<u>280,176</u>	<u>903,786</u>	<u>1,388,913</u>

17 Leasing commitments

Future commitments under operating leases payable in the next 12 months are as follows:

	Buildings £	Other £
On leases expiring		
- within one year	46,899	1,827
- between 1 and 2 years		
- between 2 and 5 years	15,000	-
- over 5 years	72,369	-
	<u>134,268</u>	<u>1,827</u>

18 Contingent liabilities

In the event of the charity not having service contracts renewed, or not receiving the full grant funding that was agreed in original budgets, 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.

The charity is planning to relocate from several smaller offices in Hastings to one larger building that will house the central administration and many of the staff from the advocacy services, and there will also be room for future expansion of the charity. The contingent liabilities associated with the relocation, such as the quantifying of the removal costs, installation of new equipment and the uncertainty of future levels of expansion requiring unused office space to be let to suitable tenants, are being considered by the trustees. In recognition of these risks, the trustees have included strategic development costs in the current budgets for the charity