

FAD20-12-3



Alcohol Advisory Council of New Zealand

Annual Report
for the Year Ended 30 June 1993

ALAC • Helping people make healthy choices about alcohol

Released under the Official Information Act 1982



Report of the
Alcohol Advisory Council of New Zealand
for the year ended
30 June 1993

Presented to the House of Representatives
Pursuant to Section 38 (1) and (2)
of the Alcoholic Liquor Advisory Council Act 1976

Released under the Official Information Act 1982

CHAIRMAN'S MESSAGE

My second year as Chairman of the Alcohol Advisory Council has been a rewarding and a satisfying one.

The Council has cemented in the changes resulting from the Government review of ALAC, particularly in the recognition of the fact that our goal is to target alcohol abuse not alcohol *per se*. We believe that such an approach has the acceptance of the vast majority of the community.

ALAC continued to be the Government's leading authority on alcohol-related matters, and provided expert and extensive advice on matters relating to alcohol usage.

The Council has also made considerable progress in its attempts to promote moderation in the use of alcohol. Public information campaigns – particularly the Host Responsibility television commercials – have been a resounding success according to our research.

ALAC's role of helping to prevent abuse of alcohol has also been furthered, particularly through such activities as research programmes, seeding funding for new treatment proposals, and grants in aid of treatment centres.

Earlier in the year I travelled to Scotland under ALAC's auspices to attend the 36th International Congress on Alcohol and Drug Addictions. As the Council's Chairman, I chaired the first plenary session of the Glasgow conference and was privileged to meet the Congress's patron, Her Royal Highness, the Princess of Wales.

Conferences involving specialists in alcohol and drug policy are essential if we are to curb alcohol misuse. Only through the ongoing exchange of information can we improve the quality of our assistance to those who need our help. There are still many who do and hence much work to be done.

In the last year more than 12,000 New Zealanders were treated for alcohol-related illness. That is 12,000 too many.

The Council has always acknowledged that change can only occur through cooperation.

To this end, ALAC has worked side-by-side with the health sector, the drinks industry and other organisations with alcohol-related interests.

We have never believed in cutting communications with alcohol suppliers. To the contrary, we believe that our links with all sectors better enable us to take all perspectives into account when making decisions.

I also salute our Chief Executive Officer, Keith Evans and all our staff whose commitment and energy continue to serve ALAC well.



ALAC Council 1993: From left to right (standing): Dr. David Tipene-Leach, Owen Coup, Dr. Bill Black; (sitting): Kathy Goodwin, John Collinge (Chairman), Jim Borrows.

I believe that ALAC is on track and that it has made headway in the past year in promoting awareness of alcohol-related issues.

John Collinge
Chairman

CHIEF EXECUTIVE'S MESSAGE

If I were to summarise in one word the Alcohol Advisory Council's activities over the past 12 months, that word would be 'communications'.

Communications between all parties – staff, the public health sector, industry and the general public – have been more intensive than ever.

And intentionally so. ALAC believes that the alcohol debate will only be won by educating everyone – the health professionals and the general public. It believes this can only occur if regular and appropriate information is provided.

In the past year, the Council has spent considerable time communicating the changes associated with the establishment of a new national health structure. It has also communicated to the health authorities how it sees itself operating within the new structures.

ALAC will have less responsibility for maintenance treatment funding and will focus instead on seed funding innovative and experimental programmes. Early and brief interventions, targeting those at risk from alcohol abuse before the problems progress, will be one of these specialty areas.

Communications with Maoridom have remained a high priority – via the highly successful Kua Makona programme. That initiative has been adapted for use in a number of countries, and this year was highlighted in a keynote address at the world's first Indigenous Peoples Conference on Addiction in Canada.

In 1993 ALAC and the Aotearoa Women's Consultancy Group released two research documents called *Women and Drugs*. Given that it was women's suffrage year this resource material was timely. It was also very necessary.

We cannot expect women to be slotted into the same treatment programmes as men.

Our rule of thumb in the past year has been to provide information to those who can use it (the primary health workers) for those who need it (consumers).

We have devoted considerable time and energy into training primary care workers and health professionals through a myriad of conferences, seminars and workshops.

General practitioners, nurses, probation officers, social workers, medical schools and hospitals have received resources including the six booklet "six pack" called *Your Drinking and Your Health*.

But it is the Host Responsibility campaign which has probably been ALAC's communications triumph.

This year we launched a new television campaign which focused on the host's role in the home. New Zealand entertainer Rima Te Wiata helped us to take the moderation message, literally, into the nation's living rooms. Research showed that 84 per cent of New Zealanders were aware of the campaign – the highest we have ever achieved for a television campaign.

That campaign also enhanced our communications to the world. In March I travelled to Oslo at the Norwegian Government's request to conduct workshops on the Host Responsibility campaign. As a result, the Norwegians are developing initiatives based on the Host model.

In the same month I told a world summit on alcohol in England that if alcohol abuse is to be reduced, the health community and alcohol industry have to work together.

Host Responsibility has helped us to work more closely with all sectors, bringing together nine different organisations from industry, health and safety organisations. I pay tribute to them for casting aside differences and working together toward a common goal.

I believe that only through cooperation will we rein in the level of alcohol abuse and misuse in this country.

And only through communications can we hope to get anywhere in the alcohol debate.

Keith Evans
Chief Executive Officer

OVERVIEW

ESTABLISHMENT AND OBJECTIVE

The Alcohol Advisory Council of New Zealand was established in 1976 as the result of the report of the Royal Commission of Inquiry into the Sale of Liquor in New Zealand in 1974.

The Royal Commission recommended establishing a permanent council whose aim was to encourage responsible alcohol use and minimise misuse. The Council's primary objective remains:

'The promotion of moderation in the use of alcohol and the development and promotion of strategies which will reduce alcohol-related problems for the nation.'

The Council is not anti-alcohol but anti its misuse. It is charged with developing pro-active ways of putting its mission statement – "Helping people make healthy choices about alcohol" – into practice.

It does this by focusing on data collection and distribution, health

promotion, research, education, public policy and funding.

The Council is funded from a levy on all alcohol produced for consumption in New Zealand. In the past year this generated \$5.93 million which was used to achieve the following objectives:

- enabling consumers to discriminate between the beneficial and harmful effects of alcohol;
- lowering the level of alcohol-related problems;
- reducing the risk of alcohol misuse by raising the level of quality advice and assistance;
- providing access to treatment services.

ALAC comprises six members, five of whom are appointed by the Governor General, and one represents the Director-General of Health. Council reports to the Minister of Health. It employs fifteen full-time staff.

MAORI

The Council's Maori programme, Kua Makona or 'a little is enough', continues to be one of ALAC's success stories.

The Kua Makona programme designed by Maori for Maori encourages people to take responsibility for identifying and reducing their own problems. It has expanded in a variety of directions.

These include Kua Makona Drinking/Driving – which focuses on drink/driving from a Maori perspective; and Kua Makona – Educating Maori Communities, which focuses on the supply of quality information and advice to Maori communities throughout Aotearoa.

Kua Makona has also continued to build on its international reputation. Already adapted for use in Oceania, North America and a number of European countries, in July Kua Makona was highlighted in a keynote address at the first World Indigenous Peoples' Conference on Addiction, held in Alberta, Canada.

During the year ALAC launched, in consultation with the Aotearoa Women's Consultancy Group, a key issues booklet and background paper called Women and Drugs. Examining alcohol and drug issues from a female perspective and including research into alcohol's effect on Maori women,

the book highlighted the need for resources to be targeted toward smoking and alcohol use by Maori women aged between 14 and 30.

ALAC has facilitated regular meetings of Maori programme managers, creating a supportive environment for community and Marae based services in Iwi all around the country.

By providing advice, support, training and funding, ALAC has enabled a significant number of Maori to attend various addiction training units run by the Central Institute of Technology (CIT). It has also funded a Maori addictions tutor at the Institute.

TRAINING

The Council has funded the training of alcohol and drug counsellors for the past 15 years. In the past year, emphasis has been placed on running training modules for primary care workers and public health professionals in as many places as possible. Four major conferences, three seminars and 28 workshops were convened in 21 cities and towns on alcohol use for professionals in the public health and allied fields.

ALAC has funded and advised the Colleges of Education on a new pilot programme in various Wellington schools aimed at assisting young people with alcohol-related problems.

The programme addresses the ambivalence young people have towards alcohol.

At the same time the Colleges continue to promote and implement the ALAC High School Alcohol and Drug Programme throughout New Zealand secondary schools.

ALAC is also funding an Auckland Medical School study into the effectiveness of computer-based screening of alcohol-related risk. This forms part of the Council's



The self-help series of six booklets *Your Drinking and Your Health* has been targeted at general practitioners to use with their clients for early intervention.

commitment to identifying alcohol-related problems at the earliest possible stage.

TARGETING THE HEALTH PROFESSIONAL

It is crucial that health professionals are trained in identifying and preventing drinking problems for the good of public health. For this reason, two years ago ALAC began lobbying for a co-ordinated teaching programme to be introduced at Auckland Medical School. This programme was introduced in the past year.

A series of six booklets – *Your Drinking and Your Health* – addressing the management of an individual's drinking have been published. Intended for use through general practice, hospital and community care centres, over 3,000 sets will be delivered in the initial free distribution.

TREATMENT

ALAC has spent almost \$1 million in supporting treatment services over the past year.

Staff have been extensively involved in training general practitioners, probation and prison officers, nurses and counsellors in early and brief interventions.

The aim is to enable them to identify, assess and intervene with those most at risk from alcohol problems at an early stage.

During the past twelve months the Council established a treatment database, detailing who is providing what treatment and to whom. From this has grown a Directory of Treatment Services.

The Council entered its second year of funding the Board of Registration and Accreditation of Alcohol Treatment Agencies. This allows publicly funded agencies to register their programmes and proceed to nationally recognised accreditation. Most treatment centres are now registered and an accreditation system is being trialled.

ALAC also funded the production and distribution of a series of posters for use by treatment agencies, pertaining to messages conveyed in ALAC's *Your Drinking and Your Health* booklets. These are available in English, Maori and Samoan.

Haere Mai...

Ahakoe ko wai koe
kei te huaki te tatau
o tenei kainga

...koutou katoa,
haere mai

Kua tae tenei ki te wa e hoki ai nga
mahara ki nga ahutanga e pa ana ki a
koe i roto i au mahi kai walpro,
kai taru kino ranei.

Ko te wa tenei hei ata whakaaro mau
ko tenei te huarahi mou.



A series of eleven posters in three languages provides an encouraging and supportive message for new clients at treatment centres.

NATIONAL PROMOTIONS – HOST RESPONSIBILITY

ALAC's national health promotions have continued around two key themes – Say When, promoting moderation in the use of alcohol, and Host Responsibility, concentrating on the serving of alcohol in moderation.

In addition a new publication, *Soltalk*, has been launched, providing a forum for the exchange of ideas, the discussion of issues, and dissemination of information pertaining to the Sale of Liquor Act and its application.

The campaign targets three major groups of people – hosts in licensed premises, the workplace, and the home. The domestic setting has been a major focus as research shows over 60% of alcohol is consumed there.

The 'Host' campaign continues to draw on a wealth of promotional material to spread its message – "the sensible provision of alcohol in places where it is served".

These materials include posters, brochures, badges, transfers, information kits and magazines like *Serve 'em Right*, a three-monthly newsletter aimed at communicating with hosts in licensed premises, and television commercials where emphasis has been placed on the private host.

The 'Host' campaign's television and radio component attracted the

most attention. Well-known entertainer Rima Te Wiata, who fronted the advertisement, proved immensely popular and subsequent research revealed that 84 per cent of New Zealanders were aware of the campaign.

Humour was also effective in the Council's Host Responsibility poster publicity – particularly promotions aimed at the under-age drinker. Posters with comical but pertinent catch phrases like, The Beer Should Be Drunk – Not You, proved especially popular.

Hosts in the work environment were also targeted over the past year. A resource kit which ALAC developed and piloted showed that New Zealand workplaces wanted an informative but straightforward guide. This will be further developed over the next twelve months.

The Host Responsibility campaign has also been well received internationally, the Host prototype being adopted by the Norwegian government.

Serve 'em Right and *Softalk* keep the host responsibility workers up with the play throughout the country.

BRAND ADVERTISING

ALAC has closely monitored developments in brand advertising on radio and television, following the Broadcasting Standards Authority's (BSA) decision to trial-run brand advertising in the electronic media.

In September 1992, ALAC made a submission to BSA's six-month review of brand advertising. The Council recommended that moderation advertisements should include a "no-alcohol" option, acknowledging that people had a right to a non-alcoholic lifestyle or occasions when alcohol would not be consumed.

ALAC was pleased that this recommendation was incorporated into the BSA's report, and as a result the Council is currently developing this option for radio and television.

ALAC also commissioned seven research projects to monitor the effects of the two-year alcohol brand advertising trial. These projects, which also include the effects of moderation advertising, are underway and will be completed in time for the two-year review in 1994. ALAC will convene a Consensus Development Conference at which the results will be presented in a public forum.



Heavenly host Rima Te Wiata offers alternative transport in ALAC's host responsibility TV advertisement.

THE BROADCASTING (LIQUOR ADVERTISING) BILL

In October 1992, Western Hutt MP Joy McLauchlan introduced a Private Member's Bill intended to make health warning labels on alcohol advertisements mandatory.

ALAC made a comprehensive submission to the Social Services Select Committee which considered the Bill, and advised that health messages in themselves were unlikely to be effective unless they formed part of a comprehensive alcohol strategy. ALAC based its view on extensive analysis of available research evidence.



Official Information Act 1982

The Council proposed that Government should give radio and television time for health advertisements equivalent to that of alcohol advertisements, and consider developing a national alcohol policy.

BROADCASTING AMENDMENT BILL (No 2)

In April 1993 the Commerce and Marketing Select Committee considered the Broadcasting Amendment Bill (No.2), which transferred responsibilities for advertising from the Broadcasting Standards Authority to the Advertising Standards Authority.

ALAC's written submission recommended that the two-year review of alcohol brand advertising on radio and television should comply with the Broadcasting Standards Authority's original decision.

The Council also recommended that this review should involve public health representatives with expertise in the alcohol field. The ASA has indicated to ALAC that its recommendations have been adopted.

HEALTH REFORMS

The Council spent considerable time during the year forging links and building constructive working relationships with the establishment

boards of the new Regional Health Authorities which were to start operating from July 1 1993.

In February 1993, ALAC produced a paper detailing how the Council saw its role under the new structure. This described ALAC's history and its role as the primary government advisor on alcohol-related matters.

ALAC has commented extensively on alcohol-related draft reports and other material from the Public Health Commission.

EDUCATION

The provision of educational resources in schools continues to be one of the Council's major priorities.

During the year, the Council partly funded an evaluation of the drink/driving drama production *Too Much Punch For Judy*, which began its second year of touring New Zealand secondary schools.

This has led to the development of strategies aimed at promoting a "safety culture" amongst young people who are at high risk of alcohol-related road crashes.

ALAC also continues to fund the Alcohol and Drug Programme for Secondary Schools. Administered by the Combined Colleges of Education, the programme is 'needs-based', relying on students to identify the

information they require. Early in 1993, Health Research & Analytical Services (at the Department of Health) was selected by ALAC and the Ministry of Education to evaluate the programme, and the results are expected toward the end of 1993. The results of this evaluation will enable funders to determine what changes may be needed within the programme.

ALAC also funded a literature review of evaluation in drug and alcohol programmes for adolescents.

HEALTH PROMOTION

Health promotion and education initiatives have been a primary focus of ALAC over the past year. The road safety issue has been high on ALAC's agenda with a Council-convened task force formed in early 1993 to analyse the role of alcohol in road crashes.

This group comprises members from the Automobile Association, Department of Justice, Mothers Against Drunk Driving, Public Health Commission, Land Transport Safety Authority, Te Puni Kokiri, Accident Compensation Commission, Police and the Wine Institute of New Zealand. The task force is developing a report for presentation to Government early in 1994.

During the year Council supported and funded community health

promotion work in 13 community councils and provided four new alcohol moderation workers in Northland, Hawkes Bay, the Hutt Valley and Marlborough.

REGIONAL ACTIVITIES

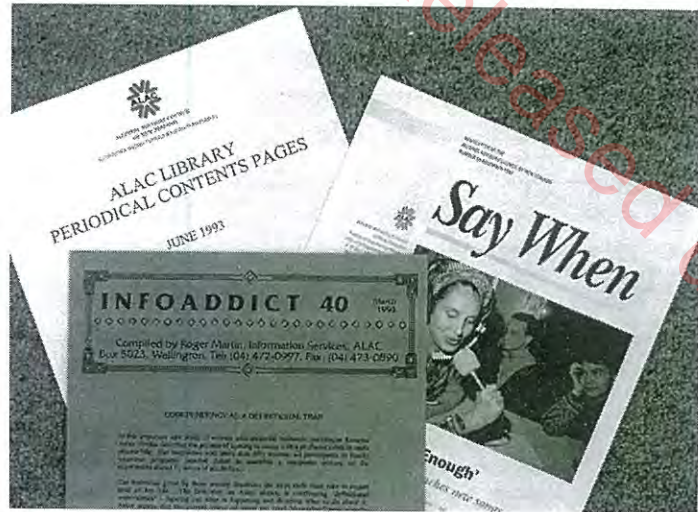
The Council's three regional managers continue to provide a vital link between local and national activities.

Over the year, regional initiatives have focused on providing information, through regular meetings and workshops, to those working in the alcohol field.

This has included a regionally targeted introductory health promotion course, a two-day meeting in Auckland examining the implications of the new health reforms, quality assurance workshops for alcohol/drug treatment services managers in Christchurch and Dunedin, and a workshop for administration staff working in the Waikato and Bay of Plenty regions.

Training workshops were held in Greymouth for 36 West Coast volunteers working in the alcohol/drug field, and at the Youth at Risk Conference in Auckland which explored alcohol policy development.

Reviews were conducted on the Colyers Island programme for adolescents misusing alcohol and other drugs, and Te Rito Arahi, a Maori alcohol/drug outpatient treatment service in Christchurch.



Regular newsletters provide a vital networking tool for good practice in both treatment and health promotion.

more than 2000 books and journals at its Wellington National Office.

Over 4000 items are indexed on a database

which allows staff and other library users rapid retrieval of information.

The Council receives approximately 500 requests for information each month at its national and regional offices. While the major users of ALAC's resources continue to be treatment and health promotion workers, heavy use is also experienced from secondary and tertiary students.

The Council promotes its information resources via catalogues and newsletters, specifically *Say When* (a newsletter highlighting national developments), *Infoaddict* (a broadsheet summarising items of interest for professional workers), and a periodical contents pages service.

ALAC's successful representations to the Canterbury Area Health Board enabled the Christchurch support house Elm Lodge to remain open.

ALAC's regional offices continued to advise outside agencies on funding issues – notably the Lottery Welfare Alcohol and Drug Fund and the Interdepartmental Coordinating Committee on Substance Abuse Funding.

INFORMATION SERVICES

The Council's status as New Zealand's principal advisor on alcohol-related matters means that a comprehensive information base is essential.

ALAC has the country's only specialised alcohol library, housing

THE FUTURE

In 1978, two years after ALAC was established, New Zealanders consumed 12.1 litres of alcohol per adult. It is heartening that this has fallen to 9.6 litres today – representing a 21% decline.

Liver and cirrhosis-related death and illness has also fallen over the past decade – from 648 cases in 1980 to 486 in 1990.

Certainly these figures spell out good news where the heavy drinker is concerned, and ALAC believes it has played a major part in contributing to that.

The challenge now facing the Council is to concentrate its efforts on areas of more complex behaviour where progress is more difficult.

One of these is drink/driving. Alcohol-related road crashes are a major area of concern for ALAC. In 1992, alcohol was a contributing factor in 29% of 11,093 injury

accidents and in 41% of 542 fatal accidents.

ALAC is committed to playing a major future role in reducing this problem. But it is well aware that it cannot do this alone. It is actively cooperating with the Police, the Land Transport Safety Authority and the Public Health Commission in stemming this avoidable plague of injury and death.

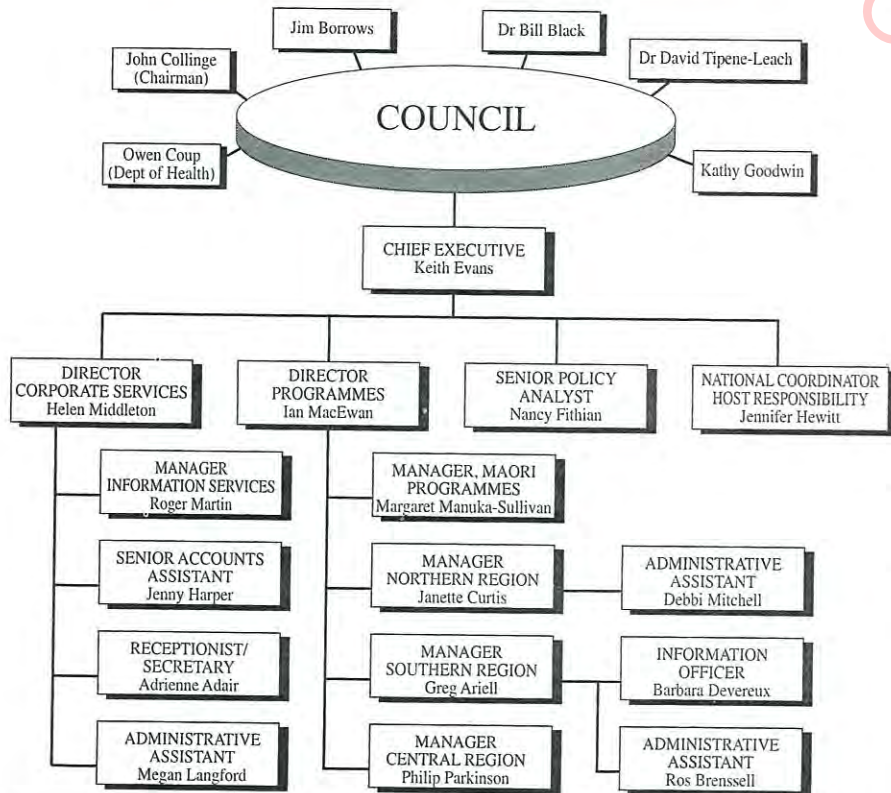
The role of drunkenness in crime and violence is another area into which ALAC is channelling its resources. Most current evidence concludes that the root causes of crime and violence can be traced back to serious developmental problems amongst the young – often showing up in poor school performance and early drug taking. The Council therefore believes that its task is to catch the problem before it manifests itself.

The coming year will see two major conferences focusing on how these and other alcohol-related problems can be curbed. Local and international workers in the alcohol field will be brought together to discuss, debate and educate.

ALAC is committed to being at the cutting edge of research and practice in promoting moderation

and reducing alcohol-related problems. It will continue to build on its established expertise in the alcohol area to provide the community and the country with a policy framework which will maximise the personal and social benefits of alcohol, while minimising the personal and social costs of excessive consumption.

ORGANISATION CHART JUNE 1993



Audit New Zealand

REPORT OF THE AUDIT OFFICE TO THE READERS OF THE STATEMENTS OF ACCOUNT OF THE ALCOHOL ADVISORY COUNCIL OF NEW ZEALAND FOR THE YEAR ENDED 30 JUNE 1993

Authority and Scope of Audit

The statements of account appearing on pages 19 to 33 were prepared pursuant to Section 41 of the Public Finance Act 1989 and are the responsibility of the Alcohol Advisory Council of New Zealand. Section 43 of the Public Finance Act requires the Audit Office to express an audit opinion on these statements.

We conducted our audit in accordance with generally accepted auditing standards, with the objective of obtaining reasonable assurance that the statements of account are free from significant errors or omissions. In our audit we reviewed the evidence to support the amount and disclosures in all statements. We also assessed the accounting practices used.

Unqualified Opinion on Statements of Account

In our opinion, the statements of account of Alcohol Advisory Council of New Zealand fairly reflect:

- The achievement in respect of the performance targets and other measures adopted for the year ended 30 June 1993.
- The financial results and cash flows for the year ended 30 June 1993.
- The financial position as at 30 June 1993.

Karen Wallace

Audit New Zealand

On behalf of the Controller and Auditor-General

27 August 1993

Wellington

New Zealand

**ALCOHOL ADVISORY COUNCIL OF NEW ZEALAND
MANAGEMENT STATEMENT
FOR THE YEAR ENDED 30 JUNE 1993**

The management of the Alcohol Advisory Council of New Zealand is responsible for the preparation of these financial statements and the judgements used herein. The management of the Alcohol Advisory Council of New Zealand is responsible for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting. In the opinion of the management, these financial statements fairly reflect the financial position and operations of the Alcohol Advisory Council of New Zealand for the year ended 30 June 1993.

John Collinge
CHAIRMAN

Keith Evans
CHIEF EXECUTIVE OFFICER

**ALCOHOL ADVISORY COUNCIL OF NEW ZEALAND
OPERATING STATEMENT FOR THE YEAR ENDED 30 JUNE 1993**

	NOTES	1993 \$	1992 \$
INCOME			
Levies	2	5,732,257	6,204,923
Interest from Investments		57,299	82,770
Sale of Publications		14,062	24,559
Other		8,006	1,344
E.A.P. Income	3		64,604
		<u>5,811,624</u>	<u>6,378,200</u>
EXPENDITURE			
Output class:			
1 Policy Advice and Research		1,511,630	1,283,960
2 Health Promotion		2,076,721	2,999,262
3 Treatment		2,090,023	3,083,575
Surplus	4	133,250	(988,597)
Accumulated funds 1 July 1992		2,088,742	3,077,339
		<u>2,221,992</u>	<u>2,088,742</u>

The accompanying Accounting Policies and Notes form part of these Financial Statements.

ALCOHOL ADVISORY COUNCIL OF NEW ZEALAND
BALANCE SHEET AS AT 30 JUNE 1993

	NOTES	1993 \$	1992 \$
Fixed Assets	5	507,663	556,516
Current Assets			
Cash in Hand		200	200
Bank		8,489	16,462
Term Deposits	6	1,331,000	711,000
Prepayments		8,321	7,748
Sundry Debtors		961,662	1,145,642
		<u>2,309,672</u>	<u>1,881,052</u>
Current Liabilities			
Sundry Creditors		205,298	264,114
Grants Approved & Payable		297,339	
Income Paid in Advance		20,000	271
GST Payable		72,706	84,441
		<u>(595,343)</u>	<u>(348,826)</u>
Net Assets		2,221,992	2,088,742
Represented By:			
Accumulated Funds		<u>2,221,992</u>	<u>2,088,742</u>

Approved By: *John Collinge*
Chairman

Keith Evans
Chief Executive Officer

Date: 26 August 1993

The accompanying Accounting Policies and Notes form part of these Financial Statements.

ALCOHOL ADVISORY COUNCIL OF NEW ZEALAND
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 1993

	NOTES	1993 \$	1992 \$
Cash Flows From Operating Activities			
Cash was provided from:			
Receipts from Levies and Other Revenue		5,951,005	7,638,583
Interest		57,299	82,770
Cash was disbursed to:			
Payments to Suppliers and Employees		5,287,080	7,548,781
Net Cash Flow from GST		11,737	(28,063)
Net Cash Flows from Operating Activities	10	<u>709,487</u>	<u>144,509</u>
Cash Flows From Investing Activities			
Cash was provided from:			
Sale of Fixed Assets		11,255	61,168
Proceeds from Mortgage Repayment			134,000
Cash was applied to:			
Increase in Term Deposits		620,000	211,000
Purchase of Fixed Assets		108,719	124,372
Net Cash Flows from Investing Activities		<u>(717,464)</u>	<u>(140,204)</u>
Net Increase/Decrease in cash		(7,973)	4,305
Add Term Deposits		1,331,000	711,000
Add Opening Cash Brought Forward		16,662	12,357
Ending Cash Carried Forward		<u>1,339,689</u>	<u>727,662</u>
Actual Cash Balance		<u>1,339,689</u>	<u>727,662</u>

The accompanying Accounting Policies and Notes form part of these Financial Statements.

ALCOHOL ADVISORY COUNCIL OF NEW ZEALAND
STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 1993

A. Entity Statement

The Alcohol Advisory Council of New Zealand (ALAC) was established by the Alcoholic Liquor Advisory Council Act 1976 and reports to the Minister of Health. As from 1 July 1992 ALAC was deemed to be a Crown Entity under the Public Finance Act 1989.

ALAC is funded from a levy on alcohol produced for sale within New Zealand. The primary objective of ALAC is the promotion of moderation in the use of alcohol and the development and promotion of strategies which will reduce alcohol-related problems for the nation.

To achieve this objective, ALAC provides funding and advice in the three areas of health promotion, treatment and research.

B. General Accounting Policies

These financial statements are prepared pursuant to Section 38 of the Alcoholic Liquor Advisory Council Act 1976. The general accounting principles recognised as appropriate for the measurement and reporting of income and expenditure and financial position on an historical basis are followed. Accrual accounting is used to match expenses with revenues.

These financial statements have been prepared on the assumption that levy income will be received in future years as per the existing legislation. Reliance is also placed on the fact that ALAC is a going concern.

C. Specific Accounting Policies

i. Revenue Recognition

Levy income from locally produced beer, spirits, grape wine, fruit wine and imported liquor are recognised as income in the accounting period for which they are levied.

When funds which were committed in previous years are no longer required for the purpose for which they were committed, they are 'retired' and treated as income in the present financial year.

ii. GST

All transactions are shown net of Goods and Services Tax.

iii. Depreciation and Fixed Assets

Depreciation is charged on a straight line basis over the anticipated useful life of the assets. Land and works of art owned by the Council are recorded at historical cost and are not depreciated. The useful lives of the assets have been assessed as:

Fixtures and furniture	10 years
General office equipment	5 years
Computer hardware	3 years
Motor vehicles	5 years
Library books	10 years
Films and videos	5 years

iv. Sundry Debtors

Sundry debtors are valued at their estimated realisable value.

v. Investments

All investments are recorded at cost.

vi. Grants

Grants approved and payable are classified as a current liability where funds are committed from revenue of the current financial period.

Specific allocations against future years' revenue are recorded in the Statement of Commitments.

Grants are sometimes paid by instalments to meet the cashflow requirements of the programme as determined by the funding agreement.

D. Changes in Accounting Policies

There have been no significant changes in accounting policies. All policies have been applied on bases consistent with those used in previous years.

ALCOHOL ADVISORY COUNCIL OF NEW ZEALAND
NOTES TO ACCOUNTS FOR THE YEAR ENDED 30 JUNE 1993

1. Change of Balance Sheet Date

As from 1 July 1992 ALAC reports under the Public Finance Act 1989 as a Crown Entity. This required a change of balance sheet date from 31 March to 30 June.

These Financial Statements for 1993 have been prepared for a twelve month period. The comparative figures for 1992 covered a fifteen month period to effect the realignment of the new balance date.

2. Income From Levies

	1993	1992
	\$	\$
Locally produced beer, spirits and imported liquor	4,343,611	4,591,742
Locally produced grape wine	1,359,926	1,592,223
Locally produced fruit wine	23,722	12,114
Other	4,997	8,844
TOTAL	5,732,257	6,204,923

3. Employee Assistance Programmes (EAP)

EAP Services became a separate organisation in November 1991 and are now funded by way of a programme grant under Output Class 3.

4. Operating Results

The surplus for the period is arrived at after charging:

	1993	1992
	\$	\$
Depreciation	153,581	190,875
Rent	199,917	268,481
Salary Costs	673,273	1,048,677
Audit Fees	19,000	25,000

5. Fixed Assets

	Historical Cost	Accum. Deprecn	Net Book Value 1993	Net Book Value 1992
	\$	\$	\$	\$
Land and Buildings *	27,014		27,014	27,014
Artwork	10,707		10,707	10,707
Motor Vehicles	175,131	51,192	123,939	74,672
Library Books and Films	194,389	84,291	110,098	126,944
General Office Equipment	103,837	70,803	33,034	49,383
Computer Hardware	142,123	113,041	29,082	43,995
Fixtures, Furniture, Equipment	467,665	293,876	173,789	223,801
TOTAL	1,120,866	613,203	507,663	556,516

6. Term Deposits

Term deposits relate to monies on call and term deposit with Bank of New Zealand.

7. Grants and Programme Costs

\$4,085,727 was disbursed to Council-approved organisations in respect of grants and programme costs:

	1993	1992
	\$	\$
Policy Advice and Research	879,304	680,365
Health Promotion	1,537,965	1,896,122
Treatment	1,668,458	2,202,342
TOTAL	4,085,727	4,778,829

8. Statement of Commitments**i. Grants**

Council has approved funds for disbursement to individuals and organisations after 30 June 1993. Payment of these funds is subject to:

- (a) Fulfilment of agreed performance criteria by the applicant;
- (b) Continuation of ALAC's levy funding at the anticipated level.

Note: In some cases the funds approved are estimated amounts only and less funds may be actually disbursed.

The amount approved as at 30 June was:

	1993	1992
	\$	\$
	2,025,608	2,149,284

* Land and Buildings are held pending transfer to Health South Canterbury Ltd and therefore not depreciated.

ii. Rental Expenses Committed:

	1993	1992
	\$	\$
Not later than one year	239,536	212,993
Later than one year and not later than two years	175,842	210,872
Later than two years and not later than five years	397,461	414,010
Later than five years	828,044	899,833

iii. Capital Commitments

There were no capital commitments at 30 June 1993.

9. Statement of Contingent Liabilities

There were no contingent liabilities outstanding as at 30 June 1993.

10. Reconciliation of operating surplus with cash generated from operating activities for the year ended 30 June 1993

	1993	1992
	\$	\$
Net Operating Surplus	133,250	(988,597)
Add Non-Cash Items:		
Depreciation	153,581	190,875
Loss on Sale	(7,161)	193
Add (less) movements in other Working Capital Items:		
Decrease in Accounts Receivable	183,877	1,258,406
Increase in Prepayments	(573)	(7,748)
Increase in Current Liabilities	246,517	(308,620)
Net Cash generated from Operating Activities	709,491	144,509

ALCOHOL ADVISORY COUNCIL OF NEW ZEALAND
STATEMENT OF SERVICE PERFORMANCE FOR THE YEAR ENDED
30 JUNE 1993

OUTPUT CLASS 1 – POLICY ADVICE AND RESEARCH**Description:**

This output class covers the provision of policy and advice on alcohol-related issues to Government and other relevant organisations and individuals in New Zealand. The output class also covers research programmes aimed at the production of a knowledge base for alcohol-related problems in New Zealand. It encompasses the following outputs:

1.1 Policy Advice

The development and review of policy advice on alcohol-related issues to Government and other relevant organisations and individuals in New Zealand.

1.2 APHRU Grant

The administration of joint funding with the Health Research Council of the Alcohol and Public Health Research Unit.

1.3 Project Grants

The administration of funding of existing research commitments.

1.4 Postgraduate Scholarships

The administration of scholarships which support ongoing research commitments.

1.5 New Research

The evaluation, selection and funding of scientifically sound and appropriate research projects in key areas identified by ALAC.

1.6 Overseas Travel Grants

The evaluation of applications, and the provision of funding to assist individuals to attend overseas conferences or to undertake study which will advance New Zealand's knowledge in the field of alcohol-related problems.

1.7 Information Services

The provision of up-to-date and comprehensive information services, to internal and external people and agencies, from collections of books, periodicals and videos owned and/or published by ALAC.

ALCOHOL ADVISORY COUNCIL OF NEW ZEALAND
OUTPUT CLASS 1: POLICY ADVICE AND RESEARCH

Performance Indicators

- 1 All advice to the Government will recognise its fiscal strategy and be provided within time-frames agreed by the Minister.
- 2 ALAC will monitor standards of policy advice by Council and peer review.
- 3 All grants and scholarships to support research will normally be made in accordance with Council's priorities, will be paid within agreed timeframes and in accordance with budget allocation, and progress reported to Council in accordance with agreed plans.
- 4 85% of requests for resource information available at ALAC offices will be responded to within two working days, and all others within five working days.
- 5 Funding will be provided within budget allocation.
- 6 The outputs within this class will be produced within the total cost.

Performance Achievements

- All advice given by ALAC was in a timely manner and of suitable quality.
- ALAC presented three submissions to Select Committees and policy advice to a number of other organisations, all of which were monitored by Council and by ALAC's secretariat.
- Funds were allocated in accordance with one or more of ALAC's nine central functions as set out by the Minister, payments were made according to agreed timeframes and in accordance with budget allocation. Council received progress reports in accordance with agreed plans for all new funding.
- 89% of all requests for information were responded to within the targeted timeframe.
- | | | | |
|-------------|-----------|-----------|--|
| | Budgeted | Actual | |
| | \$ | \$ | |
| | 999,800 | 879,304 | |
| | | | |
| | \$ | \$ | |
| Total Costs | 1,574,138 | 1,511,630 | |

ALCOHOL ADVISORY COUNCIL OF NEW ZEALAND
OUTPUT CLASS 2: HEALTH PROMOTION

Description:

This output class includes the funding of health promotion workers and local solutions to alcohol-related problems within the community, the promotion by mass media of the moderation message, and the development, promotion and evaluation of new initiatives in the alcohol-related field. It encompasses the following outputs:

2.1 Health Promotion Forum

Bringing together health promotion workers in the alcohol field within the period to 30 June 1993 to consider alcohol-related issues such as changes in liquor licensing legislation and community education on alcohol-related matters.

2.2 Community Councils

Funding of Community Councils to promote local solutions to alcohol-related problems within their communities.

2.3 Community Workers

The funding within the budget allocation of health promotion workers in the alcohol field employed by Area Health Boards or community organisations, especially with respect to new programmes.

2.4 Conferences, Training and Coordination

The funding of the attendance of health promotion workers in the alcohol field at conferences, seminars and workshops.

2.5 Schools Education

The funding of the Combined Colleges of Education's Schools Alcohol and Drug Programme, plus the funding of evaluation initiatives in other education programmes.

2.6 Advertising

The promotion by the mass media of the moderation message (e.g. Say When, Kua Makona, Host Responsibility), including three television commercials.

2.7 Host Responsibility

To manage and develop the concept of "Host Responsibility" and to lead a national coalition of parties interested in furthering the concept.

2.8 Maori Programmes

Promotion of moderation message to Maori communities by Kua Makona, Hui, and provision of five alcohol programme service positions.

ALCOHOL ADVISORY COUNCIL OF NEW ZEALAND
OUTPUT CLASS 2: HEALTH PROMOTION

Performance Indicators

1 Feedback will be monitored from participants on the quality and achievements of meetings/hui/forums/conferences promoted or attended by ALAC

2 All health promotion/prevention positions approved by Council to be filled by 30 June 1993, with the appropriate support and management in place.

3 Schools Alcohol and Drug Programme will be implemented in at least 75% of all secondary schools by 30 June 1993, with a decreased share of the funding from ALAC.

4 Receipt and adoption by Council by 30 June 1993 of reports on the effectiveness of ALAC's media advertising.

Performance Achievements

Feedback was sought and received from a number of participants on the quality and achievements of the meetings, hui, forums and conferences which were hosted and/or funded by ALAC. The feedback emphasised that the knowledge and skills participants gained from these events was of positive benefit to the alcohol problem field.

The 12 alcohol-related health promotion/prevention positions approved by Council were put in place with appropriate support and management, during the financial year.

The Schools Alcohol and Drug Programme was implemented in over 78% of all secondary schools by 30 June 1993. ALAC's share of the funding decreased according to the agreed basis.

An evaluation of the effectiveness of ALAC's media advertising campaign was undertaken by the Alcohol & Public Health Research Unit and the report was received by Council in May 1993.

5 Receipt and adoption by Council of reports on the effectiveness of Host Responsibility programme.

6 Ongoing programmes will be monitored on an agreed basis against objectives and target dates.

7 Funding will be provided within budget allocation.

8 All funding approved by the Council will be dispersed before 30 June 1993.

9 The outputs within this class will be produced within the total cost.

An evaluation of the Host Responsibility Programme was undertaken by the Alcohol & Public Health Research Unit and the report was received by Council in May 1993.

All new programmes have had monitoring and evaluation processes included in the contracts.

	Budgeted	Actual
	\$	\$
	1,590,000	1,537,965

All funds approved by Council were dispersed by 30 June 1993.

	Budgeted	Actual
	\$	\$
Total Costs	2,099,458	2,076,721

ALCOHOL ADVISORY COUNCIL OF NEW ZEALAND

OUTPUT CLASS 3: TREATMENT

Description:

This output class includes the provision of funding of approved treatment services. It also covers funding assistance for the training of treatment workers and the development, monitoring and evaluation of new initiatives in the field. It encompasses the following outputs:

3.1 Treatment Grants

The funding and administration of the funding of treatment services provided by approved external agencies.

3.2 Early/Brief Interventions

The funding of new initiatives in early treatment, including grants for the setting up of a pilot screening project.

3.3 New Initiatives in Treatment

The evaluation and funding of new initiatives in treatment, including grants for setting up new programmes.

3.4 Monitoring and Evaluation

The development of monitoring and evaluation instruments within two years that can be adapted for use by a variety of treatment agencies for the monitoring of their work and evaluation of their treatment outcomes by 30 June 1994.

3.5 Registration/Accreditation

The funding of the NZ Board of Registration and Accreditation of Alcohol & Drug Treatment Agencies.

3.6 Employee Assistance Programmes

The funding and monitoring of EAP Services.

3.7 Training

The funding jointly with CIT and the Ministry of Education of basic training of workers in the alcohol problem field, and organising and funding of six seminars for treatment workers.

3.8 Maori Programmes

Provision of treatment services to Maori communities, funding and sponsorship for training Maori counsellors through approved courses.

ALCOHOL ADVISORY COUNCIL OF NEW ZEALAND

OUTPUT CLASS 3: TREATMENT

Performance Indicators

- 1 Grants will be made in accordance with ALAC policy and priorities.
- 2 Feedback will be monitored from participants on the quality and achievements of training promoted or attended by ALAC.
- 3 All funding, grants and treatment programmes will be monitored on an agreed basis against objectives and target dates.
- 4 Funding will be provided within budget allocation.
- 5 The outputs within this Class will be produced within the total cost.

Performance Achievements

All grants were made in accordance with one or more of ALAC's nine central functions as set out by the Minister and according to ALAC's agreed policies and scale of approvals.

Feedback was sought and received from a number of participants on the quality and achievements of the training promoted or attended by ALAC.

All new programmes have had monitoring and evaluation processes included in the contracts.

Budgeted	Actual
\$	\$
1,744,000	1,668,458

	Budgeted	Actual
	\$	\$
Total Costs	2,234,404	2,090,023