

# Annual report

## 2004

REPORT OF THE ALCOHOL ADVISORY COUNCIL OF NEW ZEALAND  
FOR THE YEAR ENDED 30 JUNE 2004

Presented to the House of Representatives  
pursuant to Section 38 (1) and (2)  
of the Alcohol Advisory Council Act 1976



ALCOHOL ADVISORY COUNCIL OF NEW ZEALAND

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## CHAIRMAN'S INTRODUCTION

New Zealand's drinking culture has been placed firmly on the public and political agendas over the past year. This is a big advance for us and has established a very firm platform on which to build a future where a lot less harm is incurred from alcohol.

The patterns of drinking that New Zealanders accept and to which they aspire – the “culture” around drinking – are deeply ingrained in our society. This year our research confirmed the risks associated with our drinking culture, with over a million people accepting of drunkenness and participating in those patterns that cause the most harm – excessive per-occasion consumption.

While the research was not a surprise to many, it did nevertheless raise a level of indignity amongst a range of New Zealanders who perhaps wished to exempt themselves from what is now a documented culture of risky drinking. The finger was not being pointed at those who enjoy a drink, a few at a barbeque or dinner party, or after work or a sporting event.

Our biggest concern is around those who drink beyond the point of intoxication, who do not take heed of the circumstances in which they're consuming or recovering, or acknowledge, let alone recognise, the potential for a range of harms.

Change must come from all members and sectors of society. To develop an intolerance of drunkenness, an intolerance of continuing to provide alcohol to intoxicated persons, an intolerance of supplying alcohol to our young people that places them at risk of harm are just some of the attitudinal and behavioural changes New Zealanders need to make.

People talk about risky drinking as being a rite of passage for young people. But that attitude cannot persist. We see youth drinking as a beginning of life-long drinking behaviours that are being sustained and modelled by adults across the social spectrum in this country who have done exactly the same for years. This in turn entrenches the culture further and makes any form of change doubly hard as we swim against the tide.

It is pleasing that Government this year committed to an increase in the levy placed on all alcohol imported into and produced in New Zealand in order to help fund a culture change programme. The background work that led to this was robust and unequivocal and we are delighted that our many Government and non-government stakeholders are supporting this programme.

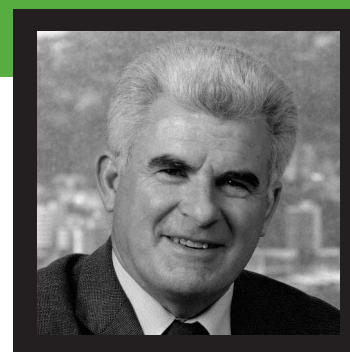
What is also pleasing is the increasing awareness of many in the liquor industry of the need for a policy

of social responsibility in the promotion and supply of alcohol products.

The levy increase will allow us to enhance our social change programme, which encompasses a broad range of interrelated and mutually reinforcing work in the areas of early intervention, community-based initiatives, better enforcement of the supply and provision regulations, particularly the Sale of Liquor Act, and a focus on at-risk groups.

The culture change programme will encourage and enable New Zealanders to shift their attitudes and behaviour. We are not so naive as to suggest a series of television advertisements will alone change the current drinking behaviour. But experience in New Zealand and internationally demonstrates that marketing strategies can add value to the range of enforcement and education strategies run nationally and in communities, by demonstrating the benefit of change, so that people can make their own informed decisions about their drinking.

This year has confirmed the determination of Government, Council and our national and community partners to reduce significantly alcohol-related harm and we are excited about the year ahead. There is the potential for a cultural change approach to be leading edge and I wish



to acknowledge, with appreciation, the commitment of the Council and Secretariat at ALAC to ensuring a solid foundation for our strategic initiatives.

We are in this for the long-term, and by working with partner organisations and the wider community, we are confident the vision can be realised of a society in which alcohol use is increasingly characterised by “more moderation, less harm”.

A handwritten signature in black ink that reads "Andrew Hornblow". The signature is written in a cursive, flowing style.

**Prof Andrew Hornblow CNZM**

ALCOHOL ADVISORY COUNCIL OF NEW ZEALAND

# THE ALCOHOL ADVISORY COUNCIL OF NEW ZEALAND

The Alcohol Advisory Council of New Zealand (ALAC) is a Crown owned entity. It was established in 1976 under legislation by its original name – the Alcohol Liquor Advisory Council, following a report by the Royal Commission of Inquiry into the Sale of Liquor. The Commission recommended establishing a permanent council whose aim was to encourage responsible alcohol use and minimise misuse.

The name was formally changed when the Alcohol Advisory Council of New Zealand Amendment Act came into force in August 2000.

## AIMS AND OBJECTIVES

The Alcohol Advisory Council Amendment Act 2000 states that ALAC's primary objective is:

"The encouragement and promotion of moderation in the use of liquor, the discouragement and reduction of the misuse of liquor, and the minimisation of the personal, social, and economic harm resulting from the misuse of liquor".

*ALAC's mission is "more moderation less harm".*

*ALAC is aiming for New Zealanders to experience less harm from alcohol use, whether it's from their own consumption or their families or other people's and is doing this by encouraging drinking practices that reduce the likelihood of harm.*

*ALAC is aiming to see a nation where people who drink do so within safe limits; where bingeing and drunken behaviour are seen as unacceptable; and where people with alcohol problems have access to the appropriate support and treatment for themselves, their families and communities.*

## GOALS

That New Zealanders experience less harm from alcohol consumption, their own and others.

- :: Māori providers and Māori communities work together to reduce alcohol-related harm for Māori whānau
- :: Pacific providers and communities work together so that alcohol-related harm for Pacific families is reduced
- :: Parents, families, policy makers and communities work together with young people to reduce alcohol-related harm for young people
- :: People's drinking behaviours change so that incidents of alcohol-related harm are reduced
- :: People with hazardous drinking patterns change them so that alcohol-related harm to themselves, their families and their communities is reduced
- :: Policy makers, communities, service providers and New Zealanders are advised on ways to reduce alcohol-related harm.

## FUNCTIONS

ALAC's work comprises supporting community action, gathering and sending out information, and commissioning research to identify effective interventions, tracking drinking behaviours and evaluating programmes. It develops and manages social marketing initiatives and advocates for appropriate treatment services and importantly, makes recommendations and advises Government on policies to reduce harm.

ALAC works closely with organisations from the public health sector to non-government organisations, to government departments, Pacific health providers, Māori providers, the liquor industry and liquor licensing people. Strong relationships, partnerships and good communication are therefore very important.

ALAC operates from the basis of available evidence and best practice, with a focus on innovation and community involvement in order to reduce harm and promote moderation.

## STRUCTURE

### **Council, Kaumātua Advisory Group, Finance, Audit and Risk Committee, Executive Team**

#### **Council**

Professor Andrew Hornblow CNZM *Chairman*

Ms Monica Stockdale *Deputy Chairperson*

Fuimaono Karl Pulotu-Endemann MNZM

Dr Ian Scott

Dr Robert Brown

Ms Delaraine Armstrong (resigned June 2004)

Dr Gillian Tasker

Ms Felicity Rennie (appointed November 2003)

#### **Kaumātua Advisory Group**

Mr Pihopa Kingi MNZM

Mrs Nellie Rata

Ms Te Whe Phillips

#### **Finance, Audit and Risk Committee**

Dr Ian Scott *Chairman*

Professor Andrew Hornblow CNZM

Dr Gillian Tasker

Neil Stiles *Financial Adviser*

#### **Executive Team**

Dr Michael MacAvoy *Chief Executive Officer*

Paula Snowden *Deputy Chief Executive Officer*

Chris Allen *Corporate Services Manager*

## OFFICES

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## HIGHLIGHTS

### STRATEGIC DIRECTION

This year saw a realignment of ALAC activities to demonstrate, in a more balanced way, the contribution of its work to the overall goal of reducing alcohol-related harm for New Zealanders. Our work programme was consequently spread across Supply Control, Demand Reduction and Problem Limitation strategies that are identified as the three required strands for change.

This enabled gaps in the programme to be identified, broke down some artificial barriers between existing programmes and allowed for imbalances to be corrected in our forward planning.

The Supply Control strategies focus on achieving enforcement of and compliance with the Sale of Liquor Act. While enforcement alone cannot change New Zealanders' risky drinking behaviours, it can reduce harm through prosecutions in respect of sale and supply to minors and serving intoxicated people, which limits opportunities for abuse.

Conversely, Demand Reduction strategies focus on achieving culture change outcomes through enabling communities and individuals to make choices about their consumption. This strand employs a range of marketing tools to persuade and demonstrate the benefits of changing one's drinking behaviour to a non-bingeing pattern. Marketing by itself will not create the changed behaviour, but can add value to the range of other strategies by creating an environment in which leverage can be gained for supporting strategies.

There will always be a group of dependent and hazardous drinkers who need support and assistance to reduce or stop their drinking. The Problem Limitation strategies focus on providing programmes targeting these groups and individuals. These strategies also play a key role in driving social change in the New Zealand drinking culture by addressing the potential for chronic harm. As people's attention is drawn to the harms accruing from the sustained misuse of alcohol, they will seek assistance. Programmes and providers must be able to respond to that need in a timely way for permanent change to be achieved. As individuals change for the better, they influence their communities' attitudes and behaviours.

Across these strategies ALAC has a special focus on reducing alcohol-related harm among Māori and Pacific peoples and young people.

Each of these strategic areas has projects that contribute to a range of outcomes that in turn contribute to the overall outcome of a reduction in alcohol-related harm.

Across all three strategies ALAC works with a wide range of other organisations all focused on the goal of reducing alcohol-related harm for New Zealanders.

The whole-of-government focus is represented at Ministerial level by the Ministerial Committee on Drug Policy (MCDP) and by an officials' group – the Inter-Agency Committee on Drug Policy (IACD) – made up of senior officials from a number of government departments such as the Ministry of Health, Ministry of Youth

Development, Ministry of Justice, Land Transport Safety Authority and many others.

At a practical level, ALAC has a memorandum of understanding with the Accident Compensation Corporation (ACC) and the New Zealand Police. We also work closely with other organisations such as non-government organisations, Pacific health providers, Māori health providers, the alcohol and drug treatment sector, the liquor industry and liquor licensees.

## SUPPLY CONTROL

### **Youth Access to Alcohol (YATA)**

When it comes to addressing the issue of supply to minors, adults are as much the problem as they are the solution. Parents, older friends and siblings are the people most likely to supply alcohol to those under 18, sometimes in dangerously large amounts. If adults looked at their own behaviour both in regard to supplying alcohol to under-18s and the drinking habits they model, it would improve the outcomes for young people.

The Youth Access to Alcohol (YATA) programme involves a cross-section of community organisations and aims to reduce the alcohol-related harm experienced by young people through encouraging adults in the community to reduce the illegal or irresponsible supply of alcohol to young people. For each community, the make-up of the team differs, but the constant factors are youth participation and the participation of a number of agencies.

ALAC supports each community through liaison, some training ideas and some funding. This year a series of meetings was run for YATA representatives and youth participants.

The YATA project is underway in a total of 24 communities and a further 10 are waiting in the wings to participate.

### **New Zealand Police**

We're delighted the links between ALAC and the New Zealand Police continue to strengthen. This is not surprising given the link between alcohol, crime and public disorder. A range of initiatives progressed over the year demonstrates the commitment to reducing this harm and to working together under a memorandum of understanding between our agencies.

### **Enhanced Alcohol Intelligence Programme**

It is most pleasing that the New Zealand Police has signed a contract for the Enhanced Alcohol Intelligence Programme. This work is being led by Dr John Wiggers from the Hunter Centre for Health Advancement in Australia and Professor John Langley from the Injury Prevention Research Centre at Otago Medical School. The programme that first ran in Newcastle, New South Wales resulted in a significant reduction in crime around licensed premises and has huge potential to reduce the incidence of crime and its associated costs here. ALAC looks forward to continuing its role as an adviser to this programme.

### **Improving the effectiveness of the Sale of Liquor Act**

Recent work in Australia has demonstrated how monitoring licensed premises can reduce all types of crime in a community. The role of the licensing officer is key to this. ALAC completed the *Guide to the Sale of Liquor Act Manual for Police Liquor Licensing Officers*. It is the most comprehensive guide ever put together for those who do liquor licensing work within New Zealand Police. It is a practical “how to” reference document, written by an experienced liquor licensing officer, and we expect it will assist all officers with the responsibility of liquor licensing to help make their community a safer place.

### **Controlled Purchase Operation Guidelines**

In 2003 ALAC commissioned a set of guidelines for best practice in running Controlled Purchase Operations (CPOs) whereby licensees’ adherence to the Sale of Liquor Act is checked.

CPOs have evolved rapidly as an enforcement and educational tool, with a number of agencies and communities running them, and a range of different practices being utilised throughout New Zealand. The guidelines provide relevant background, laws, different methods and specific cases as well as presenting the steps that can be taken to conduct an efficient and safe CPO.

The guidelines are a tool for people who are familiar with the Act and whose roles include responsibility for monitoring and enforcing it. They are not intended as a prescriptive blueprint, but rather a plan for action that can be adopted or amended to suit agencies’

and communities’ particular circumstances and requirements. They aim to help ensure operations are robust, defensible and supported by best practice. For those communities that have not run CPOs and have been considering them, the guidelines provide valuable detail on how to introduce them.

### **Host Responsibility**

This year ALAC reviewed its host responsibility strategy for the first time in 15 years. We found that the host responsibility culture is very much alive and deeply embedded in many New Zealanders’ thinking – especially the hospitality sector. ALAC is retaining a strong focus on host responsibility in licensed premises, not because the industry’s handling of it is an area of concern, far from it. It’s our focus because licensed premises are often considered the public showcase for responsible drinking and in some respects lead the host responsibility culture.

We have developed new host responsibility materials for bar staff and will continue to work with our stakeholders: health, police, local government and the hospitality industry to ensure that the messages are well understood and incorporated into their own training materials.

### **Information services**

ALAC’s public information and library service was maintained, with a restructured website going live at the start of June 2004. A range of e-mail discussion groups that help stakeholders and our partners stay in touch on a range of issues was maintained.

## DEMAND REDUCTION

### **Culture change**

In ALAC's view, there currently exists a clear and strong whole-of-government focus on alcohol-related harm and indeed the debate has been placed firmly on the agendas of many New Zealanders. The whole-of-government focus is represented at Ministerial level by the MCDP and by the officials group – the IACD. The National Drug Policy is the overarching policy document although this is currently under review.

In August 2003, the MCDP agreed that ALAC should lead an interagency working group to develop the terms of reference for the proposal to implement a comprehensive social marketing programme provisionally entitled *The Intoxication and Responsible Supply Programme*.

The programme will challenge New Zealanders' attitudes to and behaviour around intoxication and reduce the acute harms frequently incurred by risky per-occasion consumption. Market research and a great deal of planning and consultation have been completed and the programme is ready for design, testing and implementation. This preparation and background work also led to Government approval to apply additional funding to the programme via an increase in the ALAC levy.

This campaign will begin a process of shifting community attitudes away from accepting intoxication as normal to modelling more moderate, less risky behaviours. Many of our partners are already working with us to advance this programme. Support has been expressed not only from

the health sector, communities, the Police and the liquor and hospitality sectors, but also from members of the public and social commentators such as the media who have wholeheartedly embraced the need to change our culture.

### **Standard Drink labelling**

Standard Drink labelling has been compulsory on all alcohol products sold in both Australia and New Zealand since December 2002. However, there is a lack of understanding by most people as to what a standard drink is. This is not surprising, given there has been next to no advice that this information exists on labels or what it means.

ALAC launched an information campaign in March that helps people to know how much alcohol they are really consuming and enable them to ultimately make informed choices about what they consume.

This programme was developed and implemented in partnership with the liquor, hospitality and retail industries, utilising their relationships with consumers and their distribution channels to reach people. It involved television and radio advertising, which made excellent use of the gratis airtime offered by broadcasters, media activity and a mass distribution of flyers through Foodstuffs supermarkets. Some liquor industry players also elected to include a new "icon" depicting standard drinks on their product labels that will add immense value to the campaign over time.

### **Say When Halberg Awards**

ALAC once again sponsored one of the highlights on our sporting calendar – the highly distinguished *Say When Halberg Awards*.

This event provides our organisation with the opportunity to support an event that recognises our most outstanding and talented sportsmen and women. Sport continues to play a pivotal and integral role in the lives of New Zealanders, providing, health, wellbeing, enjoyment and goals – values that ALAC shares.

It is also an opportunity for us to stay in touch with many leaders in the sporting world and businesses and organisations who through their involvement and interest in sport are in prime positions to help ALAC achieve its goal of reducing alcohol-related harm for New Zealanders.

The message ALAC delivered on the night was “children the world over mimic the behaviour of their heroes”. By modelling appropriate drinking behaviour personally and becoming less tolerant of intoxication in all environments, we can start to challenge the worrying drinking culture New Zealand seems prepared to accept.

### **Radio programme**

One of the most successful programmes we have run and continue to run is through radio on an Auckland-based station. Originally designed to appeal to young Māori and Pacific listeners, the station has considerably widened its audience base and gone from strength to strength,

achieving marked attitudinal and behavioural shifts. A recent evaluation showed that 35 percent of Māori youth who have heard the message in Auckland have reported changed drinking behaviours. Steps to extend its reach across New Zealand have been taken and ALAC looks forward to this model programme continuing to help young people make sensible decisions around alcohol.

## **PROBLEM LIMITATION**

### **Early intervention strategies**

Early intervention forms a strong component of our Problem Limitation strategies. It means intervening early when problems around alcohol consumption first emerge or events dictate a change might be required. Changes made early on when problems arise are more likely to be sustained because they do not often require abstinence as a solution.

### ***Smashed 'n Stoned?***

*Smashed 'n Stoned?* is a new early intervention resource developed in the past year. It is an updated version of an existing ALAC resource and is adapted from an adult self-guided change programme.

It is designed for 13 – 17 year-olds whose alcohol or drug use puts them at risk and is for use in groups of three to six young people working with a trained counsellor. The revised resource is non-confrontational and disarms the young person, allowing them to take ownership of the problem and recognise the harms that result from their alcohol or drug use.

### **Fetal Alcohol Spectrum Disorder**

Fetal Alcohol Spectrum Disorder (FASD) is the term given to the range of effects that result from pre-natal alcohol exposure. Thousands of babies are exposed pre-natally to alcohol each year and some develop life-long disabilities.

The Asante Centre in Canada is an internationally recognised centre for FASD offering diagnostic, assessment and family support services, based on a multi-disciplinary team approach, for children, youth and adults affected by FASD. It started as a community centre, but demand was such that it became a regional centre funded by the State.

At the invitation of ALAC, Dr Kwadwo Ohene Asante (Medical Director and paediatrician), Dr Julianne Conry (psychologist) and Audrey Salahub (Centre Coordinator, Family Advocate and adoptive parent) from the Asante Centre visited New Zealand and presented a best practice model for the treatment of children and adults suffering from emotional, mental or behavioural problems as a result of exposure to alcohol in utero in a series of workshops throughout the country in April.

The Asante team provided training to help in the development of a strategic plan to tackle FASD and to increase awareness of the risks of alcohol use during pregnancy. The Fetal Alcohol Support Trust and Alcohol Healthwatch worked in collaboration with ALAC to organise the workshops and support the visit of the Asante team.

### **Hui Whakakotahi**

More than 150 Māori alcohol and drug practitioners and those working to improve alcohol and drug outcomes for Māori attended the three-day Hui Whakakotahi organised by ALAC and held at Te Papa-i-ouru and Tunohopu Marae in Rotorua from 16 to 18 February 2004.

The hui agreed on the formation of a new national leadership group or Taumata Kaumātua for the Māori sector that is tackling drug and alcohol abuse.

The hui also signed off on the recently developed “cultural concepts” framework. This framework was collated and developed by ALAC and it is hoped that, once implemented, it will eventually lead to the development of cultural competencies for Māori alcohol and drug workers and to higher and more consistent standards of service delivery and in the long term, better outcomes for Māori.

### **Taumata Kaumātua hui**

The Taumata Kaumātua hui was held in June 2004. Those present clarified the role of the Taumata Kaumātua and approved the cultural concepts framework.

### **Sponsorship and training**

Last year ALAC funded training for 39 Māori community workers and supported two networks – Ngā Manga Pūriri and Ngā Tahi Rā – to work with Māori whānau to reduce alcohol-related harm. A similar, major programme is planned for the South Island, with Ngai Tahu, in the coming year.

The Council's Manaaki Tangata sponsorship programme supplies grants to iwi, hapū and Māori organisations wishing to promote safe alcohol practices at their presentations, award ceremonies and annual events. Last year we supported 74 such events including the Māori Sports Awards and Tamariki Day and hope to grow this sponsorship activity next year.

#### **ALAC Kaumātua group**

The Council has continued to work with its Kaumātua Group of three elders from Northland, the central North Island and the South Island. One member of this group attends each Council meeting. In addition they provide support to Council staff in meeting with iwi. Where programmes for Māori have been implemented, extensive networks have been established with iwi and Māori providers.

#### **Pacific strategies**

For Pacific peoples, research is needed to identify how alcohol consumption impacts on this diverse group.

ALAC is working in partnership with the Regional Alcohol and Drug Service (RADS) on a three-year research project looking at improving treatment outcomes for Pacific peoples in Aotearoa. Stage one of the project has now been completed and a summary report on its initial findings will be available early next year.

ALAC also reached a "heads of agreement" with the Health Research Council to work with Pacific health providers to promote and evaluate projects aimed at reducing alcohol-related harm among Pacific peoples.

To ensure the Council receives appropriate advice in its dealings with the Pacific community, ALAC continues its relationship with its Pacific Reference Group.

#### **Pacific Spirit conference**

ALAC continued its support of the Pacific Spirit conference held in Auckland in March this year. This conference brought together some 200 people to showcase some of the work that is being done around the country with Pacific people in regard to alcohol and to find solutions for the future.

Pacific Spirit is the only national forum that provides an opportunity for people with an interest in the impacts of alcohol and drug matters on Pacific peoples to come together, build networks and exchange pertinent information.

"Pacific approaches to inform change" was the overall theme for the 2004 conference. This theme acknowledged Pacific approaches to care and the role of cultural beliefs and practices in enhancing healthcare for Pacific people. How to develop supportive environments for the Pacific workforce was also discussed.

Those attending represented a diverse range of services as well as government and non-government agencies. Pacific alcohol and drug providers were particularly well represented this year, as were Pacific clinicians from more generic health services throughout the country.

The opening keynote address by Dr Ana Taufe'ulungaki, Director of the Institute of Education at the University of

the South Pacific in Fiji, received a standing ovation and highlighted the significance of Pacific core values and their role in shaping the various aspects and functions of Pacific peoples' lives.

#### **Alcohol Helpline**

The Alcohol Helpline, which ALAC established in 1997 and is run from the Alcohol and Drug Association in Christchurch has proved important to underpin our public campaigns and provide an increasingly necessary service to the public concerned about drinking – their own or others'. We have now been joined by the Ministry of Health to expand the role of the Helpline to include drugs as our funding only allows us to reduce alcohol-related harm. Our target this past year was to receive 10,000 calls. In fact the Helpline received upwards of 19,000 calls due to a successful media campaign promoting the *Had Enough?* intervention pack, and partially through other promotion and increased concerns about alcohol and the increased funding for the drugline from the Ministry of Health.

#### **Strengthening communities**

The popular and commended training programme "Strengthening Community Action on Alcohol" that enables community and health promoters to deliver a range of community programmes on alcohol continued over the year.

Eleven workshops have been run around the country – including workshops for Māori communities and one

workshop with Pacific providers. Over 200 people participated in the workshops, using the workshops and the resources as a framework for planning projects in their own communities.

#### **Cutting Edge 2003**

ALAC continues to work with and support the alcohol and drug treatment, and health promotion and research workforce, and to support and advocate for better and appropriate treatment services for all sectors of the population.

We continued our sponsorship of Cutting Edge, an annual treatment conference on alcohol, drug and addictive disorders. Cutting Edge 2003 was deemed to be one of the best Cutting Edge conferences of the eight held so far. It was held at picturesque and historic Waitangi, 28 to 30 August 2003, and over 300 delegates attended. The theme was "Spirit of Partnership".

This was the first Cutting Edge conference at which a Director of Mental Health spoke and David Chaplow began proceedings, commending the work of the treatment field and speaking of his commitment to its ongoing development and progression.

#### **Research**

ALAC is an evidence-based organisation and as part of our work we commission research into alcohol and the New Zealand people. In the past year ALAC funded research across all programmes. Examples include:

### **The way we drink**

In March we released the BRC Marketing and Social Research report *The Way We Drink: A Profile of Drinking Culture in New Zealand* which showed that drinking in a risky way is not just the behaviour of the very young or the dependent drinker. New Zealanders in all walks of life, all ethnicities, urban and rural, men and women, told us that getting drunk is okay, with the majority reporting they drink in a risky way.

We commissioned research into drinking behaviours because we suspected that risky drinking is more widespread than we like to admit. What this research shows us is that drunken behaviour is a part of mainstream New Zealand culture.

### **Women matching men in drinking stakes**

ALAC commissioned the Goodfellow Unit at Auckland University to examine the alcohol use of patients at 67 general practices in Auckland in 1995 and 2003. This research, which was consistent with other research carried out by ALAC, found that problem drinking is on the rise among females of all ages.

Researchers found that amongst males, rates of problematic drinking had changed little between 1995 and 2003 but amongst females had risen in all age groups up to 60 years old.

### **Mental Health Epidemiology Survey**

ALAC has contracted the Health Research Council to include questions on alcohol use in the New Zealand

Mental Health Epidemiology Survey. We have also funded questions relating to alcohol use in the eight-year longitudinal Survey of Family Income and Employment.

### **Regional Offices**

ALAC maintains strong links with regional stakeholders through its Regional Managers based in Auckland, Wellington and Christchurch. Regional initiatives are supported as part of this work. Some of the initiatives grow to become national projects including:

### **National Task Force on Tertiary Student Drinking**

In June 2003, ALAC funded the setting up of a national task force to look at the harms associated with tertiary student drinking. This work has continued throughout the past year and has resulted in the publication of *Alcohol Use and Tertiary Students in Aotearoa New Zealand*.

This publication canvasses both international and New Zealand research on tertiary students' attitudes to and use of alcohol, and tertiary education institutions' strategies for reducing alcohol-related harm among this at risk group.

### **Alcohol and Drug Women's Advisory Group**

A new group, established to highlight the issues for women with alcohol and drug concerns, and also for professionals working in this field, has been set up in the South Island.

The initiative is being led by ALAC in partnership with a number of alcohol and drug services throughout the South Island. The aim of the group is to further promote

the knowledge, strengths and visibility of women in the alcohol and drug field.

While acknowledging progress that has been made in dealing with women's alcohol and drug issues, the group identified a need for some best practice guidelines to support alcohol and drug services to improve their responsiveness to women. Their first project has been the production of *Guidelines for Alcohol and Drug Services Working with Women*.

#### **Local Government Tool Kit**

The Local Government Act 2002 requires local authorities to "play a broad role in promoting the social, economic, environmental and cultural well-being of their communities, taking a sustainable development approach". Currently, local authorities do not have access to comprehensive information that can assist them to plan for alcohol in their communities.

ALAC is working with Local Government New Zealand to develop a tool kit for local authorities covering planning for alcohol in the community. It will include a variety of strategies such as licensing and enforcement strategies, the development of youth strategies, model by-laws and policy frameworks as well as monitoring and evaluation techniques.

#### **Advertising standards**

We have also provided advice to the Advertising Standards Association on the application of the National Guidelines on the Naming, Packaging and Merchandising of Alcoholic Beverages following the Review Panel's recommendation that these be included in the Code for Advertising Liquor. This recommendation was made so that the Code could be tightened in the area of sanctions against appeal to younger drinkers. ALAC also provides advice on particular complaints to the Advertising Standards Complaints Board where this is requested. We have also completed a paper on the History of Advertising of Alcoholic Beverages on radio and television, which we have posted on our website.

#### **Submissions**

ALAC has made submissions to the Christchurch City Council, Waitākere City Council and the Hutt City Council on their Sale of Liquor Act policies: and the Commerce Select Committee on the Sale of Liquor Amendment Bill 2004.

ALCOHOL ADVISORY COUNCIL OF NEW ZEALAND

## STATEMENT OF RESPONSIBILITY

*for the year ended 30 June 2004*

In terms of Section 42(2)(b) of the Public Finance Act 1989, in the financial year ended 30 June 2004 the Council and Management of the Alcohol Advisory Council of New Zealand were responsible for:

- :: the preparation of the annual financial statements and the judgements used herein
- :: establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial and non financial reporting.

In the opinion of the Council and Management of the Alcohol Advisory Council of New Zealand, the annual financial statements for the year ended 30 June 2004 fairly reflect the financial position and operations of the Alcohol Advisory Council of New Zealand.



*Prof Andrew Hornblow CNZM*  
Chairman 6 August 2004



*Dr Mike MacAvoy*  
Chief Executive Officer 6 August 2004



*Chris Allen*  
Corporate Services Manager 6 August 2004

## AUDIT REPORT

for the year ended 30 June 2004

### TO THE READERS OF THE ALCOHOL ADVISORY COUNCIL OF NEW ZEALAND'S FINANCIAL STATEMENT

The Auditor General is the auditor of the Alcohol Advisory Council of New Zealand. The Auditor-General has appointed me, Rhys Barlow, using the staff and resources of BDO Spicers, to carry out the audit of the financial statements of the Alcohol Advisory Council of New Zealand, on his behalf, for the year ended 30 June 2004.

#### Unqualified Opinion

In our opinion the financial statements of the Alcohol Advisory Council of New Zealand on pages 20 to 40:

- ∴ comply with generally accepted accounting practice in New Zealand; and
- ∴ fairly reflect:
  - the Alcohol Advisory Council of New Zealand's financial position as at 30 June 2004;
  - the results of its operations and cash flows for the year ended on that date; and
  - its service performance achievements measured against the performance targets adopted for the year ended on that date.

The audit was completed on 6 August 2004, and is the date at which our opinion is expressed.

The basis of the opinion is explained below. In addition, we outline the responsibilities of the Council and the Auditor, and explain our independence.

#### Basis of Opinion

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed our audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements did not have material mis-statements, whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements. If we had found material misstatements that were not corrected, we would have referred to them in the opinion.

Our audit involved performing procedures to test the information presented in the financial statements. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- ∴ determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- ∴ verifying samples of transactions and account balances;
- ∴ performing analyses to identify anomalies in the reported data;
- ∴ reviewing significant estimates and judgements made by the Council;
- ∴ confirming year-end balances;
- ∴ determining whether accounting policies are appropriate and consistently applied; and
- ∴ determining whether all financial statement disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements.

We evaluated the overall adequacy of the presentation of information in the financial statements. We obtained all the information and explanations we required to support the opinion above.

#### Responsibilities of the Council and the Auditor

The Council is responsible for preparing financial statements in accordance with generally accepted accounting practice in New Zealand. Those financial statements must fairly reflect the financial position of the Alcohol Advisory Council of New Zealand as at 30 June 2004. They must also fairly reflect the results of its operations and cash flows and service performance

ALCOHOL ADVISORY COUNCIL OF NEW ZEALAND

## AUDIT REPORT CONT'D

*for the year ended 30 June 2004*

achievements for the year ended on that date. The Council's responsibilities arise from the Public Finance Act 1989 and Alcohol Advisory Council Act 1976 and amendments.

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you. This responsibility arises from Section 15 of the Public Audit Act 2001 and Section 43(1) of the Public Finance Act 1989.

### **Independence**

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the Institute of Chartered Accountants of New Zealand.

Other than the audit, we have no relationship with or interests in the Alcohol Advisory Council of New Zealand.



**Rhys M Barlow**

BDO Spicers

On behalf of the Auditor-General

Wellington, New Zealand

### Matters Relating to the Electronic Presentation of the Audited Financial Statements

This audit report relates to the financial statements of the Alcohol Advisory Council of New Zealand for the year ended 30 June 2004 included on the Alcohol Advisory Council of New Zealand's website. The Council is responsible for the maintenance and integrity of the Alcohol Advisory Council of New Zealand's website. We have not been engaged to report on the integrity of the Alcohol Advisory Council of New Zealand's website. We accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

The audit report refers only to the financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and related audit report dated 6 August 2004 to confirm the information included in the audited financial statements presented on this web site.

Legislation in New Zealand governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## STATEMENT OF ACCOUNTING POLICIES

for the year ended 30 June 2004

### REPORTING ENTITY

The Alcohol Advisory Council of New Zealand (ALAC) was established by the Alcohol 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 encouragement and promotion of moderation in the use of liquor, the discouragement and reduction of the misuse of liquor, and the minimisation of the personal, social, and economic harm resulting from the misuse of liquor.

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

### STATUTORY BASIS

These financial statements are prepared pursuant to Section 41 of the Public Finance Act 1989 and Section 38 of the Alcohol Advisory Council Act 1976.

### MEASUREMENT SYSTEM

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.

### ACCOUNTING POLICIES

The following accounting policies, which materially affect the measurement of financial performance, financial position and cash flows, have been applied:

#### 1. Budget Figures

The budget is that approved by the Council and the Minister at the beginning of the financial year.

The budget figures have been prepared in accordance with generally accepted accounting practice and are consistent with the accounting policies adopted by the Council for the preparation of the financial statements.

#### 2. Revenue Recognition

Levy income from locally produced beer, spirits, grape

wine, fruit wine and imported liquor is recognised as income in the accounting period when earned and is then reported in the financial period to which it relates.

#### 3. Property, Plant and Equipment

Property, Plant and Equipment are capitalised and recorded at cost.

#### 4. Depreciation

Property, Plant and Equipment, other than artwork, are depreciated on a straight line basis over their useful life. The useful lives and associated depreciation rates used in the preparation of these financial statements are as follows:

<b>Furniture and Fittings</b>	<b>10 years</b>	<b>10%</b>
<b>General Office Equipment</b>	<b>5 years</b>	<b>20%</b>
<b>Computer Equipment</b>	<b>3 years</b>	<b>33.3%</b>
<b>Leasehold Improvements</b>	<b>3 years</b>	<b>33.3%</b>
<b>Motor Vehicles</b>	<b>5 years</b>	<b>20%</b>
<b>Library Books</b>	<b>10 years</b>	<b>10%</b>
<b>Films and Videos</b>	<b>5 years</b>	<b>20%</b>

The cost of leasehold improvements is capitalised and depreciated over the unexpired period of the lease or the estimated remaining useful life of the improvements, whichever is shorter.

#### 5. Receivables

Accounts receivable are stated at their expected realisable value after providing for doubtful and uncollectable debts.

#### 6. Investments

Investments are stated at the lower of cost and net realisable value.

#### 7. Employee Entitlements

Provision is made in respect of ALAC's liability for annual leave and long service leave, which has been calculated at a nominal value on an actual entitlement basis at current rates of pay.

#### 8. Taxation

##### a) Income Tax

ALAC is exempt from the payment of income tax in terms of the Alcohol Advisory Council Act 1976.

## STATEMENT OF ACCOUNTING POLICIES CONT'D

for the year ended 30 June 2004

### b) Fringe Benefit Tax

FBT is payable on all fringe benefits.

### c) Goods and Services Tax

These financial statements are prepared on a GST exclusive basis except for accounts payable and accounts receivable, which are GST inclusive.

### 9. Operating Leases

Operating lease payments, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items, are recognised on a systematic basis over the period of the lease.

### 10. Financial Instruments

ALAC is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, short-term deposits, debtors and creditors. All financial instruments are recognised in the Statement of Financial Position and all revenues and expenses in relation to financial instruments are recognised in the Statement of Financial Performance.

There are no financial instruments that expose ALAC to foreign exchange risk or off balance sheet risks.

All financial instruments, including bank accounts, short-term deposits, accounts receivable and accounts payable are disclosed at their estimated fair value.

### 11. Statement of Cash Flows

"Cash" means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which ALAC invests as part of its day-to-day cash management.

"Operating Activities" include all activities other than investing and financing activities. The cash inflows include all receipts from the sale of goods and services and other sources of revenue that support ALAC's operating activities. Cash outflows include payments made to employees and suppliers and for taxes.

"Investing Activities" are those activities relating to the acquisition and disposal of Property, Plant and Equipment.

### 12. Grants and Funding

Contract commitments are recorded on a monthly basis.

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

Funds are sometimes paid by instalments to meet the cash flow requirements of the programme as determined by the funding agreement.

### 13. Cost of Service Statements

The Cost of Service Statements, as reported in the Statement of Service Performance, report the net cost of services for the outputs of ALAC and are represented by the costs of providing the output.

#### Cost Allocation:

ALAC has derived the net cost of service for each output using the cost allocation system outlined below.

#### Cost Allocation Policy:

Direct costs are charged directly to outputs wherever possible. Overheads are allocated to outputs on the basis of budgeted time recording.

#### Criteria for direct costs and overheads:

"Direct costs" are those costs directly attributable to an output.

"Overheads" are those costs that cannot be identified in an economically feasible manner with a specific output.

For the year ended 30 June 2004 overheads accounted for 30.5% of ALAC's total costs (2003 29.5%).

### 14. Comparatives

To ensure consistency with the current period, comparatives have been restated where appropriate, for presentation purposes.

## CHANGES IN ACCOUNTING POLICIES

There have been no changes in accounting policies since the date of the last audited financial statements. All policies have been applied on bases consistent with last year.

ALCOHOL ADVISORY COUNCIL OF NEW ZEALAND

## STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 30 June 2004

	Notes	Actual 2004 \$000	Budget 2004 \$000	Actual 2003 \$000
<b>Revenue</b>				
Levies	1	8,042	8,000	7,737
Interest		96	45	108
Other Income		149	212	180
Gain on Sale of Fixed Assets		-	-	1
<b>Total Operating Revenue</b>		<b>8,287</b>	<b>8,257</b>	<b>8,026</b>
<b>Expenditure</b>				
Grants and Programme Costs	2	5,890	5,997	5,682
Operating Costs	3	2,588	2,714	2,370
<b>Total Expenditure</b>		<b>8,478</b>	<b>8,711</b>	<b>8,052</b>
Operating Deficit for the Year		(191)	(454)	(26)
Levy Income from Prior Years - Adjustment	4	(464)	-	-
<b>Net Deficit for the year</b>		<b>(655)</b>	<b>(454)</b>	<b>(26)</b>

ALCOHOL ADVISORY COUNCIL OF NEW ZEALAND

## STATEMENT OF MOVEMENTS IN EQUITY

for the year ended 30 June 2004

	Actual 2004 \$000	Budget 2004 \$000	Actual 2003 \$000
Net Deficit for the year	(655)	(454)	(26)
Total Recognised Revenues and Expenses for the Year	(655)	(454)	(26)
Opening Accumulated Funds	2,345	2,088	2,371
<b>Closing Accumulated Funds</b>	<b>1,690</b>	<b>1,634</b>	<b>2,345</b>

The accompanying accounting policies and notes form an integral part of these financial statements.

ALCOHOL ADVISORY COUNCIL OF NEW ZEALAND

## STATEMENT OF FINANCIAL POSITION

as at 30 June 2004

	Notes	Actual 2004 \$000	Budget 2004 \$000	Actual 2003 \$000
<b>Accumulated Funds</b>		<b>1,690</b>	<b>1,634</b>	<b>2,345</b>
Represented by:				
<b>Assets</b>				
Current Assets				
Cash and Bank		57	42	357
Short-term Deposits	5	1,800	716	1,350
Receivables and Prepayments	6	635	846	1,117
<b>Total Current Assets</b>		<b>2,492</b>	<b>1,604</b>	<b>2,824</b>
Non-Current Assets				
Loan	7	35	35	35
Property, Plant and Equipment	8	496	565	559
<b>Total Non-Current Assets</b>		<b>531</b>	<b>600</b>	<b>594</b>
<b>Total Assets</b>		<b>3,023</b>	<b>2,204</b>	<b>3,418</b>
<b>Liabilities</b>				
Current Liabilities				
Accounts Payable	9	1,133	350	914
Employee Entitlements	10	101	135	93
Provision for Surplus Lease Space		99	85	66
<b>Total Liabilities</b>		<b>1,333</b>	<b>570</b>	<b>1,073</b>
<b>Net Assets</b>		<b>1,690</b>	<b>1,634</b>	<b>2,345</b>



Prof Andrew Hornblow CNZM  
Chairman  
6 August 2004



Dr Mike MacAvoy  
Chief Executive Officer  
6 August 2004

The accompanying accounting policies and notes form an integral part of these financial statements.

ALCOHOL ADVISORY COUNCIL OF NEW ZEALAND

## STATEMENT OF CASH FLOWS

for the year ended 30 June 2004

	Notes	Actual 2004 \$000	Budget 2004 \$000	Actual 2003 \$000
<b>Cash Flows from Operating Activities</b>				
Cash was provided from:				
Receipts from Levies and Other Revenue		8,166	7,366	8,017
Interest received		78	50	96
Net Cash Flow from GST		59	(117)	(142)
		8,303	7,299	7,971
Cash was applied to:				
Payments to Suppliers		5,540	5,568	5,527
Payments to Employees		2,422	2,434	2,113
		7,962	8,002	7,640
<b>Net Cash Flows from Operating Activities</b>	11	<b>341</b>	<b>(703)</b>	<b>331</b>
<b>Cash Flows from Investing Activities</b>				
Cash was provided from:				
Sale of Property, Plant and Equipment		-	-	33
Cash was applied to:				
Purchase of Property, Plant and Equipment		191	246	261
<b>Net Cash Flows from Investing Activities</b>		<b>(191)</b>	<b>(246)</b>	<b>(228)</b>
Net Increase (Decrease) in Cash		150	(949)	103
Add Opening Cash Brought Forward		1,707	1,707	1,604
<b>Closing Cash Balance</b>		<b>1,857</b>	<b>758</b>	<b>1,707</b>
Actual Cash Balance				
Represented by:				
Cash and Bank		57	42	357
Short-term Deposits		1,800	716	1,350
<b>Closing Cash Balance</b>		<b>1,857</b>	<b>758</b>	<b>1,707</b>

The accompanying accounting policies and notes form an integral part of these financial statements.

ALCOHOL ADVISORY COUNCIL OF NEW ZEALAND

## STATEMENT OF COMMITMENTS

as at 30 June 2004

### Grants and Funding

At 30 June 2004, ALAC had approved funds for disbursements to individuals and organisations.

	Actual 2004 \$000	Actual 2003 \$000
Not Later than One Year	915	662
Later than One Year and Not Later than Two Years	715	320
Later than Two Years and Not Later than Five Years	125	–
Later than Five Years	–	–
	<b>1,755</b>	<b>982</b>

### Rental Expenses Committed

Leases on ALAC's premises in Wellington, Christchurch and Auckland:

Not Later than One Year	289	422
Later than One Year and Not Later than Two Years	88	285
Later than Two Years and Not Later than Five Years	–	188
Later than Five Years	–	19
	<b>377</b>	<b>914</b>

### Operating Lease Commitments

Non-cancellable lease payments for office equipment:

Not Later than One Year	12	12
Later than One Year and Not Later than Two Years	12	12
Later than Two Years and Not Later than Five Years	5	18
Later than Five Years	–	–
	<b>29</b>	<b>42</b>

<b>Total Commitments</b>	<b>2,161</b>	<b>1,938</b>
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### Capital Commitments

As at 30 June 2004 no capital expenditure had been committed under contractual arrangements (Nil at 30 June 2003).

ALCOHOL ADVISORY COUNCIL OF NEW ZEALAND

## STATEMENT OF CONTINGENT LIABILITIES

as at 30 June 2004

There were no contingent liabilities outstanding as at 30 June 2004 (Nil at 30 June 2003).

*The accompanying accounting policies and notes form an integral part of these financial statements.*

**NOTES TO THE FINANCIAL STATEMENTS***for the year ended 30 June 2004***Note 1: Income from levies**

	<b>Actual 2004 \$000</b>	<b>Actual 2003 \$000</b>
Locally Produced Beer, Spirits and Imported Liquor	6,198	6,022
Locally Produced Grape Wine	1,789	1,691
Locally Produced Fruit Wine	55	24
<b>Total</b>	<b>8,042</b>	<b>7,737</b>

**Note 2: Grants and programme costs****Output Class**

Māori Whānau	1,132	805
Pacific Peoples	474	394
Young People	993	1,031
Supply and Provision	410	538
Early Intervention	1,152	884
Advice, Information and Advocacy	1,729	2,030
<b>Total</b>	<b>5,890</b>	<b>5,682</b>

Figures include programme salary costs of \$1.323m (\$1.369m in 2003)

**Note 3: Operating costs**

Depreciation - Motor Vehicles	19	15
Depreciation - Library Books, Film and Videos	-	1
Depreciation - General Office Equipment	18	15
Depreciation - Computer Equipment	140	134
Depreciation - Leasehold Improvements	64	91
Depreciation - Furniture and Fittings	13	12
Administration Employees Personnel Costs	1,047	884
Council Costs Including Travel	164	152
Audit Fee	25	23
Lease and Rental Costs	395	397
Other Operating Costs	703	646
<b>Total</b>	<b>2,588</b>	<b>2,370</b>

The Output Class amounts in the Statement of Service Performance of \$8.478m equal the total of Note 2. Grants and Programme Costs \$5.890m and Note 3 Operating Costs \$2.588m.

**Note 4: Levy income from prior years – adjustment**

The financial statements for 2002/03 and prior years included an over-accrual of locally produced Grape Wine Levies. As a consequence Levies Revenue and Levies Receivable were overstated in the 2002/03 financial statements by \$464,000. This has been adjusted in the 2003/04 Statement of Financial Performance.

**NOTES TO THE FINANCIAL STATEMENTS CONT'D***for the year ended 30 June 2004***Note 5: Short-term deposits**

	<b>Actual 2004 \$000</b>	<b>Actual 2003 \$000</b>
Short-term deposits relate to the monies on call and term deposits.		
AutoCall	–	296
Term Deposits (Under Six Months)	1,800	1,054
<b>Total</b>	<b>1,800</b>	<b>1,350</b>

All short-term deposits were with the BNZ, ASB or National Bank. As at 30 June 2004 short-term deposits were for an average of 75 days with an average interest rate of 5.63% pa (5.60% in 2003).

**Note 6: Receivables and prepayments**

Debtors	17	71
Levies Receivable	564	931
GST Receivable	44	103
Prepayments	10	12
<b>Total</b>	<b>635</b>	<b>1,117</b>

**Note 7: Loan**

Non-Interest Bearing Loan to Te Huarahi Ki Te Oranga Pai Trust Secured by Way of a Mortgage Over Trust Property	35	35
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**Note 8: Property, plant and equipment**

	<b>Cost \$000</b>	<b>Accumulated Depreciation \$000</b>	<b>Net Book Value \$000</b>
<b>2004</b>			
Artwork	17	–	17
Motor Vehicles	91	49	42
Library Books and Films	96	96	–
General Office Equipment	131	99	32
Computer Equipment	705	424	281
Leasehold Improvements	369	326	43
Fixtures, Furniture and Equipment	170	89	81
<b>Total</b>	<b>1,579</b>	<b>1,083</b>	<b>496</b>
<b>2003</b>			
Artwork	17	–	17
Motor Vehicles	91	30	61
Library Books and Films	96	95	1
General Office Equipment	126	90	36
Computer Equipment	547	303	244
Leasehold Improvements	369	263	106
Fixtures, Furniture and Equipment	193	99	94
<b>Total</b>	<b>1,439</b>	<b>880</b>	<b>559</b>

**NOTES TO THE FINANCIAL STATEMENTS CONT'D***for the year ended 30 June 2004***Note 9: Accounts payable**

	<b>Actual 2004 \$000</b>	<b>Actual 2003 \$000</b>
Sundry Creditors	1,085	825
Salary Accrual	48	89
<b>Total</b>	<b>1,133</b>	<b>914</b>

**Note 10: Employee entitlements**

Annual Leave	89	89
Long Service Leave	12	4
<b>Total</b>	<b>101</b>	<b>93</b>

**Note 11: Reconciliation of net surplus / (deficit) with net cash flows from operating activities**

<b>Net Surplus / (Deficit) from Operations</b>	<b>(655)</b>	<b>(26)</b>
<b>Add / (Less) Non-Cash Items</b>		
Depreciation Expense	254	267
<b>Total Non-Cash Items</b>	<b>254</b>	<b>267</b>
<b>Add / (Less) Movements in Working Capital Items</b>		
Decrease / (Increase) in Receivables and Prepayments	482	(17)
(Decrease) / Increase in Accounts Payable	219	156
(Decrease) / Increase in Employee Entitlements	8	(3)
(Decrease) / Increase in Provision for Surplus Lease	33	(45)
<b>Net Working Capital Movements</b>	<b>742</b>	<b>91</b>
<b>Add / (Less) Items Classified as Investing Activities</b>		
Net Loss / (Gain) on Sale of Fixed Assets	-	(1)
<b>Total of Investing Activities</b>	<b>-</b>	<b>(1)</b>
<b>Net Cash Flow from Operating Activities</b>	<b>341</b>	<b>331</b>

**Note: 12 Financial instruments**

ALAC has a series of policies providing risk management for interest rates and operating expenditures, and the concentration of credit. ALAC is risk averse and seeks to minimise exposure from its treasury activities. Its policies do not allow any transactions which are speculative in nature to be entered into.

**Credit Risk**

Credit risk is the risk that a third party will default on its obligation to ALAC, causing it to incur a loss.

ALAC has a minimal credit risk in its holdings of various financial instruments. These instruments include cash, short-term deposits and accounts receivable.

ALAC places its investments with institutions with a minimum AA credit rating. It also reduces its exposure to risk by limiting the amount that can be invested in any one institution. ALAC believes that these policies reduce the risk of any loss that could arise from its investment activities. ALAC does not require any collateral or security to support financial instruments.

## NOTES TO THE FINANCIAL STATEMENTS CONT'D

for the year ended 30 June 2004

**Fair Values**

The fair value is equivalent to the carrying amounts of financial instruments disclosed in the Statement of Financial Position.

**Credit Facilities**

ALAC did not have bank overdraft or other credit facilities as at 30 June 2004 (Nil at 30 June 2003).

**Currency and Interest Rate Risk**

There is no exposure to currency risk or significant exposure to interest rate risk on ALAC's financial instruments.

**Note 13: Related party transactions**

ALAC is a wholly owned entity of the Crown.

ALAC has entered into some transactions with government departments, Crown agencies and State-Owned Enterprises on an arm's length basis. Where those parties are acting in the course of their normal dealings with ALAC, related party disclosures have not been made for transactions of this nature.

No severance payments were made to Council members during 2003/04. Remuneration through fees is all inclusive.

**Note 14: Employee remuneration**

	Number of Employees 2004	2003
Total Remuneration and Benefits \$000		
\$100-110	2	1
\$130-140	-	1
\$140-150	1	1
\$160-170	-	1
\$170-180	1	-

The Chief Executive's remuneration and benefits are in the \$170 – \$180 band. (2003 \$160 – \$170 band).

**Note 15: Council remuneration**

Council members earned the following fees during the year:

	2004 \$000	2003 \$000
Allan B (resigned Deputy Chairperson January 2003)	-	6
Armstrong D (resigned June 2004)	9.5	9.5
Brown R	9.5	9.5
Hornblow A R (Chairperson)	22	21
Logan-Milne S (retired January 2003)	-	5
Pulotu-Endemann F	9.5	9.5
Rennie F (from December 2003)	5	-
Scott I	9.5	9.5
Stockdale M (Deputy Chairperson)	12	10
Tasker G (from January 2003)	9.5	5
<b>Total Council Fees</b>	<b>86.5</b>	<b>85.0</b>

## STATEMENT OF SERVICE PERFORMANCE

for the year ended 30 June 2004

### OUTPUT CLASS 1 – MĀORI WHĀNAU

#### Overview

ALAC hosted and supported a range of hui and wānanga with Māori communities to encourage and facilitate those communities to look at ways of addressing alcohol-related harm. Of great importance, ALAC hosted the second national hui, Hui Whakakotahi 2004, targeted at the Māori workforce wanting to reduce alcohol-related harm for Māori whānau. Key presenters at this hui were leading Māori practitioners within the Alcohol and Drug field, Moe Milne, Te Orohi Paul, Dr Paparangi Reid and Amster Reedy. Key outcomes for the hui included:

- :: the development of the Taumata Kaumātua
- :: the acceptance of the cultural concepts framework and a commitment by some providers to apply and implement it in their places of work
- :: a positive public profile of ALAC within the media.

Support was also provided through training grants to upskill Māori working with whānau and through the Manaaki Tangata sponsorship programme that encourages safe alcohol-use practices at Māori community events.

ALAC continues to strengthen its Māori capacity through the Kaumātua Advisory Group, which advises the Council and plays a key role in securing iwi and Māori community support to address alcohol-related harm.

In addition to the foregoing activities, a range of community-based initiatives is outlined below. Together these various programmes are mutually reinforcing in that the moderation message is conveyed through complementary programmes.

#### Key Performance Indicators (KPIs)

##### Māori are encouraged to adopt alcohol consumption patterns that lead to reduced harm for themselves and their whānau

#### KPI 1

At least 20 percent of listeners surveyed report changed drinking behaviours. At least 60 percent of a radio station's listeners surveyed can identify three positive

effects of moderation and five negative consequences of binge drinking. (Project 1009 – supports National Alcohol Strategy (NAS) objective 13 and Te Ara Tuatahi of He Korowai Oranga.)

#### Over achieved

Evaluation of both the Stay in Play (SIP) and Mahia Te Mahi programmes indicate that the radio programme continues to communicate effectively positive messages about drinking in moderation. It continues to have a high level of awareness among youth (Māori, Pacific and other) with notable improvements in awareness among Māori in 2003. The evaluation shows that 35 percent of Māori youth who have heard the SIP message in Auckland have reported changed drinking behaviours. Compared with other ethnic groups within Auckland, this programme has affected drinking behaviour with both Pacific youth 33 percent and 23 percent other ethnic groups youth. In Rotorua, the evaluation of the Mahia Te Mahi programme has reported that 25 percent of Māori have changed their drinking behaviours.

The evaluation also highlighted that listeners identified positive effects of moderation and negative consequences of binge drinking. Responses included:

- :: 83 percent identified "they would be safe"
- :: 81 percent identified "they would be able to look after their friends"
- :: 72 percent identified "they would be able to enjoy other activities"
- :: 74 percent identified "they wouldn't get into trouble"
- :: 70 percent identified "they wouldn't harm / offend / abuse other people".

#### KPI 2

Thirty Māori communities each year are sponsored to implement the Manaaki Tangata programme at events where alcohol will be served and 20 report improved alcohol behaviour and five report no negative alcohol-related harm during the event. (Project 1008 – supports NAS objective 13 and Te Ara Tuatahi of He Korowai Oranga.)

## STATEMENT OF SERVICE PERFORMANCE CONT'D

for the year ended 30 June 2004

### Over achieved

Seventy-four communities have been supported through the Manaaki Tangata community sponsorship programme.

Of these applications, 49 communities have informally reported increased alcohol awareness and 12 communities have reported less alcohol-related harm compared with similar events held previously.

### Māori are trained to certificate and diploma level to work with Māori whānau to reduce alcohol and drug-related harm

#### KPI 3

Ten students supported each year. (Project 1007 – supports Te Ara Tuatahi of He Korowai Oranga.)

### Over achieved

Thirty-eight students have been supported to undertake some form of training. Many of the students supported are currently enrolled in tertiary-level training at an undergraduate level primarily in alcohol and drug studies counselling. Providers with limited access to training have also been encouraged to have on-site training by having appropriate trainers brought to their work place.

#### KPI 4

Māori providers identify appropriate cultural concepts from which to develop a good practice framework for Māori alcohol and drug treatment services. (Project 1013 – supports NAS objective 13 and Te Ara Tuatahi of He Korowai Oranga.)

### Achieved

The cultural concepts framework is completed and has been accepted as a framework on which to base culturally appropriate service delivery. The Taumata Kaumātua prefers to name the framework with an appropriate Māori name. This will be identified at the next Taumata Kaumātua hui in September 2004.

### An authoritative group of Māori (Taumata) is established and provides leadership for Māori providers to address alcohol-related harm

#### KPI 5

Kaumātua Advisory Group established and first contacts for the Taumata made through wānanga. (Projects 1002, 1014 – support Te Ara Tuatahi of He Korowai Oranga.)

### Achieved

The Taumata Kaumātua group, Te Taumata Kaumātua o Ngā Hau e Wha was established in November 2003. Further hui held in February 2004 and June 2004 identified that members of this group would provide leadership and guidance by modelling appropriate behaviour within their own communities. A media release detailing this was published following the June 2004 hui.

#### KPI 6

At least one national pronouncement on how alcohol-related harm can be reduced for Māori whānau is made by the Taumata and supported by their community. (Project 1002 – supports Te Ara Tuatahi of He Korowai Oranga.)

### Achieved

A media release detailing the establishment of and vision for the Taumata Kaumātua, Te Taumata Kaumātua o Ngā Hau e Wha, produced in June 2004.

### Māori networks are established and supported to work with Māori communities and providers to address alcohol-related harm for Māori whānau

#### KPI 7

Two networks supported and client group shows increased awareness of how to support Māori whānau in managing alcohol use. (Projects 1001, 1002, 1003, 1004, 1006 – support NAS and Te Ara Tuatahi of He Korowai Oranga.)

### Achieved

ALAC continues to support two networks, Ngā Manga Pūriri based in Te Tai Tokerau and Ngā Tahi Rā in Auckland. Both networks address reducing alcohol-related harm within their communities. Ngā Manga Pūriri provided community-based training in Te Tai Tokerau. The focus of

## STATEMENT OF SERVICE PERFORMANCE CONT'D

for the year ended 30 June 2004

Ngā Tahi Rā is on resource development. There has, however, been a delay in its video resource.

### KPI 8

Fifteen people each year in Te Tai Tokerau trained to support Māori whānau managing alcohol misuse. (Project 1003 – supports Te Ara Tuatahi of He Korowai Oranga.)

### Over achieved

The Te Wero me Te Aranga community-based training, which consists of three modules, continues to be delivered by Ngā Manga Puriri. Five training wānanga have been delivered within the Te Tai Tokerau region. Approximately 160 people have completed at least one module; 20 people have completed all modules.

### KPI 9

One resource developed and implemented to support Māori providers work with Māori rangatahi to reduce alcohol-related harm. (Project 1004.)

### Achieved

The video was completed.

### KPI 10

One additional network established in the South Island to work with Māori whānau to reduce alcohol-related harm. (Project 1005.)

### Achieved

A contract with He Oranga Pounamu establishing the South Island network was signed recently. The primary objective of the network is to share information and improve coordination between services within the South Island. It is also intended that this network develop Kaumātua leadership and identify training opportunities for the Māori workforce.

<b>Total Budget</b>	<b>Total Actual Expenditure</b>
<b>\$1,673,190</b>	<b>\$1,608,231</b>

### Financial Variance Commentary

KPIs were achieved on time and within budget.

## OUTPUT CLASS 2 – PACIFIC PEOPLES

### Overview

ALAC has focused on developing Pacific-appropriate resources, specifically the *Pacific Alcohol Handbooks* and the *Pacific Safe Use Guidelines*. Completion of these resources will be in the second quarter of the 2004/05 financial year.

Importantly, ALAC has commissioned two pieces of research to identify Pacific-specific issues relating to alcohol-related harm and therefore determine appropriate treatments and intervention models to address those harms.

### Key Performance Indicators

**Pacific providers are up-skilled to train Pacific communities in host responsibility so that Pacific families understand alcohol and its effects and how its use can be safely managed**

### KPI 11

At least 30 workers from three Pacific communities are trained in host responsibility including Samoan, Cook Island and Tongan. (Project 2002.)

### Partly Achieved

The *Pacific Alcohol Handbooks* are a comprehensive resource outlining facts and effects of alcohol relating to Pacific communities. These resources are written in the ethnic-specific languages of Samoan, Tongan and Cook Island.

The *Pacific Safe Use Guidelines* is a resource written to provide information to Pacific communities regarding the safe use of alcohol. The primary target audiences for this resource are Pacific people who are current consumers of alcohol or those communities who wish to promote moderation. This resource will be published in the three ethnic languages Samoan, Tongan and Cook Island. It will also be available in English.

## STATEMENT OF SERVICE PERFORMANCE CONT'D

for the year ended 30 June 2004

### One Pacific Primary Health Organisation supported to address alcohol-related harm for Pacific families

#### KPI 12

Seventy-five percent of TaPasefika Health Trust employees are trained in delivering alcohol and drug harm reduction interventions. (Project 2003.)

#### Not achieved

Due to internal capacity issues at TaPasefika Health Trust.

#### KPI 13

Fifty percent of the TaPasefika client group can identify three safe-use strategies for their families where alcohol is consumed. (Project 2003.)

#### Not achieved

Due to internal capacity issues at TaPasefika Health Trust.

#### KPI 14

One Pacific health intervention project designed and implemented with the Health Research Council. (Project 2004.)

#### Partly achieved

Partnership agreement signed in February 2004 between ALAC, the Health Research Council and the Accident Compensation Commission (ACC). The purpose of this is to design and trial an intervention, or a range of interventions that will reduce harm and facilitate the safe use of alcohol in high-risk Pacific communities. Requests for proposals were advertised during May and close 1 July 2004. To date six applications have been received. It is anticipated that researchers will be selected and contracted by September 2004.

<b>Total Budget</b>	<b>Total Actual Expenditure</b>
<b>\$690,850</b>	<b>\$650,313</b>

#### Financial Variance Commentary

The under spend is due to delays in achieving the KPIs.

### OUTPUT CLASS 3 – YOUNG PEOPLE

#### Overview

ALAC worked with 24 community teams throughout the

country to support them in implementing local projects to reduce the inappropriate and illegal supply of alcohol to those under 18 years of age. The programme, called Youth Access to Alcohol (YATA), combines a number of activities including *Think Before You Supply Under 18s* campaigns, Controlled Purchase Operations, use of media, and parent information and is an integrated community action initiative managed and delivered at the local level. ALAC provides the overall programme scope, training and ongoing advice and information. Because the programme uses existing community resources, it has the potential to be sustainable over a long period of time. It is dependent on the community support roles of other agencies – in particular the Safer Community Coordinator and health promotion workforce – which is its greatest strength and its potential risk.

Continuing its strategy to support local communities in addressing alcohol-related harm, ALAC has run workshops to support the use of the resource *Strengthening Community Action on Alcohol*. Over 200 people working at the local level have been provided with training in developing effective local-level projects to reduce alcohol-related harm, using this resource as a framework for action.

ALAC continued in its role as principal sponsor of the *Say When* Halberg Awards. This year promotional activities around the awards built on the theme of adults being role models for young people in sporting environments.

The resources on alcohol for young people and parents of teenagers that ALAC produces and distributes have been reviewed and redesigned. This major project has involved a significant consultation process. The new resources will be published in the 2004/05 year.

With the end of core funding for research units, ALAC, along with the Ministries of Justice and Health, identified research gaps in youth alcohol and drug treatment. A request for proposals was undertaken and two significant research projects have been funded.

ALAC has supported the evaluation of a Nelson initiative, where young people under the influence of alcohol or drugs who have been interviewed by Police are referred to the local alcohol and drug service. Anecdotally, this

## STATEMENT OF SERVICE PERFORMANCE CONT'D

for the year ended 30 June 2004

has been a successful programme that has generated much interest nationally and in Australia. The evaluation project has identified the strengths of the project and there has been follow-up with some of the young people who had contact with both justice and health services.

### Key Performance Indicators

**Communities are supported to reduce the irresponsible and illegal supply of alcohol to young people and to encourage responsible consumption by young drinkers**

#### KPI 15

Eighteen communities are supported to implement YATA initiatives and all communities have set in place the evaluation measures under the project. Controlled Purchase Operations in eight communities demonstrate a reduction in sales to minors. (Project 3001.)

#### Achieved

Twenty-four communities around the country are actively participating in the YATA projects with ALAC support. All communities are undertaking the evaluation measures provided by ALAC. The links between YATA communities and other key government agencies – Crime Prevention Unit and Public Health Directorate are critical to the success of the project at a local level.

Ten communities have run Controlled Purchase Operations as part of their YATA project. All communities have used these operations to raise public and licensee awareness of the illegal supply of alcohol from licensed premises.

#### KPI 16

Three workshops delivered to train at least 30 health promotion workers to support communities in implementing the *Strengthening Community Action on Alcohol kit*. (Project 3001.)

#### Over achieved

Eleven Strengthening Community Action on Alcohol workshops have been run around the country including workshops for Māori communities and one workshop with Pacific providers. Over 200 people participated in the workshops, using the workshops and the resources as a framework for planning projects in their own communities.

#### KPI 17

*Say When* Halberg Awards demonstrate publicly responsible drinking in the sporting environment. (Project 3002.)

#### Achieved

The 2004 *Say When* Halberg Awards were held on 19 February 2004. The ALAC sponsorship centred around a theme of adult role modelling behaviour for young people. The message was articulated through the words “children the world over mimic the behaviour of their heroes”. Promotion at the event of the link between alcohol and the sporting environment was supplemented with television and press advertising and a good coverage of media stories on the theme of alcohol and sporting environments.

**Young people have access to information that supports them in making positive health choices including alcohol use choices**

#### KPI 18

“Urge” website traffic is maintained at 100,000 visits per year with the alcohol pages remaining in the top 10 most popular sections. (Project 3004.)

#### Partly achieved

Visits to the Urge website at 50,000 are lower than the figures supplied in the previous year. The figures used in the 2002/03 year were those supplied by the Internet Service Provider (ISP) and found to be more than 40 percent higher than the actual figures when the ISP was changed last year.

The Urge Advisory Group has accepted that the current reported numbers for site visits are more accurate than those supplied previously. A major restructure of the site over the year also resulted in a drop in site visits. This restructure coupled with an agreed communications plan has since resulted in an upward trend in site visits.

The alcohol pages remain in the top 10 most popular sections.

**Young people receive appropriate interventions for alcohol problems**

#### KPI 19

One research project started to identify the most efficient and effective range of interventions for young people with

## STATEMENT OF SERVICE PERFORMANCE CONT'D

for the year ended 30 June 2004

presenting or established problems with alcohol and drug use. (Project 3005.)

### Over Achieved

Two research projects in youth treatment have been contracted.

The Waitemata District Health Board in Auckland is contracting for the development and trialing of a screening tool to identify young people with alcohol (and other drug) misuse.

The National Addictions Centre in Christchurch has been contracted to research treatment retention in youth alcohol and drug treatment services.

Both projects have a national focus.

<b>Total Budget</b>	<b>Total Actual Expenditure</b>
<b>\$1,368,942</b>	<b>\$1,362,742</b>

### Financial Variance Commentary

KPIs achieved on time and within budget.

## OUTPUT CLASS 4 – SUPPLY AND PROVISION

### Overview

This year ALAC worked closely with Local Government New Zealand to develop a toolkit for local authorities to assist with reducing alcohol-related harm at a community level. ALAC has continued to work closely with the Police on a range of projects including the Police Enhanced Alcohol Intelligence Programme, the evaluation of local alcohol bans and the publication of the *Guide to the Sale of Liquor Act Manual for Police Liquor Licensing Officers*.

There has been significant development work undertaken in the planning of the programme to change the culture of drinking in New Zealand. An interagency working group of Ministries and Crown agencies with linked work programmes has been formed to provide advice and consultancy to the programme. The research *The Way We Drink: A Profile of Drinking Culture in New Zealand* was released in March with a significant public-awareness raising media programme. The Council accepted the strategy for the marketing programme in December

2003. The media strategy was implemented immediately; other strategies are dependent on an increase in funding for the programme.

Following the review of host responsibility last year, work has progressed on the development of new resources for licensed premises and those working in implementing and monitoring host responsibility. New bar signage was developed and distributed.

### Key Performance Indicators

**Attitudes to intoxication are changed so that drinking behaviours in New Zealand improve**

#### KPI 20

Benchmarks are established for measuring harm associated with binge drinking. (Project 4002.)

#### Achieved

The benchmarks and goals for the Culture Change Programme were developed as part of the business case for an increase in the ALAC levy. Cabinet accepted these in June 2004.

#### KPI 21

Culture Change Programme report provided to Council.

#### Achieved

Five reports on the Culture Change Programme have been presented to the Council.

**The enforcement of the Sale of Liquor Act is improved and Police intelligence gathering to identify alcohol-related crime "hot spots" allows for targeted policing to reduce alcohol-related crime**

#### KPI 22

Best practice guidelines for Controlled Purchase Operations are distributed and consultation process implemented. (Project 4001.)

#### Achieved

Best practice guidelines for Controlled Purchase Operations have been published, including an extensive consultation and trial process during their development.

## STATEMENT OF SERVICE PERFORMANCE CONT'D

for the year ended 30 June 2004

Workshops on running Controlled Purchase Operations have been run in Whangarei and as part of YATA programmes.

<b>Total Budget</b>	<b>Total Actual Expenditure</b>
<b>\$684,316</b>	<b>\$640,805</b>

### Financial Variance Commentary

KPIs were completed on time and within budget.

## OUTPUT CLASS 5 – EARLY

### INTERVENTION

#### Overview

Early intervention is the key to prevention of established patterns of alcohol abuse. ALAC has initiated a number of programmes to improve early detection and intervention for those at risk of developing patterns of abuse.

The *DrinkCheck* resource was piloted with a range of health and social services. The distribution and training process has been evaluated and the distribution process will be extended in the 2004/05 year.

ALAC supported the visit of key staff from the Asante Center for Fetal Alcohol Spectrum Disorder in Canada and seminars were held in Auckland, Hamilton, Wellington and Christchurch. Training opportunities were also provided for those training youth workers.

The *Smashed 'n Stoned?* resource for young people experiencing problems arising from their misuse of substances has been extensively redesigned following evaluation and consultation.

ALAC continued its support for self-assist programmes with continued funding to the Alcohol Helpline; continued delivery of the *Had Enough?* Resource; and the distribution of the *Concerned About Your Drinking?* series.

A communication strategy was developed to promote the concept of standard drinks, in consultation with the liquor, hospitality and retail industries. Promotional material was developed by ALAC and has been widely disseminated. Information on standard drinks will be a key platform from which ALAC will inform New Zealanders on managing consumption.

### Key Performance Indicators

**Early intervention techniques to reduce hazardous drinking are in place outside of traditional health settings**

#### KPI 23

Benchmarks are established for measuring improved outcomes from the delivery of early intervention in workplaces and other settings. (Project 5001.)

#### Achieved

A fact sheet for employers on the impact of early intervention for alcohol and drug misuse was provided from the results of the evaluation of the *Not at Work Mate* programme with New Zealand Post.

A report summarising the international literature on the impact of interventions in the workplace has been received.

#### KPI 24

Reduction targets for workplace and other settings for alcohol-related problems are established and measured annually. (Project 5001.)

#### Not Achieved

The reports have demonstrated that it is not possible to set specific targets for measuring the specific impact of any one programme; that although the international-level data indicates a 10 percent loss of productivity attributable to hazardous or dependent drinking, there are no international benchmarks that can be used for individual employers.

This has resulted in ALAC working more closely with agencies such as ACC to integrate early intervention programmes into workplace health and safety programmes.

As a result of these findings, ALAC has increased its efforts in the development of early intervention resources that are suitable for workplaces – such as *DrinkCheck* and the redevelopment of *Smashed 'n Stoned?* for use with young people in a variety of settings.

#### KPI 25

Early intervention resource developed and implemented with one large employer each year. (Project 5001.)

## STATEMENT OF SERVICE PERFORMANCE CONT'D

for the year ended 30 June 2004

### Achieved

ALAC worked collaboratively with the Engineers, Printers, and Manufacturers, Union (EPMU) to develop the *Not On The Job Mate* resource. ALAC is continuing to work with the ACC WorkSafe programme regarding its introduction into a range of workplaces through occupational health and safety programmes.

A trial using the *DrinkCheck* resource with ACC case managers is planned to assist in the reintegration of people receiving accident compensation payments as a result of an injury back into the workforce.

### Individuals seek help and are supported to address their own or others hazardous drinking

#### KPI 26

Calls to the Alcohol Helpline increase by 500 calls per year from a base of 10,000 at 2002/03. (Project 5003.)

#### Over Achieved

The Alcohol Drug Helpline received 17,034 calls – a 38 percent increase on 2002/2003.

#### KPI 27

Public information on the risks of drinking alcohol during pregnancy distributed to health providers. (Project 5005.)

### Achieved

Fifty thousand copies of the *Drinking and your baby* resource have been distributed to expectant parents as part of a comprehensive pregnancy pack through Bounty Services.

#### KPI 28

Five hundred copies annually of the *Had Enough?* self-help resource are distributed to individuals and its value assessed by its target audience. (Project 5002.)

### Achieved

Five hundred and ninety two copies of the *Had Enough?* resource have been distributed through the Alcohol Helpline.

Evaluation of the resource has been undertaken and recommendations incorporated into future planning.

<b>Total Budget</b>	<b>Total Actual Expenditure</b>
<b>\$1,350,280</b>	<b>\$1,396,601</b>

### Financial Variance Commentary

In working to achieve the KPIs, expenditure exceeded budget by three percent.

## OUTPUT CLASS 6 – ADVICE, INFORMATION AND ADVOCACY

### Overview

ALAC's Advice, Information and Advocacy functions cover a broad range of responsibilities including some statutory in nature.

### Policy

In 2003/04 ALAC policy work primarily focused on two issues:

- :: developing our plan for changing New Zealand's drinking culture
- :: building partnerships and working collaboratively with government departments, other Crown entities and non-government organisations.

ALAC played a key advisory role in persuading Government that drinking to intoxication is endemic in New Zealand and that if we were going to reduce the huge social costs associated with high-risk drinking, effort would have to be put into changing New Zealanders' attitudes to and behaviours around alcohol. This key strategy is known as the Culture Change Programme and the policy effort focused on developing policy and operational interventions to support this work.

ALAC's collaborative work includes:

- :: being on the IACD and contributing to the review of the National Drug Policy; providing advice to the MCDP on general alcohol policy and alcohol advertising; and leading the Interagency Working Group set up to provide advice on ALAC's development of its Culture Change Programme

## STATEMENT OF SERVICE PERFORMANCE CONT'D

for the year ended 30 June 2004

- :: working collaboratively with Local Government New Zealand to develop a toolkit on planning for alcohol in the community for planners and policy makers
- :: Working with the Ministry of Health, developing an application to Food Safety Australia New Zealand for warning labels on alcoholic beverages about the dangers of drinking while pregnant.

ALAC has made submissions to:

- :: the Christchurch City Council, Waitākere City Council and the Hutt City Council on their Sale of Liquor Act policies
- :: the Commerce Select Committee on the Sale of Liquor Amendment Bill 2004.

ALAC provided advice to the Advertising Standards Association on the application of the National Guidelines on the Naming, Packaging and Merchandising of Alcoholic Beverages following the Review Panel's<sup>1</sup> recommendation that these be included in the Code for Advertising Liquor. This recommendation was made so that the Code could be tightened in the area of sanctions against appeal to younger drinkers. ALAC also provided advice on particular complaints to the Advertising Standards Complaints Board where this was requested. Additionally ALAC completed a paper on the History of Advertising of Alcoholic Beverages on radio and television. This paper has been posted on the ALAC website.

A policy statement on "Defining Early Intervention" was presented to the Council and posted on ALAC's website.

As part of ALAC's international liaison role and at the request of the British Cabinet Office, ALAC continued to provide advice and comment on the development of the National Alcohol Strategy in Britain, and liaises closely with the State, Territory and Federal Governments in Australia and Canada.

### Information Services

ALAC's public information and library service was maintained, with a completely restructured website going

live at the start of June 2004. The e-mail discussion groups of the alcohol and drug sector, Te Kupenga, and the Sale of Liquor Act were maintained and a new discussion group added, which provides a facility for agencies nationwide to share information about the YATA project.

### Public Affairs and Communication

ALAC has continued to work closely with the media to deliver information and messages to New Zealanders about alcohol. It has established relationships and built understanding with various media to enable alcohol-related harm to be lodged on the public agenda.

A range of stakeholders has been informed on ALAC's strategy and activities through its regular publication [alcohol.org.nz](http://alcohol.org.nz) as well as through increased general and targeted meetings and briefings that have also enabled improved understanding of one another's interests.

### Regional Services

Support to the health promotion, early intervention and alcohol and drug sectors for the delivery of national projects was maintained from the Regional Offices based in Christchurch, Wellington and Auckland. Local-level projects included collaborative work on Tertiary students and alcohol, Asian alcohol-related harm, women's treatment needs, alcohol and drug treatment services for youth, treatment advocacy and community action programmes for youth access to alcohol issues.

Regional Services also supported the piloting of early intervention programmes, liaison and advocacy with the sectors involved with the supply and provision of alcohol, support for communities working in the area of Fetal Alcohol Spectrum Disorder and the development of services and projects with Māori and Pacific providers.

### Conference and Travel Grants

ALAC maintained its support for the alcohol and drug workforce by providing grants to enable nine people to undertake overseas study and take professional development opportunities.

<sup>1</sup> Report of the Review Panel on Liquor Advertising on Radio and Television – a full copy of the report is available on [www.asa.co.nz](http://www.asa.co.nz)

## STATEMENT OF SERVICE PERFORMANCE CONT'D

for the year ended 30 June 2004

### Advocacy Services

The aim of ALAC's treatment advocacy role is to ensure New Zealanders have access to appropriate treatment services when needed. ALAC consulted widely with treatment stakeholders to review the role and scope. ALAC has continued to provide advice and information on treatment issues at local and regional levels. Guidelines for the treatment of women in alcohol and drug services have also been drafted.

Investment was made in supporting the National Treatment Forum and the National Leadership Days run jointly by the Ministry of Health and the National Treatment Forum.

Cutting Edge 2003 was hosted by the people of the north and held in the Bay of Islands in August 2003, and again, provided an opportunity for people in the alcohol, drug and addictive disorders field to meet and for research findings to be disseminated.

### Generic Research

ALAC concluded its commitment to core funding of research units and has continued with the implementation of its Statement of Treatment Research Intent. All ongoing ALAC research contracts met contract deliverables. A number of ALAC-supported research projects were reported this year, including wide publicity of the Auckland hospital study into the changes in drinking behaviour in general practice patients and the burden of disease resulting from the misuse of alcohol.

### Key Performance Indicators

#### Strategic and operational policy advice and information services provided at a national and local level

#### KPI 29

Eighty percent of ALAC's advice to the Minister is accepted and assessed by the Minister as being of excellent value. (Project 6001.)

Three policy statements on alcohol advertising and promotion, the Sale of Liquor Act and the Resource Management Act in relation to alcohol availability in communities.

### Achieved

Advice was accepted by the Associate Minister of Health. A formal measurement matrix to make judgements regarding the quality and value of advice is being assessed.

ALAC's policy on alcohol advertising and promotion is on the ALAC website, by way of ALAC's submission to the 2003 Review of Liquor Advertising on radio and television.

ALAC's Early Intervention policy statement is also available on the ALAC website.

The draft content for the local government toolkit has been distributed for comment. A memorandum of understanding with Ngai Tahu has been drafted and returned to the Ministry of Justice for further advice. A submission was prepared for the Hutt City Council Sale of Liquor policy.

#### KPI 30

ALAC's website is assessed independently as being "above average" or "better standard" and traffic increases by 5 percent each year from the 2002/03 base. (Project 6002.)

#### Over Achieved

An independent survey assessed the ALAC website as being "better than above average".

Website sessions for June 2004 totalled 30,364. This compares with sessions for June 2003 of 14,877 and shows an increase in traffic of 104 percent.

#### KPI 31

External survey shows 75 percent of users satisfied or better with ALAC information services. (Project 6002.)

#### Over Achieved

Eighty-eight percent of respondents were "satisfied" or "very satisfied" with the service received.

#### KPI 32

Media coverage of ALAC stories shows minimum of 70 percent combined positive and balanced coverage, 30 percent or less negative news stories. (Project 6003.)

## STATEMENT OF SERVICE PERFORMANCE CONT'D

for the year ended 30 June 2004

### Over Achieved

Media coverage of ALAC stories showed 97 percent combined positive and balanced and 3 percent negative news stories.

### KPI 33

Annual stakeholder survey shows 10 percent annual increase in awareness of ALAC's role and 75 percent consider the role valuable at the national and local level. (Project 6003.)

### Achieved

Awareness of ALAC's role at June 2004 stood at 75 percent compared with 65 percent in September 2003.

The value of ALAC's role is demonstrated by the Trust and Confidence Monitor that identifies 78 percent of those with knowledge of ALAC as having trust and confidence.

### Alcohol and drug treatment providers are supported with information and advice on how to improve service delivery

### KPI 34

Seventy-five percent of delegates to the National Treatment Conference assess the conference as above average or better in meeting their needs. (Project 6009.)

### Achieved

The Cutting Edge conference was held 28 to 30 August 2003. Conference evaluations indicate that 75 percent indicated the conference rated "very good" or "excellent", with 88 percent rating the conference as "meeting" or "exceeding" expectations.

### Research provides information on how to reduce alcohol-related harm

### KPI 35

All research contracts meet contractual requirements and the results are disseminated.

### Achieved

Auckland Uniservices (IPRC) reports were provided on Young People, Alcohol and Safer Public Places and Young People and Drinking Cultures.

Auckland Uniservices: Changes in Drinking Behaviour Detected in Auckland General Practice Patients Between 1995 & 2003.

PhDs Under Contract – contractual obligations were met for two remaining PhDs.

Mental Health Epidemiology progress updates were received. A final report is due 2006.

### Governance and operations practices meet agreed Crown owned entity standards

### KPI 36

The ALAC audit rating is unqualified and achieves the standard of "good" or "excellent".

### Achieved

The 2003 Audit New Zealand report was unqualified and resulted in an audit rating of three "excellents" and two "goods". Financial systems and procedures are subject to constant review to ensure the KPI is met.

Total Budget	Total Actual Expenditure
\$2,943,123	\$2,819,045

### Financial Variance Commentary

Projects were completed on time and within budget.



