ADDICTION RECOVERY AGENCY LTD

England & Wales · Charity number 1002224

Details

Other names	ACCOMMODATION FOR RECOVERY FROM ADDICTION LIMITED, A R A
Status	Registered
Legal form	Charitable company
Company number	02540814
Registered	1991-03-14
Register	View on the Charity Commission register

Contact

Address	Kings Court King Street Bristol BS1 4EF
Phone	01179300282
Email	info@recovery4all.co.uk
Website	www.recovery4all.co.uk

Activities

Objects: The relief of those in need whose health is at risk or who are otherwise disadvantaged due to difficulties associated with mental health or detrimental use of or dependency on substances (including but not limited to alcohol and drugs of any kind) or detrimental behaviours (including but not limited to gambling) and the education of the public on such matters by such means as the trustees in their discretion think fit.

Activities: ARA provides services to help people who have drug,alcohol and gambling addiction problems. ARA also provides services to help people with mental health issues such as anxiety and depression.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Accommodation/housing
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Defined Groups, The General Public/mankind

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Geography

- Bristol City
- Cardiff
- Carmarthenshire
- City Of Swansea
- Gloucestershire
- Monmouthshire
- Newport City
- North Somerset
- Somerset
- South Gloucestershire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£6,242,425	£4,676,486	£3,220,103	76
2024-03-31	£4,060,332	£3,895,276	£1,654,164	73
2023-03-31	£3,177,394	£3,064,494	£1,489,108	62
2022-03-31	£2,771,431	£2,614,997	£1,376,208	45
2021-03-31	£2,837,996	£2,684,080	£1,219,774	45

Trustees

Name	Role	Appointed
Christopher Peter Shepherd		2020-11-13
David Charles Eva		2024-09-18
David Wynne Thomas		2017-06-05
Dr Dorcas Kingham		2024-07-30
Dr Michael Joseph Banissy		2024-05-24
Jill Hitchen		2023-09-27
Latoya Neila Copsie		2021-11-05

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ADDICTION RECOVERY AGENCY LTD

England & Wales - Charity number 1002224

Accounts

ADDICTION RECOVERY AGENCY LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

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Registered charity number – 1002224

Company number - 02540814

ADDICTION RECOVERY AGENCY LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

REFERENCE AND ADMINISTRATIVE INFORMATION

WORKING NAME

Ara

SOLICITORS

Anthony Collins Solicitors
134 Edmund Street
BIRMINGHAM
B3 2ES

AUDITOR

Burton Sweet Limited
The Clock Tower
5 Farleigh Court
Old Weston Road
Flax Bourton
BRISTOL
BS48 1UR

BANKERS

HSBC
62 George White Street
Cabot Circus
BRISTOL
BS1 3BA

PRINCIPAL ADDRESS

King's Court
King Street
BRISTOL
BS1 4EF

KEY PERSONNEL

Chief Executive	Graham England
Director of Finance	Andrew Ridley
Director of Operations	Robbie Thornhill
Company Secretary	Andrew Ridley (resigned December 2024)
Company Secretary	Stuart Williams (appointed December 2024)
Director of Gambling/Cymru	Helen Kovacs (resigned October 2024)

ADDICTION RECOVERY AGENCY LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

BOARD REPORT

The Board present their report for the year ended 31 March 2025. Due to the Board Members' status as directors under the Companies Act 2006, this report constitutes a director's report as required by the Companies Act 2006, and has been prepared taking advantage of the exemptions conferred by Part 15 of this act.

The Board Members during the year and to date of approval of the accounts were:

D Thomas (Chair)
A Collins (deceased April 2024)
C Shepherd
L Copsie
J Hitchen
M Banissy
D Eva
D Kingham (appointed July 2024)

GOVERNING DOCUMENT

The Charity was established in 1987 by incorporation as a company limited by guarantee. Consequently, the governing instrument of the Charity is its Memorandum and Articles of Association. The Charity is registered with the Charity Commission under number 1002224. The Company registration number is 02540814.

CHARITABLE OBJECTS

The Charity's objects are:
The relief of those in need whose health is at risk or who are otherwise disadvantaged due to difficulties associated with mental health or detrimental use of or dependency on substances (including but not limited to alcohol and drugs of any kind) or detrimental behaviours (including but not limited to gambling) and the education of the public on such matters by such means as the trustees in their discretion think fit.

PUBLIC BENEFIT

Ara is one of the largest voluntary organisations providing addiction and mental health services in the South West and Wales. In 2024/25 Ara offered a wide range of treatment and support to benefit people with drugs, alcohol, gambling and mental health problems in Bristol, North Somerset, South Gloucestershire, Gloucestershire, Somerset, Cornwall and Wales including:

- **Housing support service -** the largest single contracted service of its kind in Bristol providing accommodation and support to over 250 people with drug and alcohol problems at any one time. A key element of the Bristol Homelessness Pathways service;

PUBLIC BENEFIT (continued)

- **Prison Resettlement Services** – services that help people to resettle into appropriate accommodation on release from local prisons;
- **Housing First Service** – working in Bristol to house and support people at significant risk of homelessness;
- **Specialist Housing Support -** Ara's team promotes tenancy sustainment and prevents homelessness for people with drug and alcohol problems;
- **Gambling Counselling & Community Engagement -** Ara is commissioned by GambleAware to provide counselling for people experiencing problems with gambling;
- **Gambling Youth Education** – Ara works with young people and other professionals to improve understanding of the risks relating to gambling.

During the year, Ara charged for rent and household service charges. These charges were paid for by Local Authorities and service users respectively. Ara provides no private benefit. Board Members have considered public benefit guidance issued by the Charity Commission.

ACHIEVEMENTS AND PERFORMANCE 2024/25

Ara continues to have a major impact on the lives of those suffering from addiction and mental health problems. Key statistics are set out below:

HOUSING SERVICE

243 people housed in our substance misuse accommodation.

88% occupancy across our housing accommodation (business plan target 92%).

98% of service users were satisfied with the service.

100% of service users would recommend the service to others.

ACHIEVEMENTS AND PERFORMANCE 2024/25 (continued)

SPECIALIST HOUSING SUPPORT

285 clients supported across the service and 1100 attendances at community engagement groups set up by Ara.

GAMBLING TREATMENT & COMMUNITY ENGAGEMENT SERVICE

1764 clients received counselling.

99% clients were satisfied with the service they received.

Average well-being score improved by 8 points because of Ara.

11944 people were offered information, advice and guidance about gambling harms.

1383 people attended the "Battling the Odds" programme for people connected to the Armed Forces

GAMBLING YOUTH EDUCATION

867 professionals were educated in our gambling awareness programme.

7212 young people took part in our programme to raise awareness of gambling harms.

CRIMINAL JUSTICE SERVICES

448 referrals from 27 prisons to Ara's Prison Resettlement Service an increase of 69% from the previous year.

100 people were directly accommodated on their release from prison.

HOUSING FIRST

Ara began its Bristol Housing First service in 2024/25. This service will house and support 28 people who otherwise would have been at a very high risk of being homeless. As part of this project, Ara acquired 15 flats in Bristol funded by a grant of £1,340,000 from Bristol Council and loan facility of £1,415,000 from Social and Sustainable Capital.

ACHIEVEMENTS AND PERFORMANCE 2024/25 (continued)

RISK MANAGEMENT

The Board actively reviews the major risks that the Charity faces on a regular basis and believes that maintaining our free reserves at the levels stated on page 7 will provide sufficient resources in the advent of adverse business conditions. The Board has approved a Risk Policy and Risk Register that identifies the main risks facing Ara, the potential impact of these risks, controls already in place to mitigate the risk and what action needs to be taken.

Loss of a major contract is a potentially significant risk. To deal with this Ara has procedures to monitor contract performance and to ensure that strong working relationships are maintained with commissioners. The loss of key staff and Board Members is another potential risk facing the organisation. The documentation of all policies, procedures, and succession planning help to minimise the impact of this risk. Failure to provide the required level of support to clients and patients is also a potential significant risk. Client risk assessments and detailed policies and procedures are in place to mitigate this risk.

LOOKING AHEAD

The coming year also brings several exciting opportunities with new and expanded services. The Charity's main objectives in the coming year include:

- successfully delivering the new Bristol Housing First service;
- expanding gambling treatment services, with the aim of counselling 2500 people;
- growing Ara's criminal justice services;
- achieving 92% occupancy in our houses;
- rolling out the Actions for Living project to develop new ways of supporting people with substance misuse problems;
- applying to become a Registered Provider of Social Housing.

BOARD REPORT (continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT

A Board of Trustees governs Ara. Regular briefings are held for Board Members to provide them with detailed information about the way in which services are designed and delivered as a means of understanding the regular performance information provided for monitoring purposes. Ara's Senior Management Team is Graham England (Chief Executive), Andrew Ridley (Director of Finance and Deputy Chief Executive), Robbie Thornhill (Director of Operations). The pay and terms and conditions of the Senior Management Team are reviewed annually by the Board. During 2024/25 Ara had an average of 76 full time equivalent staff and 40 volunteers.

RECRUITMENT AND APPOINTMENT OF TRUSTEES

A skills audit is regularly conducted of Board Members to identify gaps in expertise on the Board and to assist with recruitment. Recruitment of new Members with appropriate skills and experience is undertaken through individual contact, networking and advertising.

TRUSTEE INDUCTION AND TRAINING

New Trustees are given the Board Member's handbook on joining, which includes the duties and responsibilities of Trustees and the structure, organisation and management of the charity. Induction training is also provided.

FINANCIAL POSITION OF THE CHARITY

The Board can confirm that the Charity's assets are available and adequate to fulfil the obligations of the charity on a fund-by-fund basis. The Charity had net assets of £3,220,103 at 31 March 2025 of which £2,602,924 is held in unrestricted funds. The Charity's net assets increased by £1,565,939 during the year largely as a result of with the purchase of the 15 flats in Bristol funded by a grant and a loan.

Whilst Ara does receive small value donations it does not actively engage in fundraising.

BOARD REPORT (continued)

INVESTMENT POLICY

The Board approved an Investment Policy in August 2024. The policy outlines the Charity's attitude to risk and the ethical issues that need to be considered when decisions on investments are taken.

RESERVES POLICY

At 31 March 2025, the Charity had total reserves of £3,220,103. The balance on restricted reserves was £ 617,179. Movements in restricted funds are shown in note 14 to the financial statements. Designated reserves totalled £2,066,301 with £1,918,626 relating to the Fixed Asset fund which is equivalent to the estimated value of reserves that can only be realised from the sale of fixed assets. Designated reserves are also used to fund the Charity's 'Actions for Living project, fund the costs of applying to become a Registered Provider of Social Housing and to meet the costs of property refurbishment.

The Charity's Reserves Policy is to hold two to three months operating expenses on unrestricted activities in liquid unrestricted funds. This currently equates to around £420,000 - £630,000. At 31 March 2025 the liquid unrestricted reserves were £536,623 (2024, £608,717). The Board reviewed its reserves target in August 2025 and consider this to be adequate given the duration of the Charity's main contracts, potential liabilities should those contracts come to an end and the planned expansion of the organisation.

TRUSTEES STATEMENT OF RESPONSIBILITIES

The Trustees (who are also directors of Addiction Recovery Agency for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Accepted Accounting Practice).

BOARD REPORT (continued)

TRUSTEES STATEMENT OF RESPONSIBILITIES

Company law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditor is unaware; and the Trustees have taken all steps that they ought to make themselves aware of that information.

BY ORDER OF THE BOARD

DAVID THOMAS
CHAIR DATE 19 SEPTEMBER 2025

ADDICTION RECOVERY AGENCY LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADDICTION RECOVERY AGENCY LIMITED

OPINION

We have audited the financial statements of Addiction Recovery Agency Limited (the "Charity") for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2025 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted out audit in accordance with international Standards in Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ADDICTION RECOVERY AGENCY LIMITED continued

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern as described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If based, on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the directors' report has been prepared in accordance with applicable law requirements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADDICTION RECOVERY AGENCY LIMITED continued

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit;or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADDICTION RECOVERY AGENCY LIMITED continued

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the charity through discussions with directors and other management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements of the operations of the company, including the Company's Act 2006, taxation legislation and data protection, anti-bribery, employment, environment and health and safety legislation; and
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence and remaining alert during the audit for any indications of non-compliance.

Our audit procedures in relation to fraud included but were not limited to:

- making enquiries of those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- discussing amongst the engagement team the risks of fraud;
- gaining an understanding of the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- testing journal entries to identify unusual transactions;
- assessing whether judgements and assumptions made in determining the accounting estimates set out in accounting policies were indicative of potential bias; and
- investigating the rationale behind significant or unusual transactions.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADDICTION RECOVERY AGENCY LIMITED continued

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditors/audit-assurance-ethics/auditors-responsibilities-for-the-audit. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required state in them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Joshua Kingston ACA (Senior Statutory Auditor)

For and on behalf of Burton Sweet Limited

The Clock Tower
5 Farleigh Court
Old Weston Road
Flax Bourton
Bristol BS48 1UR

Date: 19/9/2025

ADDICTION RECOVERY AGENCY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (incorporating income and expenditure account) FOR THE YEAR ENDED 31 MARCH 2025

	note	Unrestricted Funds £	Restricted Funds £	Total funds 2025 £	Total funds 2024 £
INCOME AND EXPENDITURE					
INCOME FROM:					
Donations	3	6,134	62,000	68,134	120,971
Other Trading Activities:					
Rental income and related services		10,000	-	10,000	10,020
Investments:					
Interest receivable		31,783	-	31,783	24,657
Charitable Activities					
Grants, contracts and fees:	4				
Gambling Service		179,889	2,105,229	2,285,118	1,590,216
Housing Support & Resettlement		2,275,501	1,554,500	3,830,001	2,224,086
Somerset Services		-	-	-	80,813
Gloucestershire Services		-	-	-	9,569
sub total		2,455,390	3,659,729	6,115,119	3,904,684
Other income		17,389	-	17,389	-
TOTAL INCOME		2,520,696	3,721,729	6,242,425	4,060,332
EXPENDITURE ON:					
Charitable activities:					
Gambling Service		74,892	1,959,297	2,034,189	1,644,568
Housing Support & Resettlement		2,440,880	201,417	2,642,297	2,163,314
Somerset Services		-	-	-	77,825
Gloucestershire Services		-	-	-	9,569
TOTAL EXPENDITURE	5	2,515,772	2,160,714	4,676,486	3,895,276
Net income for the year		4,924	1,561,015	1,565,939	165,056
Balance brought forward at 1 April 2024		1,258,000	396,164	1,654,164	1,489,108
Transfers		1,340,000	-1,340,000	-	-
BALANCE CARRIED FORWARD AT 31 March 2025	12 , 14	2,602,924	617,179	3,220,103	1,654,164

The notes on pages 17 to 32 form part of these accounts.

All of the results relate to continuing operations.

Prior year comparatives are included in note 19.

ADDICTION RECOVERY AGENCY LIMITED

(Company number 02540814, registered charity number 1002224)

BALANCE SHEET
AT 31 MARCH 2025

	note	2025 £	2024 £
FIXED ASSETS			
Tangible assets	8	3,384,596	709,648
CURRENT ASSETS			
Debtors	9	814,198	659,445
Cash at bank and in hand		1,321,686	1,076,767
		2,135,884	1,736,212
CREDITORS: Amounts falling due within one year	10	-774,294	-644,605
NET CURRENT ASSETS		1,361,590	1,091,607
TOTAL ASSETS LESS CURRENT LIABILITIES		4,746,186	1,801,255
CREDITORS: Amounts falling due after one year	11	-1,526,083	-147,091
NET ASSETS		3,220,103	1,654,164
FUNDS:			
Restricted	15	617,179	396,164
Unrestricted			
Designated	15	2,066,301	93,404
General	12	536,623	1,164,596
	15	3,220,103	1,654,164

The accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board on 19 September 2025 and signed on its behalf by

DAVID THOMAS (CHAIR)

The notes on pages 17 to 32 form part of these accounts

ADDICTION RECOVERY AGENCY LIMITED

CASH FLOW STATEMENT FOR THE THE YEAR ENDING 31 MARCH 2025

		2025		2024	
OPERATIONAL CASH FLOWS	Notes	£	£	£	£
Income from operations:					
Charitable activities (gross)	18a.1	5,952,811		3,474,137	
Other activities: trading (gross)	18a.2	27,389	5,980,200	10,020	3,484,157
Charitable expenditure	18b.1		-4,459,566		-3,436,695
Net inflow from operating activities			1,520,634		47,462
Income for operating activities:					
Voluntary sources other than endowments (gross)	18a.3	68,134		120,971	
Endowed funds converted into income		-	68,134	-	120,971
Net inflow of operating activities			1,588,768		168,433
NON-OPERATIONAL CASH FLOWS					
Investing activities:					
Payments for tangible fixed assets		-2,754,624		-95,647	
Dividends and interest (gross)		31,783		24,657	
			-2,722,841		-70,990
Financing:					
Loan repayments		-27,909		-27,476	
Loan receipts		1,406,901		-	
			1,378,992		-27,476
Net cash inflow for the year	18c		**244,919**		**69,967**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1. ACCOUNTING POLICIES

a) Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice : Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011 and the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

b) Tangible assets and depreciation

Tangible assets are held at cost less depreciation. Depreciation is provided on tangible assets with a value of more than £1000 at rates calculated to write off the cost, less estimated residual value of each asset, over its expected useful life as follows:

Long leasehold office property	2% straight line;
Improvements to long leasehold office property	10% straight line;
Improvements to short leasehold office property	10% - 33% straight line;
Office fixtures, fittings and equipment	10% - 33% straight line;
House fixtures, fittings and equipment	10% - 33% straight line.

Long leasehold houses are not depreciated, subject to an annual impairment review.

c) Income

Income is recognised in the period to which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

When donors specify that donations or grants are for a particular restricted purpose, which do not amount to pre-conditions regarding entitlement, this income is included in income of the appropriate restricted fund when it is receivable.

d) Costs of raising funds, charitable activities and governance costs

Expenditure is on an accruals basis inclusive of any VAT that cannot be recovered. The majority of costs are directly attributable to specific charitable activities.

The support costs have been apportioned to the activities of the Charity on the basis of the percentage of income of the activity compared to total income. This basis was used as a reasonable representation of the level of support required by each activity.

Governance costs are those associated with the constitutional and statutory requirements of the charity covering the external audit fee and Board expenses. Governance costs are included with charitable activities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025 (continued)

e) Pensions costs
The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and is shown in Note 6 to these financial statements.

f) Operating leases
Operating lease payments are charged to the Statement of Financial Activities as incurred over the term of the lease.

g) Fund accounting
Funds held by the Charity are either:

- Unrestricted general funds – these are funds which can be used in accordance with charitable objects at the discretion of trustees;
- Designated funds – these are funds set aside by the trustees out of unrestricted general funds for specific or future projects;
- Restricted funds – these are funds that can only be used for particular purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

h) Going concern
The Board has carefully considered the going concern basis used in the preparation of the financial statements and is satisfied that this is correct based on forecast income and expenditure. There are no material uncertainties about the ability of the charity to continue as a going concern.

i) Public Benefit
Addiction Recovery Agency Limited is a public benefit entity.

j) Trade debtors
Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

k) Trade creditors
Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cos using the effective interest rate method.

l) Cash and cash equivalents
Cash and cash equivalents comprise cash in hand and call deposits and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

2. TAXATION
Addiction Recovery Agency Limited is a registered charity and, subject to funds being used for charitable purposes only, is exempt from Corporation Tax on its income and gains.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025 (continued)

3. GRANTS AND DONATIONS	Unrestricted Funds £	Restricted Funds £	Total funds 2025 £	Total funds 2024 £
Double Diamond Gaming	-	-	-	41,167
Bet Fred	-	-	-	44,500
Quartet Foundation	-	-	-	32,280
Bristol City Council Wider Inclusion	-	50,000	50,000	-
Bristol City Council Staff Development	-	12,000	12,000	-
Other grants and donations	6,134	-	6,134	3,024
	6,134	62,000	68,134	120,971

4. GRANTS, CONTRACTS & FEES	Unrestricted Funds £	Restricted Funds £	Total funds 2025 £	Total funds 2024 £
Housing Support & Resettlement				
Bristol City Council	1,591,497	1,554,500	3,145,997	1,572,906
Rent receivable (housing benefit)	615,088	-	615,088	585,453
Client service charges	68,916	-	68,916	65,727
	2,275,501	1,554,500	3,830,001	2,224,086
Gambling Service				
GamCare	-	50,886	50,886	202,060
Beacon Counselling Trust	150,000	72,000	222,000	50,000
IFF	9,900	-	9,900	-
GambleAware	-	1,982,343	1,982,343	1,338,156
Gambling Research Ontario	19,989	-	19,989	-
	179,889	2,105,229	2,285,118	1,590,216
Somerset Services				
Second Step	-	-	-	80,813
Gloucestershire Services				
CGL	-	-	-	9,569

Total Government grants received druing the year as included in notes 3 & 4 above is £1,493,640

Prior year comparatives are included in note 20.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025 (continued)

5. TOTAL EXPENDITURE

	Direct Staff Costs	Other Direct Costs	Support Costs	Total 2025	Total 2024
	£	£	£	£	£
Gambling Service	1,505,953	235,873	292,363	2,034,189	1,644,568
Housing Support & Resettlement	1,334,779	967,224	340,294	2,642,297	2,163,314
Somerset Services	-	-	-	-	77,825
Gloucestershire Services	-	-	-	-	9,569
	2,840,732	1,203,097	632,657	4,676,486	3,895,276

Prior year comparatives are included in note 21.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025 (continued)

5. TOTAL EXPENDITURE (continued)

Other Direct Costs	Total 2025 £	Total 2024 £
House running costs	563,813	534,974
Client expenditure	101,895	56,785
Depreciation	12,280	19,143
Payments to partners	364,389	484,593
Premises	160,720	80,979
	1,203,097	1,176,474

Support Costs	Total 2025 £	Total 2024 £
Staff costs	222,811	234,619
Premises	23,107	21,674
Office costs	229,772	205,524
Depreciation	67,399	63,114
Loss on disposal of assets	-	7,745
Legal and professional	78,006	48,987
Loan interest	11,562	19,604
	632,657	601,267

Included within support costs are governance costs of £11,215 (2024, £10,196) which relate to the external audit and Board expenses.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025 (continued)

6. STAFF COSTS, TRUSTEES' REMUNERATION AND RELATED PARTY TRANSACTIONS

Staff costs were as follows:	Total 2025 £	Total 2024 £
Wages and salaries	2,474,747	1,983,210
Social security costs	243,936	185,151
Pension costs	55,566	44,018
	2,774,249	2,212,379

Number of employees earning in the following salary ranges:

	2025	2024
£60,000 - £70,000	-	1
£70,000 - £80,000	1	-
£80,000 - £90,000	1	1

Employment benefits, inclusive of employer national insurance and pension paid to key management personnel (Chief Executive ,Director of Finance, Director of Operations, Director of Gambling/Cymru) in 2024/25 totalled £ 287,721 (2023/24, £296,911)

No remuneration was paid to Board Members. Travel costs of £506 (2023/24, £492) were re-imbursed to one Board Member.

The average number of employees analysed by function: equivalents analysed by function was:

	2025 Head count	2025 FTE	2024 Head count	2024 FTE
Support services	54	52	44	41
Treatment services	14	12	17	11
Management and administration of the charity	13	12	12	10
	81	76	73	62

7. NET INCOME FOR THE YEAR

This is stated after charging:	2025 £	2024 £
Depreciation of owned assets	79,676	82,257
Auditors' remuneration - audit fee	10,560	9,520
Operating lease rentals	87,936	75,674

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025 (continued)

8. TANGIBLE ASSETS

	Long Leasehold Property £	Long Leasehold Improvts £	Short Leasehold Improvts £	Managed Property Refurbishments & Equipment £	Fixtures, Fittings and Equipment £	Total £
COST						
At 1 April 2024	768,461	134,677	62,303	213,316	216,559	1,395,316
Additions	2,680,110	37,853	7,667	1,278	27,719	2,754,627
Dipsosals	-	-	-	-20,777	-4,357	-25,134
At 31 March 2025	3,448,571	172,530	69,970	193,817	239,921	4,124,809
DEPRECIATION						
At 1 April 2024	271,809	99,795	34,417	193,785	85,862	685,668
Charge for the year	15,373	4,994	7,426	12,276	39,610	79,679
Disposals	-	-	-	-20,777	-4,357	-25,134
At 31 March 2025	287,182	104,789	41,843	185,284	121,115	740,213
NET BOOK VALUE						
At 31 March 2025	3,161,389	67,741	28,127	8,533	118,806	3,384,596
At 31 March 2024	496,652	34,882	27,886	19,531	130,697	709,648

9. DEBTORS	2025	2024
	£	£
Rents and fees	782,810	636,166
Prepayments	53,427	60,982
less Provision for doubtful debts	-22,039	-37,703
	814,198	659,445

10. CREDITORS	2025	2024
	£	£
Amounts falling due within one year		
Bank loan	30,187	32,466
Trade creditors	205,890	60,264
Taxation and social security	65,015	60,381
Amounts due to residents	1,452	1,556
Other creditors and accruals	71,220	112,862
Fees and grants received in advance	400,530	377,076
	774,294	644,605

Deferred income reconciliation	2025	2024
	£	£
Deferred income brought forward	377,076	70,295
Income credited in year	-377,076	-70,295
Fees and grants received in advance	400,530	377,076
Deferred income carried forward	400,530	377,076

11. CREDITORS	2025	2024
	£	£
Amounts falling due after more than one year		
Social and Sustainable Capital loan	1,406,901	-
HSBC loan	119,182	147,091
	1,526,083	147,091

The Social and Sustainable Capital loan is secured by a 10 year mortgage over fifteen flats. The loan is repaid by a bullet repayment in 2034. Interest is charged based on a fixed percentage of rent charged to the tenant.

The HSBC loan is secured by a 25 year mortgage over the charity's leasehold property known as Units 6, 7 and 8 King's Court, King Street, Bristol.
The bank loan is to be repaid by monthly instalments over 25 years and is on a variable rate of 3% per annum over the Bank' s base rate (currently 4%).

Maturity of loans:	£	£
Due in less than one year	30,187	32,466
Due between two and five years	129,864	129,864
Due after more than five years	1,396,219	17,227
	1,556,270	179,557

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025 (continued)

12. UNRESTRICTED FUNDS

	Balance 01 April 2024 £	Movement in Funding Income £	Expenditure £	Transfers £	Balance 31 March 2025 £
GENERAL FUNDS	1,164,596	2,520,696	-2,492,543	-656,126	536,623
DESIGNATED FUNDS					
Leasehold Property Refurbishment Fund	23,739	-	-5,685	-	18,054
Actions For Living Fund	69,665	-	-14,577	-	55,088
Registered Provider Fund	-	-	-2,967	77,500	74,533
Fixed Asset Fund	-	-	-	1,918,626	1,918,626
	93,404	-	-23,229	1,996,126	2,066,301
TOTAL UNRESTRICTED FUNDS	1,258,000	2,520,696	-2,515,772	1,340,000	2,602,924

PRIOR YEAR	Balance 01 April 2023 £	Movement in Funding Income £	Expenditure £	Transfers £	Balance 31 March 2024 £
GENERAL FUNDS	966,755	2,437,100	-2,239,259	-	1,164,596
DESIGNATED FUNDS					
Leasehold Property Refurbishment Fund	29,419	-	-5,680	-	23,739
Actions For Living Fund	80,186	-	-10,521	-	69,665
	109,605	-	-16,201	-	93,404
TOTAL UNRESTRICTED FUNDS	1,076,360	2,437,100	-2,255,460	-	1,258,000

The Leasehold Property Refurbishment Fund is used to meet the depreciation arising from the refurbishment of properties leased from Bristol City Council.

The Actions For Living Fund is used to fund projects to aid the recovery of people with drug and alcohol addiction.

The Registered Provider Fund is used to meet the costs of applying to become a Registered Provider of Social Housing.

The Fixed Asset Fund is used to meet any depreciation or impairment charge on owned property assets.

13. LEASE COMMITMENTS

At 31 March 2025 the charity had annual commitments under operating leases as set out below:

	Land, buildings & equipment 2025 £	Land, buildings & equipment 2024 £
Leases which expire in less than 1 year	41,948	35,528
Leases which expire between two and five years	22,651	32,053
	64,599	67,581

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025 (continued)

14. RESTRICTED FUNDS	Balance 01 April 2024	Income Grants & Donations	Expenditure Staff Costs	Allocated Support Costs	Other direct costs	Expenditure Total	Transfers	Balance 31 March 2025
	£	£	£	£	£	£	£	£
North Somerset Service Fund	49,237	-	3,499	-	8,394	11,893	-	37,344
North Somerset Refurb Fund	6,678	-	-	-	-	-	-	6,678
GambleAware Projects Fund	158,929	1,982,343	1,379,820	253,626	218,399	1,851,845	-	289,427
Gloucestershire Fund	-	-	-	-	-	-	-	-
Gambling Youth Outreach & Education Fund	95,701	50,886	56,523	6,510	2,755	65,788	-	80,799
Gambling Commission Fund	69,199	-	-	-	14,125	14,125	-	55,074
Quartet Community Foundation	16,247	-	16,247	-	-	16,247	-	-
Housing First Fund	-	122,860	67,625	15,719	8,765	92,109	-	30,751
Housing Wider Inclusion Fund	-	50,000	-	6,397	-	6,397	-	43,603
Ten Point Plan Fund	-	72,000	2,080	9,212	-	11,292	-	60,708
Single Homeless Accommodation Fund	-	1,431,640	89,173	-	310	89,483	-1,340,000	2,157
Other Funds	173	12,000	-	1,535	-	1,535	-	10,638
Total	396,164	3,721,729	1,614,967	292,999	252,748	2,160,713	-1,340,000	617,179

	Balance 01 April 2023	Income Grants & Donations	Expenditure Staff Costs	Allocated Support Costs	Other direct costs	Expenditure Total	Transfers	Balance 31 March 2024
	£	£	£	£	£	£	£	£
North Somerset Service Fund	52,284	-	1,679	-	1,368	3,047	-	49,237
North Somerset Refurb Fund	6,678	-	-	-	-	-	-	6,678
GambleAware Projects Fund	44,379	1,338,156	921,445	193,511	108,650	1,223,606	-	158,929
Gloucestershire Fund	-	9,569	8,863	706	-	9,569	-	-
Gambling Youth Outreach & Education Fund	48,387	202,060	125,628	29,118	-	154,746	-	95,701
Gambling Commission Fund	260,847	41,167	29,924	5,932	196,959	232,815	-	69,199
Quartet Community Foundation	-	32,280	11,381	4,652	-	16,033	-	16,247
Other Funds	173	-	-	-	-	-	-	173
Total	412,748	1,623,232	1,098,920	233,919	306,977	1,639,816	-	396,164

North Somerset Service & Refurbishment Funds - this fund was established to provide treatment and support services to people in North Somerset.
GambleAware Projects Fund - this fund has been set up for the provision of services for gambling addiction funded by GambleAware.
Gloucestershire Fund - this fund is set up to fund the provision of services in Gloucestershire as as part of a sub-contract with CGL.
Gambling Youth Outreach & Education Fund - was set up to fund a service to raise awareness amongst young people of the dangers of gambling addiction.
Gambling Commission Fund - this fund was set up for projects to reduce gambling harms funded by the Gambling Commission.
Quartet Community Fund - was established to reduce gambling harms in HMP Bristol.
Housing First Fund - was set up to provide accommodation and support under the Housing First initiative in Bristol.
Single Homeless Accommodation Fund - was set be for the puchase of properties in Bristol and to support people in those properties.
Housing Wider Inclusion - this fund was established to assist people engahe in socila activities in the community.
Ten Point Plan - this fund was set up to improve service for people with gambling addiction.
Other Funds - this includes funds given to Ara to purchase assets for a specific purpose and to train staff.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025 (continued)

15 . ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed Assets £'s	Net Current Assets £'s	Creditors due after one year £'s	Provisions £'s	Total 2025 £'s
Restricted Funds					
North Somerset Refurb Fund	-	6,678		-	6,678
North Somerset Service Fund	-	37,344	-	-	37,344
GambleAware Projects Fund	-	289,427	-	-	289,427
Gambling Youth Outreach & Education Fund	-	80,799	-	-	80,799
Gambling Commission Fund	-	55,074	-	-	55,074
Quartet Community Foundation Fund	-	-	-	-	-
Housing First Fund	-	30,751	-	-	30,751
Housing Wider Inclusion	-	43,603	-	-	43,603
Ten Point Plan	-	60,708	-	-	60,708
Single Homeless Accomodation Fund	-	2,157	-		2,157
Other Funds	-	10,638	-	-	10,638
					617,179
Unrestricted Funds					
General Reserves	-	603,414	-66,791	-	536,623
Designated Reserves	3,384,596	140,997	-1,459,292	-	2,066,301
	3,384,596	1,361,590	-1,526,083	-	3,220,103

PRIOR YEAR

	Fixed Assets £'s	Net Current Assets £'s	Creditors due after one year £'s	Provisions £'s	Total 2024 £'s
Restricted Funds					
North Somerset Refurb Fund	6,678	-	-	-	6,678
North Somerset Service Fund	-	49,237	-	-	49,237
GambleAware Projects Fund	-	158,929	-	-	158,929
Gambling Youth Outreach & Education Fund	-	95,701	-	-	95,701
Gambling Commission Fund	-	69,199	-	-	69,199
Quartet Community Foundation Fund	-	16,247	-	-	16,247
Other Funds	-	173	-	-	173
					396,164
Unrestricted Funds					
General Reserves	702,970	608,717	-147,091	-	1,164,596
Designated Reserves	-	93,404	-	-	93,404
	709,648	1,091,607	-147,091	-	1,654,164

16. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and as such there is no share capital. In the event of the company being wound up the liability of the members is limited to £1 each.

17. CAPITAL COMMITMENTS

At 31 March 2025 capital commitments were nil (2024, nil).

ADDICTION RECOVERY AGENCY LIMITED

CASH FLOW STATEMENT FOR THE THE YEAR ENDING 31 MARCH 2025

18. NOTES TO THE CASHFLOW STATEMENT

	Reconciliation to the Statement of Financial Activities	2025 SoFA £	2025 Debtors /prepaid £	2025 Creditors /accrued £	2025 Cashflow £	2024 SoFA £	2024 Debtors /prepaid £	2024 Creditors /accrued £	2024 Cashflow £
18a.1	**Income from charitable activities**	6,115,119				3,904,683			
	increase in sundry debtors		-162,308		5,952,811		-430,547		3,474,136
18a.2	**Other trading activities**	27,389			27,389	10,020			10,020
18a.3	**Incoming voluntary resources**								
	grants and donations	68,134			68,134	120,971			120,971
18b.1	**Charitable expenditure**	-4,676,486				-3,895,276			
	depreciation charged	79,676				82,257			
	loss on disposal of fixed assets	-				7,745			
	depreciation eliminated on disposal	-				-35,097			
	decrease in amounts prepaid		7,555				-6,415		
	increase in current liabilities			129,689	-4,459,566			374,994	-3,436,695
	Balance sheet movements		-154,753	129,689			-436,962	374,994	

	Analysis of changes in cash during year	2025 £	2024 £	Change £	2024 £	2023 £	Change £
18c	Cash at bank and in hand	1,321,686	1,076,767	244,919	1,076,767	1,006,800	69,967
		1,321,686	1,076,767	244,919	1,076,767	1,006,800	69,967

	Analysis of changes in net debt	Brought forward £	Cashflows £	Carried forward £	Brought forward £	Cashflows £	Carried forward £
18d	Cash	1,076,767	244,919	1,321,686	1,006,800	69,967	1,076,767
	Loans due within one year	-32,466	2,279	-30,187	-31,956	-510	-32,466
	Loans due after one year	-147,091	-1,378,992	-1,526,083	-174,567	27,476	-147,091
		897,210	-1,131,794	-234,584	800,277	96,933	897,210

Charity law prohibits the use of net cash inflows on any endowed or other restricted fund to offset net cash inflows on any fund outside its own objects, except on special authority. In practice, this restriction has not had any effect on cash flows for the year.

19. PRIOR YEAR FUND COMPARATIVES

	Unrestricted Funds £	Restricted Funds £	Total funds 2024 £
INCOME AND EXPENDITURE			
INCOME FROM:			
Donations	47,524	73,447	120,971
Other Trading Activities:			
Rental income and related services	10,020	-	10,020
Investments:			
Interest receivable	24,657	-	24,657
Charitable Activities			
Grants, contracts and fees:			
Gambling Service	50,000	1,540,216	1,590,216
Housing Support & Resettlement	2,224,086	-	2,224,086
Somerset Services	80,813	-	80,813
Gloucestershire Services	-	9,569	9,569
sub total	2,354,899	1,549,785	3,904,684
TOTAL INCOME	2,437,100	1,623,232	4,060,332
EXPENDITURE ON:			
Charitable activities:			
Gambling Service	17,368	1,627,200	1,644,568
Housing Support & Resettlement	2,160,267	3,047	2,163,314
Somerset Services	77,825	-	77,825
Gloucestershire Services	-	9,569	9,569
TOTAL EXPENDITURE	2,255,460	1,639,816	3,895,276

20. PRIOR YEAR GRANTS, DONATIONS, CONTRACTS FEES COMPARATIVES

GRANTS ANS DONATIONS	Unrestricted Funds £	Restricted Funds £	Total funds 2024 £
Double Diamond Gaming	-	41,167	41,167
BetFred	44,500	-	44,500
Quartet Foundation	-	32,280	32,280
Other grants and donations	3,024	-	3,024
	47,524	73,447	120,971

Donations received from Double Diamond Gaming are in lieu of a regulatory settlement to the Gambling Commission.

CONTRACTS & FEES	Unrestricted Funds £	Restricted Funds £	Total funds 2024 £
Housing Support & Resettlement			
Bristol City Council	1,572,906	-	1,572,906
Rent receivable (housing benefit)	585,453	-	585,453
Client service charges	65,727	-	65,727
	2,224,086	-	2,224,086
Gambling Service			
GamCare	-	202,060	202,060
Beacon Couselling Trust	50,000	-	50,000
GambleAware	-	1,338,156	1,338,156
	50,000	1,540,216	1,590,216
Somerset Services			
Second Step	80,813	-	80,813
Gloucestershire Services			
CGL	-	9,569	9,569

21. PRIOR YEAR TOTAL EXPENDITURE COMPARATIVES

	Direct Staff Costs	Other Direct Costs	Support Costs	Total 2024
	£	£	£	£
Gambling Service	1,098,541	305,609	240,418	1,644,568
Housing Support & Resettlement	943,952	870,865	348,497	2,163,314
Somerset Services	66,179	-	11,646	77,825
Gloucestershire Services	8,863	-	706	9,569
	2,117,535	1,176,474	601,267	3,895,276

22. RELATED PARTIES

There were no related party transactions apart from disclosed elsewhere in the accounts.

ADDICTION RECOVERY AGENCY LTD

England & Wales - Charity number 1002224

Accounts

ADDICTION RECOVERY AGENCY LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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Registered charity number – 1002224

Company number - 02540814

ADDICTION RECOVERY AGENCY LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

REFERENCE AND ADMINISTRATIVE INFORMATION

WORKING NAME

Ara

SOLICITORS

Buckles Solicitors LLP
Queen Square House
18-21 Queen Square
BRISTOL
BS1 4NH

AUDITOR

Burton Sweet Limited
The Clock Tower
5 Farleigh Court
Old Weston Road
Flax Bourton
Bristol
BS48 1UR

BANKERS

HSBC
62 George White Street
Cabot Circus
BRISTOL
BS1 3BA

PRINCIPAL ADDRESS

King's Court
King Street
BRISTOL
BS1 4EF

KEY PERSONNEL

Chief Executive	Graham England
Director of Finance & Company Secretary	Andrew Ridley
Director of Recovery & Resettlement	Robbie Thornhill
Director of Gambling & Cymru	Helen Kovacs

ADDICTION RECOVERY AGENCY LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

BOARD REPORT

The Board present their report for the year ended 31 March 2024. Due to the Board Members' status as directors under the Companies Act 2006, this report constitutes a director's report as required by the Companies Act 2006, and has been prepared taking advantage of the exemptions conferred by Part 15 of this act.

The Board Members during the year and to date of approval of the accounts were:

A Collins (Chair, deceased April 2024)
H Bellfield (resigned April 2023)
D Thomas (Chair from April 2024)
C Shepherd
L Copsie
S Malpass (resigned December 2023)
J Hitchen (appointed September 2023)
M Banissy (appointed May 2024)
D Eva (appointed September 2024)

GOVERNING DOCUMENT

The Charity was established in 1987 by incorporation as a company limited by guarantee. Consequently, the governing instrument of the Charity is its Memorandum and Articles of Association. The Charity is registered with the Charity Commission under number 1002224. The Company registration number is 02540814.

CHARITABLE OBJECTS

The Charity's objects are:
The relief of those in need whose health is at risk or who are otherwise disadvantaged due to difficulties associated with mental health or detrimental use of or dependency on substances (including but not limited to alcohol and drugs of any kind) or detrimental behaviours (including but not limited to gambling) and the education of the public on such matters by such means as the trustees in their discretion think fit.

PUBLIC BENEFIT

Ara is one of the largest voluntary organisations providing addiction and mental health services in the South West and Wales. In 2023/24 Ara offered a wide range of treatment and support to benefit people with drugs, alcohol, gambling and mental health problems in Bristol, North Somerset, South Gloucestershire, Gloucestershire, Somerset, Cornwall and Wales including:

- **Housing support service -** the largest single contracted service of its kind in Bristol providing accommodation and support to over 250 people with drug and alcohol problems at any one time. A key element of the Bristol Homelessness Pathways service;

PUBLIC BENEFIT (continued)

- **Prison Resettlement Services** – services that help people to resettle into appropriate accommodation on release from local prisons;
- **Specialist Housing Support -** Ara's team promotes tenancy sustainment and prevents homelessness for people with drug and alcohol problems;
- **Somerset Step Together** - a front line service providing floating support services delivered in partnership with Second Step;
- **Gambling Counselling & Community Engagement -** Ara is commissioned by GambleAware to provide counselling for people experiencing problems with gambling;
- **Gambling Youth Education** – Ara works with young people and other professionals to improve understanding of the risks relating to gambling;
- **Six to Ten Project** – providing support for people affected by the gambling addiction of a family member (ended in September 2023);
- **Gloucestershire Drug & Alcohol Service -** working in partnership with Change, Grow, Live (CGL) Ara staff work in local hospitals and provide housing advice (ended in April 2023).

During the year, Ara charged for rent and household service charges. These charges were paid for by Local Authorities and service users respectively. Ara provides no private benefit. Board Members have considered public benefit guidance issued by the Charity Commission.

ACHIEVEMENTS AND PERFORMANCE 2023/24

Ara continues to have a major impact on the lives of those suffering from addiction and mental health problems. Key statistics are set out below:

HOUSING SERVICE

248 people housed in our substance misuse accommodation.

89% occupancy across our housing accommodation (business plan target 90%).

97% of service users were satisfied with the service.

91% of service users would recommend the service to others.

ACHIEVEMENTS AND PERFORMANCE 2023/24 (continued)

SPECIALIST HOUSING SUPPORT

178 clients supported across the service of which 30 received psychosocial drug, alcohol and mental health treatment.

GAMBLING TREATMENT & COMMUNITY ENGAGEMENT SERVICE

1758 clients seen an increase of 437 from the previous year.

98% clients were satisfied with the service they received.

100% of clients would recommend the service to somebody else.

Average well-being score improved by 16 points because of Ara.

11004 people were offered information, advice and guidance about gambling harms.

2989 professionals benefited from Ara's 'Bet You Can Help Training'.

2 new offices were established on Wales.

GAMBLING YOUTH EDUCATION

1340 professionals were educated in our gambling awareness programme.

8430 young people took part in our programme to raise awareness of gambling harms.

CRIMINAL JUSTICE SERVICES

199 people engaged with Ara's Prison Resettlement Service of which 116 were directly housed on release from prison.

85% of clients felt more positive about their future after engaging with he service

SOMERSET STEP TOGETHER

108 people were supported by the service.

88% of clients had a positive move on from the service.

ACHIEVEMENTS AND PERFORMANCE 2023/24(continued)

RISK MANAGEMENT

The Board actively reviews the major risks that the Charity faces on a regular basis and believes that maintaining our free reserves at the levels stated on page 7 will provide sufficient resources in the advent of adverse business conditions. The Board has approved a Risk Policy and Risk Register that identifies the main risks facing Ara, the potential impact of these risks, controls already in place to mitigate the risk and what action needs to be taken.

Loss of a major contract is a potentially significant risk. To deal with this Ara has procedures to monitor contract performance and to ensure that strong working relationships are maintained with commissioners. The loss of key staff and Board Members is another potential risk facing the organisation. The documentation of all policies, procedures, and succession planning help to minimise the impact of this risk. Failure to provide the required level of support to clients and patients is also a potential significant risk. Client risk assessments and detailed policies and procedures are in place to mitigate this risk.

LOOKING AHEAD

The coming year also brings several exciting opportunities with new and expanded services. Ara has been successful in conjunction with Bristol City Council in being awarded a grant of just over £2 million from the Department of Levelling Up Housing Communities as part Single Homelessness Accommodation Programme (SHAP). In June 2024, Ara agreed a loan facility of £1.4 million with Social and Sustainable Capital to fund part of this project. The Charity's main objective in the coming year include:

- Purchasing 15 flats in Bristol under SHAP to house people at severe risk of homelessness;
- delivering expanded gambling treatment services, with the aim of counselling 2500 people;
- growing Ara's criminal justice services;
- achieving 92% occupancy in our houses;
- rolling out the Actions for Living project to develop new ways of supporting people with substance misuse problems;
- completing work with the University of Bristol to carry out a research project into trauma and gambling.

STRUCTURE, GOVERNANCE AND MANAGEMENT

A Board of Trustees governs Ara. Regular briefings are held for Board Members to provide them with detailed information about the way in which services are designed and delivered as a means of understanding the regular performance information provided for monitoring purposes. ARA's Senior Management Team is Graham England (Chief Executive), Andrew Ridley (Director of Finance, Deputy Chief Executive and Company Secretary), Robbie Thornhill (Director of Recovery & Resettlement) and Helen Kovacs (Director of Gambling & Cymru). The pay and terms and conditions of the Senior Management Team are reviewed annually by the Board. During 2023/24 Ara had an average of 62 full time equivalent staff.

RECRUITMENT AND APPOINTMENT OF TRUSTEES

A skills audit is regularly conducted of Board Members to identify gaps in expertise on the Board and to assist with recruitment. Recruitment of new Members with appropriate skills and experience is undertaken through individual contact, networking and advertising.

TRUSTEE INDUCTION AND TRAINING

New Trustees are given the Board Member's handbook on joining, which includes the duties and responsibilities of Trustees and the structure, organisation and management of the charity. Induction training is also provided.

FINANCIAL POSITION OF THE CHARITY

The Board can confirm that the Charity's assets are available and adequate to fulfil the obligations of the charity on a fund-by-fund basis. The Charity had net assets of £1,654,164 at 31 March 2024 of which £1,164,596 is held in general unrestricted funds. Whilst Ara does receive small value donations it does not actively engage in fundraising.

INVESTMENT POLICY

The Board approved an Investment Policy in August 2024. The policy outlines the Charity's attitude to risk and the ethical issues that need to be considered when decisions on investments are taken.

RESERVES POLICY

At 31 March 2024, the Charity had total reserves of £1,654,164 of which £530,091 can only be realised from the disposal of tangible fixed assets. The balance on restricted reserves was £396,164. Movements in restricted funds are shown in note 14 to the financial statements. Designated reserves totalled £93,404. This reserve will be used to fund the Charity's 'Actions for Living project and to meet the costs of property refurbishment.

The Charity's Reserves Policy is to hold two to three months operating expenses on unrestricted activities in liquid unrestricted funds. This currently equates to around £376,000 - £565,000. At 31 March 2024 the liquid unrestricted reserves were £608,717 (2023, £443,997). The Board reviewed its reserves target in February 2024 and consider this to be adequate given the duration of the Charity's main contracts, potential liabilities should those contracts come to an end and the planned expansion of the organisation.

TRUSTEES STATEMENT OF RESPONSIBILITIES

The Trustees (who are also directors of Addiction Recovery Agency for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Accepted Accounting Practice).

BOARD REPORT (continued)

TRUSTEES STATEMENT OF RESPONSIBILITIES

Company law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditor is unaware; and the Trustees have taken all steps that they ought to make themselves aware of that information.

BY ORDER OF THE BOARD

DAVID THOMAS
CHAIR DATE 27 September 2024

ADDICTION RECOVERY AGENCY LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADDICTION RECOVERY AGENCY LIMITED

OPINION

We have audited the financial statements of Addiction Recovery Agency Limited (the "Charity") for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state in them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2024 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted out audit in accordance with international Standards in Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ADDICTION RECOVERY AGENCY LIMITED continued

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern as described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If based, on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the trustees' report (incorporating the directors' report) have been prepared in accordance with applicable law requirements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADDICTION RECOVERY AGENCY LIMITED continued

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify and recognise non-compliance with applicable laws and regulations;

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADDICTION RECOVERY AGENCY LIMITED continued

- we identified the laws and regulations applicable to the charity through discussions with directors and other management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements of the operations of the company, including the Company's Act 2006, taxation legislation and data protection, anti-bribery, employment, environment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence and;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance through the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including an understanding of fraud might occur by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the charity's remuneration policies.

To address the risk of fraud through management bias and override controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigate the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation claims;
- and reviewing correspondence with HMRC, relevant regulators and the charity's legal advisors.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADDICTION RECOVERY AGENCY LIMITED continued

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence if any.

Material misstatements hat arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm This description forms part of our auditor's report.

Joshua Kingston FCA (Senior Statutory Auditor)

For and on behalf of Burton Sweet Limited

The Clock Tower
5 Farleigh Court
Old Weston Road
Flax Bourton
Bristol BS48 1UR

Date: 27/9/2024

STATEMENT OF FINANCIAL ACTIVITIES (incorporating income and expenditure account) FOR THE YEAR ENDED 31 MARCH 2024

	note	Unrestricted Funds £	Restricted Funds £	Total funds 2024 £	Total funds 2023 £
INCOME AND EXPENDITURE					
INCOME FROM:					
Donations	3	47,524	73,447	120,971	656,005
Other Trading Activities:					
Rental income and related services		10,020	-	10,020	36,666
Investments:					
Interest receivable		24,657	-	24,657	4,396
Charitable Activities					
Grants, contracts and fees:	4				
Gambling Service		50,000	1,540,216	1,590,216	793,945
Housing Support & Resettlement		2,224,086	-	2,224,086	1,501,795
Somerset Services		80,813	-	80,813	69,767
Gloucestershire Services		-	9,569	9,569	114,820
sub total		2,354,899	1,549,785	3,904,684	2,480,327
TOTAL INCOME		2,437,100	1,623,232	4,060,332	3,177,394
EXPENDITURE ON:					
Charitable activities:					
Gambling Service		17,368	1,627,200	1,644,568	1,303,561
Housing Support & Resettlement		2,160,267	3,047	2,163,314	1,580,531
Somerset Services		77,825	-	77,825	65,582
Gloucestershire Services		-	9,569	9,569	114,820
TOTAL EXPENDITURE	5	2,255,460	1,639,816	3,895,276	3,064,494
Net income for the year		181,640	-16,584	165,056	112,900
Transfers	12,14	-	-	-	-
Net movement in funds		181,640	-16,584	165,056	112,900
Balance brought forward at 1 April 2023		1,076,360	412,748	1,489,108	1,376,208
BALANCE CARRIED FORWARD AT 31 MARCH 2024		1,258,000	396,164	1,654,164	1,489,108

The notes on pages 17 to 32 form part of these accounts.

All of the results relate to continuing operations.

Prior year comparatives are included in note 19.

ADDICTION RECOVERY AGENCY LIMITED

(Company number 02540814, registered charity number 1002224)

BALANCE SHEET
AT 31 MARCH 2024

	note	2024 £	2023 £
FIXED ASSETS			
Tangible assets	8	709,648	704,003
CURRENT ASSETS			
Debtors	9	659,445	222,483
Cash at bank and in hand		1,076,767	1,006,800
		1,736,212	1,229,283
CREDITORS: Amounts falling due within one year	10	-644,605	-269,611
NET CURRENT ASSETS		1,091,607	959,672
TOTAL ASSETS LESS CURRENT LIABILITIES		1,801,255	1,663,675
CREDITORS: Amounts falling due after one year	11	-147,091	-174,567
NET ASSETS		1,654,164	1,489,108
FUNDS:			
Restricted	15	396,164	412,748
Unrestricted			
Designated	15	93,404	109,605
General	15	1,164,596	966,755
	15	1,654,164	1,489,108

The accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board on 27 September 2024 and signed on its behalf by

DAVID THOMAS (CHAIR)

The notes on pages 17 to 32 form part of these accounts

ADDICTION RECOVERY AGENCY LIMITED

CASH FLOW STATEMENT FOR THE THE YEAR ENDING 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
OPERATIONAL CASH FLOWS					
Income from operations:					
Charitable activities (gross)	18a.1	3,474,137		2,421,720	
Other activities: trading (gross)	18a.2	10,020	3,484,157	36,666	2,458,386
Charitable expenditure	18b.1		-3,436,695		-2,922,486
Net inflow / (outflow) from operating activities			47,462		-464,100
Income for operating activities:					
Voluntary sources other than endowments (gross)	18a.3	120,971		656,005	
Endowed funds converted into income		-	120,971	-	656,005
Net inflow of operating activities			168,433		191,905
NON-OPERATIONAL CASH FLOWS					
Investing activities:					
Payments for tangible fixed assets		-95,647		-35,113	
Dividends and interest (gross)		24,657		4,396	
			-70,990		-30,717
Financing:					
Loan repayments		-27,476		-30,562	
			-27,476		-30,562
Net cash outflow for the year	18c		**69,967**		**130,626**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES

a) Accounting convention
The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice : Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011 and the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

b) Tangible assets and depreciation
Tangible assets are held at cost less depreciation. Depreciation is provided on tangible assets with a value of more than £100 at rates calculated to write off the cost, less estimated residual value of each asset, over its expected useful life as follows:

Long leasehold property	2% straight line;
Improvements to long leasehold property	10% straight line;
Improvements to short leasehold property	10% - 33% straight line;
Office fixtures, fittings and equipment	10% - 33% straight line;
House fixtures, fittings and equipment	10% - 33% straight line

c) Income
Income is recognised in the period to which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

When donors specify that donations or grants are for a particular restricted purpose, which do not amount to pre-conditions regarding entitlement, this income is included in income of the appropriate restricted fund when it is receivable.

d) Costs of raising funds, charitable activities and governance costs
Expenditure is on an accruals basis inclusive of any VAT that cannot be recovered. The majority of costs are directly attributable to specific charitable activities.
The support costs have been apportioned to the activities of the Charity on the basis of the percentage of income of the activity compared to total income. This basis was used as a reasonable representation of the level of support required by each activity.
Governance costs are those associated with the constitutional and statutory requirements of the charity covering the external audit fee and Board expenses. Governance costs are included with charitable activities.

e) Pensions costs
The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and is shown in Note 6 to these financial statements.

f) Operating leases
Operating lease payments are charged to the Statement of Financial Activities as incurred over the term of the lease.

g) Fund accounting
Funds held by the Charity are either:

- Unrestricted general funds – these are funds which can be used in accordance with charitable objects at the discretion of trustees;
- Designated funds – these are funds set aside by the trustees out of unrestricted general funds for specific or future projects;
- Restricted funds – these are funds that can only be used for particular purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

h) Going concern
The Board has carefully considered the going concern basis used in the preparation of the financial statements and is satisfied that this is correct based on forecast income and expenditure. There are no material uncertainties about the ability of the charity to continue as a going concern.

i) Public Benefit
Addiction Recovery Agency Limited is a public benefit entity.

j) Trade debtors
Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

k) Trade creditors
Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cos using the effective interest rate method.

l) Cash and cash equivalents
Cash and cash equivalents comprise cash in hand and call deposits and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

2. TAXATION
Addiction Recovery Agency Limited is a registered charity and, subject to funds being used for charitable purposes only, is exempt from Corporation Tax on its income and gains.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (continued)

3. GRANTS AND DONATIONS	Unrestricted Funds £	Restricted Funds £	Total funds 2024 £	Total funds 2023 £
Shaftesbury Casinos	-	-	-	43,332
Clockfair Casinos	-	-	-	43,332
Les Croupiers	-	-	-	67,500
Double Diamond Gaming	-	41,167	41,167	123,500
Greentube Alderney	-	-	-	259,981
Bet Victor	-	-	-	115,000
BetFred	44,500	-	44,500	-
Quartet Foundation	-	32,280	32,280	-
Other grants and donations	3,024	-	3,024	3,360
	47,524	73,447	120,971	656,005

Donations received from Shafesbury Casinos, Clockfair Casinos, Les Croupiers, Double Diamond Gaming, Greentube Alderney and Bet Victor are in lieu of a regulatory settlement to the Gambling Commission.

4. GRANTS, CONTRACTS & FEES	Unrestricted Funds £	Restricted Funds £	Total funds 2024 £	Total funds 2023 £
Housing Support & Resettlement				
Bristol City Council	1,572,906	-	1,572,906	888,948
Rent receivable (housing benefit)	585,453	-	585,453	527,818
Client service charges	65,727	-	65,727	56,858
Ministry of Justice	-	-	-	28,171
	2,224,086	-	2,224,086	1,501,795
Gambling Service				
GamCare	-	202,060	202,060	520,286
Beacon Couselling Trust	50,000	-	50,000	22,500
GambleAware	-	1,338,156	1,338,156	251,159
	50,000	1,540,216	1,590,216	793,945
Somerset Services				
Second Step	80,813	-	80,813	69,797
Gloucestershire Services				
CGL	-	9,569	9,569	114,820

Prior year comparatives are included in note 20.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024 (continued)

5. TOTAL EXPENDITURE

	Direct Staff Costs	Other Direct Costs	Support Costs	Total 2024	Total 2023
	£	£	£	£	£
Gambling Service	1,098,541	305,609	240,418	1,644,568	1,303,561
Housing Support & Resettlement	943,952	870,865	348,497	2,163,314	1,580,531
Somerset Services	66,179	-	11,646	77,825	65,582
Gloucestershire Services	8,863	-	706	9,569	114,820
	2,117,535	1,176,474	601,267	3,895,276	3,064,494

Prior year comparatives are included in note 21.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (continued)

5. TOTAL EXPENDITURE (continued)

Other Direct Costs	Total 2024 £	Total 2023 £
House running costs	534,974	467,089
Client expenditure	56,785	15,042
Depreciation	19,143	27,752
Payments to partners	484,593	560,073
Premises	80,979	68,110
	1,176,474	1,138,066

Support Costs	Total 2024 £	Total 2023 £
Staff costs	234,619	201,818
Premises	21,674	17,294
Office costs	205,524	192,390
Depreciation	63,114	51,122
Loss on disposal of assets	7,745	-
Legal and professional	48,987	27,463
Loan interest	19,604	9,066
	601,267	499,153

Included within support costs are governance costs of £10,196 (2023, £8,949) which relate to the external audit and Board expenses.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (continued)

6. STAFF COSTS, TRUSTEES' REMUNERATION AND RELATED PARTY TRANSACTIONS

Staff costs were as follows:	Total 2024 £	Total 2023 £
Wages and salaries	1,983,210	1,392,540
Social security costs	185,151	126,354
Pension costs	44,018	34,372
	2,212,379	1,553,266

One employee earned between £60,000 and £70,000 (2023, no employees earned between £60,000 and £70,000)
One employee earned between £80,000 and £90,000 (2023, one employee earned between £80,000 and £90,000)

Employment benefits, inclusive of employer national insurance and pension paid to key management personnel (Chief Executive ,Directors of Finance, Recovery & Resettlement, Gambling/Cymru) in 2023/24 totalled £296,911 (2022/23, £253,298)

No remuneration was paid to Board Members. Travel costs of £492.40 (2022/23, £81.90) were re-imbursed to one Board Member.

These payments are permitted under clause four of the memorandum of association.

The average number of employees analysed by function: equivalents analysed by function was:

	2024 Head count	FTE	2023 Head count	FTE
Support services	44	41	36	33
Treatment services	17	11	15	8
Management and administration of the charity	12	10	11	9
	73	62	62	50

7. NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging:	2024 £	2023 £
Depreciation of owned assets	82,257	78,874
Auditors' remuneration - audit fee	9,520	8,000
Auditors' remuneration - other work	-	2,304
Operating lease rentals	75,674	59,327

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (continued)

8. TANGIBLE ASSETS

	Long Leasehold Property £	Long Leasehold Improvts £	Short Leasehold Improvts £	Managed Property Refurbishments & Equipment £	Fixtures, Fittings and Equipment £	Total £
COST						
At 1 April 2023	768,461	134,677	62,303	207,978	169,092	1,342,511
Additions	-	-	-	10,300	85,347	95,647
Dipsosals	-	-	-	-4,962	-37,880	-42,842
At 31 March 2024	768,461	134,677	62,303	213,316	216,559	1,395,316
DEPRECIATION						
At 1 April 2023	256,440	97,354	25,589	179,604	79,521	638,508
Charge for the year	15,369	2,441	8,828	19,143	36,476	82,257
Disposals	-	-	-	-4,962	-30,135	-35,097
At 31 March 2024	271,809	99,795	34,417	193,785	85,862	685,668
NET BOOK VALUE						
At 31 March 2024	496,652	34,882	27,886	19,531	130,697	709,648
At 31 March 2023	512,021	37,323	36,714	28,374	89,571	704,003

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024(continued)

9. DEBTORS	2024	2023
	£	£
Rents and fees	636,166	180,448
Prepayments	60,982	54,567
less Provision for doubtful debts	-37,703	-12,532
	659,445	222,483

10. CREDITORS	2024	2023
	£	£
Amounts falling due within one year		
Bank loan	32,466	31,956
Trade creditors	60,264	57,941
Taxation and social security	60,381	41,113
Amounts due to residents	1,556	1,761
Other creditors and accruals	112,862	66,545
Fees and grants received in advance	377,076	70,295
	644,605	269,611

Deferred income reconciliation	2024 £	2023 £
Deferred income brought forward	70,295	25,052
Income credited in year	-70,295	-25,052
Fees and grants received in advance	377,076	70,295
Deferred income carried forward	377,076	70,295

11. CREDITORS	2024	2023
	£	£
Amounts falling due after more than one year		
Bank loan	147,091	174,567

The bank loan is secured by a 25 year mortgage over the charity's leasehold property known as Units 6, 7 and 8 King's Court, King Street, Bristol.

Maturity of bank loan repayable by instalments.		
Due in less than one year	32,466	31,956
Due between two and five years	129,864	127,824
Due after more than five years	17,227	46,743
	179,557	206,523

The bank loan is to be repaid by monthly instalments over 25 years and is on a variable rate of 3% per annum over the Bank' s base rate (currently 5%).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (continued)

12. UNRESTRICTED FUNDS

CURRENT YEAR	Balance 1-Apr-2023 £	Movement in Funding Income £	Expenditure £	Transfers £	Balance 31-Mar-2024 £
GENERAL FUNDS	966,755	2,437,100	-2,239,259	-	1,164,596
DESIGNATED FUNDS					
Leasehold property refurbishment fund	29,419	-	-5,680	-	23,739
Actions for Living Fund	80,186	-	-10,521	-	69,665
	109,605	-	-16,201	-	93,404
TOTAL UNRESTRICTED FUNDS	1,076,360	2,437,100	-2,255,460	-	1,258,000

PRIOR YEAR	Balance 01/04/2022 £	Movement in Funding Income £	Expenditure £	Transfers £	Balance 31/03/2023 £
GENERAL FUNDS	936,513	1,971,060	-1,940,818	-	966,755
DESIGNATED FUNDS					
Leasehold property refurbishment fund	49,856	-	-5,685	-14,482	29,419
Actions for Living Fund	-	-	-10,246	90,432	80,186
	49,856	-	-15,931	75,950	109,605
TOTAL UNRESTRICTED FUNDS	986,369	1,971,060	-1,956,749	75,950	1,076,360

The leasehold property refurbishment fund is used to meet the depreciation arising from the refurbishment of properties leased from Bristol City Council.

The Actions For Living Fund is used to fund projects to aid the recovery of people with drug and alcohol addiction.

13. LEASE COMMITMENTS

At 31 March 2024 the charity had annual commitments under operating leases as set out below:

	Land, buildings & equipment 2024 £	Land, buildings & equipment 2023 £
Leases which expire in less than 1 year	35,528	27,211
Leases which expire between two and five years	32,053	59,239
	67,581	86,450

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (continued)

14. RESTRICTED FUNDS

	North Somerset Service Fund £	North Somerset Refurb. Fund £	GambleAware Projects Fund £	Gloucestershire Fund £	GamCare Youth Outreach & Education Fund £	Gambling Commission Fund £	Quartet Community Foundation £	Other Funds £	Total 2024 £
BALANCE BROUGHT FORWARD	52,284	6,678	44,379	-	48,387	260,847	-	173	412,748
INCOME									
Grants and donations	-	-	1,338,156	9,569	202,060	41,167	32,280	-	1,623,232
EXPENDITURE									
Staff costs	1,679	-	921,445	8,863	125,628	29,924	11,381	-	1,098,920
Allocated support costs	-	-	193,511	706	29,118	5,932	4,652	-	233,919
Depreciation	-	-	-	-	-	-	-	-	-
Other direct costs	1,368	-	108,650	-	-	196,959	-	-	306,977
Transfers	-	-	-	-	-	-	-	-	-
	3,047	-	1,223,606	9,569	154,746	232,815	16,033	-	1,639,816
BALANCE CARRIED FORWARD	49,237	6,678	158,929	-	95,701	69,199	16,247	173	396,164

	North Somerset Service Fund £	North Somerset Refurb. Fund £	GambleAware Projects Fund £	Gloucestershire Fund £	Gambling Youth Outreach & Education Fund £	Gambling Commission Fund £	Other Funds £	Total 2023 £
BALANCE BROUGHT FORWARD	128,234	6,678	36,450	-	8,621	209,953	173	390,109
INCOME								
Grants and donations	-	-	251,159	114,820	187,710	652645	-	1,206,334
EXPENDITURE								
Staff costs	-	-	188,946	105,185	119,537	152,249	-	565,917
Allocated support costs	-	-	38,010	9,635	28,407	98,770	-	174,822
Depreciation	-	-	-	-	-	1,755	-	1,755
Other direct costs	-	-	16,274	-	-	348,977	-	365,251
Transfers	75,950	-	-	-	-	-	-	75,950
	75,950	-	243,230	114,820	147,944	601,751	-	1,183,695
BALANCE CARRIED FORWARD	52,284	6,678	44,379	-	48,387	260,847	173	412,748

North Somerset Service & Refurbishment Funds - this fund was established to provide treatment and support services to people in North Somerset.
GambleAware Projects Fund - this fund has been set up for the provision of services for gambling addiction funded by GambleAware.
Gloucestershire Fund - this fund is set up to fund the provision of services in Gloucestershireas as part of a sub-contract with CGL.
Gambling Youth Outreach & Education Fund - was set up to fund a service to raise awareness amongst young people of the dangers of gambling addiction.
Gambling Commission Fund - was set uo to fund projects funded by the Gambling Commission
Quartet Community Fund - was established to fund work on reducing gambling harms in HMP Bristol.
Other Funds - this is smaller value funds given to Ara for specific purposes.

15 . ANALYSIS OF NET ASSETS BETWEEN FUNDS

CURRENT YEAR	Fixed Assets £'s	Net Current Assets £'s	Creditors due after one year £'s	Total 2024 £'s
Restricted Funds				
North Somerset Refurb Fund	6,678	-	-	6,678
North Somerset Service Fund	-	49,237	-	49,237
GambleAware Projects Fund	-	158,929	-	158,929
Gambling Youth Outreach & Education Fund	-	95,701	-	95,701
Gambling Commission Projects Fund	-	69,199	-	69,199
Quartet Community Foundation Fund	-	16,247	-	16,247
Other Funds	-	173	-	173
				396,164
Unrestricted Funds				
General Reserves	702,970	608,717	-147,091	1,164,596
Designated Reserves	-	93,404	-	93,404
	709,648	1,091,607	-147,091	1,654,164

PRIOR YEAR	Fixed Assets £'s	Net Current Assets £'s	Creditors due after one year £'s	Total 2023 £'s
Restricted Funds				
North Somerset Refurb Fund	6,678		-	6,678
North Somerset Service Fund	-	52,284	-	52,284
GambleAware Projects Fund	-	44,379	-	44,379
Gambling Youth Outreach & Education Fund	-	48,387	-	48,387
Gambling Commission Projects Fund		260,847		260,847
Other Funds	-	173	-	173
				412,748
Unrestricted Funds				
General Reserves	697,325	443,997	-174,567	966,755
Designated Reserves	-	109,605	-	109,605
	704,003	959,672	-174,567	1,489,108

16. COMPANY LIMITED BY GUARANTEE
The company is limited by guarantee and as such there is no share capital. In the event of the company being wound up the liability of the members is limited to £1 each.

17. CAPITAL COMMITMENTS
At 31 March 2024 capital commitments were nil (2023, nil).

ADDICTION RECOVERY AGENCY LIMITED

CASH FLOW STATEMENT FOR THE THE YEAR ENDING 31 MARCH 2024

18. NOTES TO THE CASHFLOW STATEMENT

	Reconciliation to the Statement of Financial Activities	2024 SoFA £	2024 Debtors /prepaid £	2024 Creditors /accrued £	2024 Cashflow £	2023 SoFA £	2023 Debtors /prepaid £	2023 Creditors /accrued £	2023 Cashflow £
18a.1	**Income from charitable activities**	3,904,683				2,480,327			
	increase in sundry debtors		-430,547		3,474,136		-58,607		2,421,720
18a.2	**Other trading activities**	10,020			10,020	36,666			36,666
18a.3	**Incoming voluntary resources**								
	grants and donations	120,971			120,971	656,005			656,005
18b.1	**Charitable expenditure**	-3,895,276				-3,064,494			
	depreciation charged	82,257				78,874			
	loss on disposal of fixed assets	7,745				-			
	depreciation eliminated on disposal	-35,097				-22,676			
	decrease in amounts prepaid		-6,415				-2,388		
	increase in current liabilities			374,994	-3,436,695			88,198	-2,922,486
	Balance sheet movements		-436,962	374,994			-60,995	88,198	

18c	**Analysis of changes in cash during year**	2024 £	2023 £	Change £	2023 £	2022 £	Change £
	Cash at bank and in hand	1,076,767	1,006,800	69,967	1,006,800	876,174	130,626
		1,076,767	1,006,800	69,967	1,006,800	876,174	130,626

18d	**Analysis of changes in net debt**	Brought forward £	Cashflows £	Carried forward £	Brought forward £	Cashflows £	Carried forward £
	Cash	1,006,800	69,967	1,076,767	876,174	130,626	1,006,800
	Loans due within one year	-31,956	-510	-32,466	-33,350	1,394	-31,956
	Loans due after one year	-174,567	27,476	-147,091	-205,129	30,562	-174,567
		800,277	96,933	897,210	637,695	162,582	800,277

Charity law prohibits the use of net cash inflows on any endowed or other restricted fund to offset net cash inflows on any fund outside its own objects, except on special authority. In practice, this restriction has not had any effect on cash flows for the year.

19. PRIOR YEAR FUND COMPARATIVES

	Unrestricted Funds £	Restricted Funds £	Total funds 2023 £
INCOME AND EXPENDITURE			
INCOME FROM:			
Donations	3,360	652,645	656,005
Other Trading Activities:			
Rental income and related services	36,666	-	36,666
Investments:			
Interest receivable	4,396	-	4,396
Charitable Activities			
Grants, contracts and fees:			
Gambling Service	355,076	438,869	793,945
Housing Support & Resettlement	1,501,795	-	1,501,795
Somerset Services	69,767	-	69,767
Gloucestershire Services	-	114,820	114,820
sub total	1,926,638	553,689	2,480,327
TOTAL INCOME	1,971,060	1,206,334	3,177,394
EXPENDITURE ON:			
Charitable activities:			
Gambling Service	310,636	992,925	1,303,561
Housing Support & Resettlement	1,580,531	-	1,580,531
Somerset Services	65,582	-	65,582
Gloucestershire Services	-	114,820	114,820
sub total	1,956,749	1,107,745	3,064,494
TOTAL EXPENDITURE	1,956,749	1,107,745	3,064,494

20. PRIOR YEAR GRANTS, DONATIONS, CONTRACTS FEES COMPARATIVES

GRANTS AND DONATIONS	Unrestricted Funds £	Restricted Funds £	Total funds 2023 £
Shaftesbury Casinos	-	43,332	43,332
Clockfair Casinos	-	43,332	43,332
Les Croupiers	-	67,500	67,500
Double Diamond Gaming	-	123,500	123,500
Greentube Alderney	-	259,981	259,981
Bet Victor	-	115,000	115,000
Other grants and donations	3,360	-	3,360
	3,360	652,645	656,005

GRANTS, CONTRACTS & FEES	Unrestricted Funds £	Restricted Funds £	Total funds 2023 £
Housing Support & Resettlement			
Bristol City Council	888,948	-	888,948
Rent receivable (housing benefit)	527,818	-	527,818
Client service charges	56,858	-	56,858
Ministry of Justice	28,171	-	28,171
	1,501,795	-	1,501,795
Gambling Service			
GamCare	332,576	187,710	520,286
Beacon Counselling Trust	22,500	-	22,500
GambleAware	-	251,159	251,159
	355,076	438,869	793,945
Somerset Services			
Second Step	69,767	-	69,767
	69,767	-	69,767
Gloucestershire Services			
CGL	-	114,820	114,820

21. PRIOR YEAR TOTAL EXPENDITURE COMPARATIVES

	Direct Staff Costs £	Other Direct Costs £	Support Costs £	Total 2023 £
Gambling Service	696,179	388,459	218,923	1,303,561
Housing Support & Resettlement	570,887	749,607	260,037	1,580,531
Somerset Services	55,024	-	10,558	65,582
Gloucestershire Services	105,185	-	9,635	114,820
	1,427,275	1,138,066	499,153	3,064,494

22. RELATED PARTIES

There were no other related party transactions, except for those disclosed elsewhere in the accounts

ADDICTION RECOVERY AGENCY LTD

England & Wales - Charity number 1002224

Accounts

ADDICTION RECOVERY AGENCY LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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Registered charity number – 1002224

Company number - 02540814

ADDICTION RECOVERY AGENCY LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

REFERENCE AND ADMINISTRATIVE INFORMATION

WORKING NAME

Ara

SOLICITORS

Buckles Solicitors LLP
Queen Square House
18-21 Queen Square
BRISTOL
BS1 4NH

AUDITOR

Burton Sweet Limited
The Clock Tower
5 Farleigh Court
Old Weston Road
Flax Bourton
Bristol
BS48 1UR

BANKERS

HSBC
Grosvenor Court
149 Whiteladies Road
BRISTOL
BS8 2RR

PRINCIPAL ADDRESS

King's Court
King Street
BRISTOL
BS1 4EF

KEY PERSONNEL

Chief Executive	Graham England
Director of Finance & Company Secretary	Andrew Ridley
Director of Recovery & Resettlement	Robbie Thornhill
Director of Gambling & Cymru	Helen Kovacs

ADDICTION RECOVERY AGENCY LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

BOARD REPORT

The Board present their report for the year ended 31 March 2023. Due to the Board Members' status as directors under the Companies Act 2006, this report constitutes a director's report as required by the Companies Act 2006, and has been prepared taking advantage of the exemptions conferred by Part 15 of this act.

The Board Members during the year and to date of approval of the accounts were:

A Collins (Chair)
H Bellfield (Vice Chair, resigned April 2023)
D Thomas
C Shepherd
L Copsie
S Malpass (Vice Chair from April 2023)
J Hitchen (appointed September 2023)

GOVERNING DOCUMENT

The Charity was established in 1987 by incorporation as a company limited by guarantee. Consequently, the governing instrument of the Charity is its Memorandum and Articles of Association. The Charity is registered with the Charity Commission under number 1002224. The Company registration number is 02540814.

CHARITABLE OBJECTS

The Charity's objects are:
The relief of those in need whose health is at risk or who are otherwise disadvantaged due to difficulties associated with mental health or detrimental use of or dependency on substances (including but not limited to alcohol and drugs of any kind) or detrimental behaviours (including but not limited to gambling) and the education of the public on such matters by such means as the trustees in their discretion think fit.

PUBLIC BENEFIT

Ara is one of the largest voluntary organisations providing addiction and mental health services in the South West and Wales. In 2022/23 Ara offered a wide range of treatment and support to benefit people with drugs, alcohol, gambling and mental health problems in Bristol, North Somerset, South Gloucestershire, Gloucestershire, Somerset, Cornwall and Wales including:

- **Housing support service** - the largest single contracted service of its kind in Bristol providing accommodation and support to over 250 people with drug and alcohol problems at any one time. A key element of the Bristol Homelessness Pathways service;

PUBLIC BENEFIT (continued)

- **Prison Accommodation & Resettlement Services** – services that help people to resettle into appropriate accommodation on release from HMP Bristol;
- **Somerset Step Together** - a front line service providing floating support services delivered in partnership with Second Step;
- **Gambling Counselling** - Ara has formed a partnership with GamCare to provide counselling for people experiencing problems with gambling;
- **Six to Ten Project** – providing support for people affected by the gambling addiction of a family member;
- **Gloucestershire Drug & Alcohol Service** - working in partnership with Change, Grow, Live (CGL) Ara staff work in local hospitals and provide housing advice.

During the year, Ara charged for rent and household service charges. These charges were paid for by Local Authorities and service users respectively. ARA provides no private benefit. Board Members have considered public benefit guidance issued by the Charity Commission.

ACHIEVEMENTS AND PERFORMANCE 2022/23

Ara continues to have a major impact on the lives of those suffering from addiction. Key statistics and performance against targets are set out below:

HOUSING SERVICE

253 people housed in our substance misuse accommodation.

85% occupancy across our housing accommodation (business plan target 90%). The reduced availability of treatment services in Bristol had an impact on occupancy.

89% of service users were either extremely or very satisfied with the service.

98% of service users would recommend the service to others.

ACHIEVEMENTS AND PERFORMANCE 2022/23 (continued)

GAMBLING TREATMENT SERVICE

1321 clients seen an increase of 101 from the previous year

100% clients were satisfied with the service they received

100% of clients would recommend the service to somebody else

Average well-being score improved by 15 points as a result of Ara.

Young People's Project

1452 professionals were educated in our gambling awareness programme.

7145 young people took part in our programme to raise awareness of gambling harms.

CRIMINAL JUSTICE SERVICES

567 people were supported from prison into the community.

GLOUCESTERSHIRE SERVICES

Outreach and housing link - 467 people supported with their substance use.

Hospitals outreach - 870 patients seen at Gloucester and Cheltenham Hospitals.

SOMERSET STEP TOGETHER

171 people were supported by the service.

75% of tenancies sustained for a full year after engaging with the service.

ACHIEVEMENTS AND PERFORMANCE 2022/23 (continued)

RISK MANAGEMENT

The Board actively reviews the major risks that the Charity faces on a regular basis and believes that maintaining our free reserves at the levels stated on page 7 will provide sufficient resources in the advent of adverse business conditions. The Board has approved a Risk Policy and Risk Register that identifies the main risks facing Ara, the potential impact of these risks, controls already in place to mitigate the risk and what action needs to be taken.

Loss of a major contract is a potentially significant risk. To deal with this Ara has procedures to monitor contract performance and to ensure that strong working relationships are maintained with commissioners. The loss of key staff and Board Members is another potential risk facing the organisation. The documentation of all policies, procedures, and succession planning help to minimise the impact of this risk. Failure to provide the required level of support to clients and patients is also a potential significant risk. Client risk assessments and detailed policies and procedures are in place to mitigate this risk.

LOOKING AHEAD

The coming year also brings a number of exciting opportunities with new and expanded services. On 1 April 2023, GambleAware became the commissioner of treatment services for people with gambling addiction. Ara has a contract worth £1.4 million per year to provide a significantly enhanced service across the South West and Wales. Ara also has a new contract with Bristol City Council to deliver Specialist Housing Support services. The Charity's main objective in the coming year include:

- delivering expanded gambling treatment services, with two new offices in Wales;
- setting up a new Specialist Housing Support service in Bristol;
- implementing a new Aftercare service for people who had gambling problems;
- achieving 90% occupancy in our houses;
- completing the first phase of the Actions for Living project to develop new ways of supporting people with substance misuse problems;
- working with the University of Bristol to carry out a research project into trauma and gambling.

STRUCTURE, GOVERNANCE AND MANAGEMENT

A Board of Trustees governs Ara. Regular briefings are held for Board Members to provide them with detailed information about the way in which services are designed and delivered as a means of understanding the regular performance information provided for monitoring purposes. ARA's Senior Management Team is Graham England (Chief Executive), Andrew Ridley (Director of Finance, Deputy Chief Executive and Company Secretary), Robbie Thornhill (Director of Recovery & Resettlement) and Helen Kovacs (Director of Gambling & Cymru). The pay and terms and conditions of the Senior Management Team are reviewed annually by the Board. During 2022/23 Ara had an average of 50 full time equivalent staff.

RECRUITMENT AND APPOINTMENT OF TRUSTEES

A skills audit is regularly conducted of Board Members to identify gaps in expertise on the Board and to assist with recruitment. Recruitment of new Members with appropriate skills and experience is undertaken through individual contact, networking and advertising.

TRUSTEE INDUCTION AND TRAINING

New Trustees are given the Board Member's handbook on joining, which includes the duties and responsibilities of Trustees and the structure, organisation and management of the charity. Induction training is also provided.

FINANCIAL POSITION OF THE CHARITY

The Board can confirm that the Charity's assets are available and adequate to fulfil the obligations of the charity on a fund-by-fund basis. The Charity had net assets of £1,489,108 at 31 March 2023 of which £966,755 is held in general unrestricted funds. Whilst Ara does receive small value donations it does not actively engage in fundraising.

INVESTMENT POLICY

The Board approved an Investment Policy in August 2021. The policy outlines the Charity's attitude to risk and the ethical issues that need to be considered when decisions on investments are taken.

RESERVES POLICY

At 31 March 2023, the Charity had total reserves of £1,489,108 of which £497,480 can only be realised from the disposal of tangible fixed assets. The balance on restricted reserves was £412,718. Movements in restricted funds are shown in note 14 to the financial statements. Designated reserves totalled £109,605. This reserve will be used to fund the Charity's 'Actions for Living project and to meet the costs of property refurbishment.

The Charity's Reserves Policy is to hold two to three months operating expenses on unrestricted activities in liquid unrestricted funds. This currently equates to around £325,000 - £490,000. At 31 March 2023 the liquid unrestricted reserves were £443,997 (2022, £423,232). The Board reviewed its reserves target in February 2023 and consider this to be adequate given the duration of the Charity's main contracts and potential liabilities should those contracts come to an end.

TRUSTEES STATEMENT OF RESPONSIBILITIES

The Trustees (who are also directors of Addiction Recovery Agency for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Accepted Accounting Practice).

BOARD REPORT (continued)

TRUSTEES STATEMENT OF RESPONSIBILITIES

Company law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditor is unaware; and the Trustees have taken all steps that they ought to make themselves aware of that information.

BY ORDER OF THE BOARD

TONY COLLINS
CHAIR

DATE 8 DECEMBER 2023

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADDICTION RECOVERY AGENCY LIMITED

OPINION

We have audited the financial statements of Addiction Recovery Agency Limited (the "Charity") for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state in them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted out audit in accordance with international Standards in Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ADDICTION RECOVERY AGENCY LIMITED continued

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern as described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If based, on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the trustees' report (incorporating the directors' report) have been prepared in accordance with applicable law requirements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADDICTION RECOVERY AGENCY LIMITED continued

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify and recognise non-compliance with applicable laws and regulations;

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADDICTION RECOVERY AGENCY LIMITED continued

- we identified the laws and regulations applicable to the charity through discussions with directors and other management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements of the operations of the company, including the Company's Act 2006, taxation legislation and data protection, anti-bribery, employment, environment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence and;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance through the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including an understanding of fraud might occur by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the charity's remuneration policies.

To address the risk of fraud through management bias and override controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigate the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation claims;
- and reviewing correspondence with HMRC, relevant regulators and the charity's legal advisors.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADDICTION RECOVERY AGENCY LIMITED continued

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence if any.

Material misstatements hat arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm This description forms part of our auditor's report.

Joshua Kingston FCA (Senior Statutory Auditor)

For and on behalf of Burton Sweet Limited

The Clock Tower
5 Farleigh Court
Old Weston Road
Flax Bourton
Bristol BS48 1UR

Date: ...06/12/2023

ADDICTION RECOVERY AGENCY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (incorporating income and expenditure account) FOR THE YEAR ENDED 31 MARCH 2023

	note	Unrestricted Funds £	Restricted Funds £	Total funds 2023 £	Total funds 2022 £
INCOME AND EXPENDITURE					
INCOME FROM:					
Donations	3	3,360	652,645	656,005	418,242
Other Trading Activities:					
Rental income and related services		36,666	-	36,666	42,500
Investments:					
Interest receivable		4,396	-	4,396	443
Charitable Activities					
Grants, contracts and fees:	4				
Gambling Service		355,076	438,869	793,945	540,752
Housing Support & Resettlement		1,501,795	-	1,501,795	1,598,691
Somerset Services		69,767	-	69,767	55,983
Gloucestershire Services		-	114,820	114,820	114,820
sub total		1,926,638	553,689	2,480,327	2,310,246
TOTAL INCOME		1,971,060	1,206,334	3,177,394	2,771,431
EXPENDITURE ON:					
Charitable activities:					
Gambling Service		310,636	992,925	1,303,561	821,646
Housing Support & Resettlement		1,580,531	-	1,580,531	1,627,445
Somerset Services		65,582	-	65,582	51,086
Gloucestershire Services		-	114,820	114,820	114,820
TOTAL EXPENDITURE.	5	1,956,749	1,107,745	3,064,494	2,614,997
Net income for the year		14,311	98,589	112,900	156,434
Transfers	12,14	75,950	-75,950	-	-
Net movement in funds		90,261	22,639	112,900	156,434
Balance brought forward at 1 April 2022	12,14	986,099	390,109	1,376,208	1,219,774
BALANCE CARRIED FORWARD AT 31 MARCH 2023	12,14	1,076,360	412,748	1,489,108	1,376,208

The notes on pages 15 to 30 form part of these accounts.

All of the results relate to continuing operations.

Prior year comparatives are included in note 19.

ADDICTION RECOVERY AGENCY LIMITED

(Company number 02540814, registered charity number 1002224)

BALANCE SHEET

AT 31 MARCH 2023

	note	2023 £	2022 £
FIXED ASSETS			
Tangible assets	8	704,003	725,088
CURRENT ASSETS			
Debtors	9	222,483	161,488
Cash at bank and in hand		1,006,800	876,174
		1,229,283	1,037,662
CREDITORS: Amounts falling due within one year	10	-269,611	-181,413
NET CURRENT ASSETS		959,672	856,249
TOTAL ASSETS LESS CURRENT LIABILITIES		1,663,675	1,581,337
CREDITORS: Amounts falling due after one year	11	-174,567	-205,129
NET ASSETS		1,489,108	1,376,208
FUNDS:			
Restricted	15	412,748	390,109
Unrestricted			
Designated	15	109,605	49,586
General	15	966,755	936,513
	15	1,489,108	1,376,208

The accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board on 8 December 2023 and signed on its behalf by

TONY COLLINS (CHAIR)

The notes on pages 17 to 32 form part of these accounts

ADDICTION RECOVERY AGENCY LIMITED

CASH FLOW STATEMENT FOR THE THE YEAR ENDING 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
OPERATIONAL CASH FLOWS					
Income from operations:					
Charitable activities (gross)	18a.1	2,421,720		2,368,606	
Other activities: trading (gross)	18a.2	36,666	2,458,386	42,500	2,411,106
Charitable expenditure	18b.1		-2,922,486		-2,608,788
Net inflow / (outflow) from operating activities			-464,100		-197,682
Income for operating activities:					
Voluntary sources other than endowments (gross)	18a.3	656,005		418,242	
Endowed funds converted into income		-	656,005	-	418,242
Costs of generating funds	18b.2		-		-
Net inflow of operating activities			191,905		220,560
NON-OPERATIONAL CASH FLOWS					
Investing activities:					
Payments for tangible fixed assets		-35,113		-76,653	
Dividends and interest (gross)		4,396	-30,717	443	-76,210
Financing:					
Loan repayments		-30,562	-30,562	-34,234	-34,234
Net cash inflow for the year	18c		**130,626**		**110,116**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

a) Accounting convention
The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice : Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011 and the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

b) Tangible assets and depreciation
Tangible assets are held at cost less depreciation. Depreciation is provided on tangible assets with a value of more than £100 at rates calculated to write off the cost, less estimated residual value of each asset, over its expected useful life as follows:

Long leasehold property	2% straight line;
Improvements to long leasehold property	10% straight line;
Improvements to short leasehold property	10% - 33% straight line;
Office fixtures, fittings and equipment	10% - 33% straight line;
House fixtures, fittings and equipment	10% - 33% straight line

c) Income
Income is recognised in the period to which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

When donors specify that donations or grants are for a particular restricted purpose, which do not amount to pre-conditions regarding entitlement, this income is included in income of the appropriate restricted fund when it is receivable.

d) Costs of raising funds, charitable activities and governance costs
Expenditure is on an accruals basis inclusive of any VAT that cannot be recovered. The majority of costs are directly attributable to specific charitable activities.
The support costs have been apportioned to the activities of the Charity on the basis of the percentage of income of the activity compared to total income. This basis was used as a reasonable representation of the level of support required by each activity.
Governance costs are those associated with the constitutional and statutory requirements of the charity covering the external audit fee and Board expenses. Governance costs are included with charitable activities.

e) Pensions costs
The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and is shown in Note 6 to these financial statements.

f) Operating leases
Operating lease payments are charged to the Statement of Financial Activities as incurred over the term of the lease.

g) Fund accounting
Funds held by the Charity are either:

- Unrestricted general funds – these are funds which can be used in accordance with charitable objects at the discretion of trustees;
- Designated funds – these are funds set aside by the trustees out of unrestricted general funds for specific or future projects;
- Restricted funds – these are funds that can only be used for particular purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

h) Going concern
The Board has carefully considered the going concern basis used in the preparation of the financial statements and is satisfied that this is correct based on forecast income and expenditure. There are no material uncertainties about the ability of the charity to continue as a going concern.

i) Public Benefit
Addiction Recovery Agency Limited is a public benefit entity.

j) Trade debtors
Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

k) Trade creditors
Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cos using the effective interest rate method.

l) Cash and cash equivalents
Cash and cash equivalents comprise cash in hand and call deposits and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

2. TAXATION
Addiction Recovery Agency Limited is a registered charity and, subject to funds being used for charitable purposes only, is exempt from Corporation Tax on its income and gains.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)

3. GRANTS AND DONATIONS	Unrestricted Funds £	Restricted Funds £	Total funds 2023 £	Total funds 2022 £
Betway	-	-	-	25,060
Shaftesbury Casinos	-	43,332	43,332	86,664
Clockfair Casinos	-	43,332	43,332	86,664
Les Croupiers	-	67,500	67,500	135,000
Double Diamond Gaming	-	123,500	123,500	82,333
Greentube Alderney	-	259,981	259,981	0
Bet Victor	-	115,000	115,000	0
Other grants and donations	3,360	-	3,360	2,521
	3,360	652,645	656,005	418,242

Donations received from Betway, Shaftesbury Casinos, Clockfair Casinos, Les Croupiers, Double Diamond Gaming, Greentube Alderney and Bet Victor are in lieu of a regulatory settlement to the Gambling Commission.

4. GRANTS, CONTRACTS & FEES	Unrestricted Funds £	Restricted Funds £	Total funds 2023 £	Total funds 2022 £
Housing Support & Resettlement				
Bristol City Council	888,948	-	888,948	835,502
Rent receivable (housing benefit)	527,818	-	527,818	550,624
Client service charges	56,858	-	56,858	61,642
Ministry of Justice	28,171	-	28,171	150,923
	1,501,795	-	1,501,795	1,598,691
Gambling Service				
GamCare	332,576	187,710	520,286	477,002
Beacon Counselling Trust	22,500	-	22,500	63,750
GambleAware	-	251,159	251,159	-
	355,076	438,869	793,945	540,752
Somerset Services				
Second Step	69,767	-	69,767	55,983
	69,767	-	69,767	55,983
Gloucestershire Services				
CGL	-	114,820	114,820	114,820

Prior year comparatives are included in note 20.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023 (continued)

5. TOTAL EXPENDITURE

	Direct Staff Costs	Other Direct Costs	Support Costs	Total 2023	Total 2022
	£	£	£	£	£
Gambling Service	696,179	388,459	218,923	1,303,561	821,646
Housing Support & Resettlement	570,887	749,607	260,037	1,580,531	1,627,455
Somerset Services	55,024	-	10,558	65,582	51,086
Gloucestershire Services	105,185	-	9,635	114,820	114,820
	1,427,275	1,138,066	499,153	3,064,494	2,614,997

Prior year comparatives are included in note 21.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)

5. TOTAL EXPENDITURE (continued)

Other Direct Costs	Total 2023	Total 2022
	£	£
House running costs	467,089	485,565
Client expenditure	15,042	11,174
Depreciation	27,752	31,447
Payments to partners	560,073	381,525
Premises	68,110	44,344
	1,138,066	954,055

Support Costs	Total 2023	Total 2022
	£	£
Staff costs	201,818	153,579
Premises	17,294	36,052
Office costs	192,390	166,991
Depreciation	51,122	37,020
Legal and professional	27,463	21,343
Loan interest	9,066	8,151
	499,153	432,136

Included within support costs are governance costs of £8,949 (2022, £7,815) which relate to the external audit and Board expenses.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)

6. STAFF COSTS, TRUSTEES' REMUNERATION AND RELATED PARTY TRANSACTIONS

Staff costs were as follows:	Total 2023 £	Total 2022 £
Wages and salaries	1,392,540	1,194,671
Social security costs	126,354	101,268
Pension costs	34,372	33,091
	1,553,266	1,329,030

One employee earned between £80,000 and £90,000 (2022, one employee earned between £70,000 and £80,000)

Employment benefits, inclusive of employer national insurance and pension paid to key management personnel (Chief Executive ,Directors of Finance, Recovery & Resettlement , Gambling/Cymru) in 2022/23 totalled £253,298 (2021/22, £193,544)

No remuneration was paid to Board Members. Travel costs of £81.90 (2021/22, £164.50) were re-imbursed to one Board Member.

These payments are permitted under clause four of the memorandum of association.

The average number of employees analysed by function: equivalents analysed by function was:

	2023 Head count	2023 FTE	2022 Head count	2022 FTE
Support services	36	33	33	30
Treatment services	15	8	14	7
Management and administration of the charity	11	9	10	8
	62	50	57	45

7. NET INCOMING RESOURCES FOR THE YEAR

	2023 £	2022 £
This is stated after charging:		
Depreciation of owned assets	78,874	68,154
Auditors' remuneration - audit fee	8,000	7,200
Auditors' remuneration - other work	2,304	228
Operating lease rentals	59,327	66,314

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)

8. TANGIBLE ASSETS

	Long Leasehold Property £	Long Leasehold Improvts £	Short Leasehold Improvts £	Managed Property Refurbishments & Equipment £	Fixtures, Fittings and Equipment £	Total £
COST						
At 1 April 2022	768,461	118,254	58,428	203,647	158,608	1,307,398
Additions	-	16,423	3,875	13,158	31,616	65,072
Dipsosals	-	-	-	-8,827	-21,132	-29,959
At 31 March 2023	768,461	134,677	62,303	207,978	169,092	1,342,511
DEPRECIATION						
At 1 April 2022	241,071	94,120	19,344	162,316	65,459	582,310
Charge for the year	15,369	3,234	6,245	25,997	28,029	78,874
Disposals	-	-	-	-8,709	-13,967	-22,676
At 31 March 2023	256,440	97,354	25,589	179,604	79,521	638,508
NET BOOK VALUE						
At 31 March 2023	512,021	37,323	36,714	28,374	89,571	704,003
At 31 March 2022	527,390	24,134	39,084	41,331	93,149	725,088

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)

9. DEBTORS	2023 £	2022 £
Rents and fees	180,448	138,458
Prepayments	54,567	52,179
less Provision for doubtful debts	-12,532	-29,149
	222,483	161,488

10. CREDITORS	2023 £	2022 £
Amounts falling due within one year		
Bank loan	31,956	33,350
Trade creditors	57,941	42,362
Taxation and social security	41,113	31,535
Amounts due to residents	1,761	3,627
Other creditors and accruals	66,545	45,487
Fees and grants received in advance	70,295	25,052
	269,611	181,413

11. CREDITORS	2023 £	2021 £
Amounts falling due after more than one year		
Bank loan	174,567	205,129

The bank loan is secured by a 25 year mortgage over the charity's leasehold property known as Units 6, 7 and 8 King's Court, King Street, Bristol.

Maturity of bank loan repayable by instalments.		
Due in less than one year	31,956	33,350
Due between two and five years	127,824	133,400
Due after more than five years	46,743	71,729
	206,523	238,479

The bank loan is to be repaid by monthly instalments over 25 years and is on a variable rate of 3% per annum over the Bank' s base rate (currently 5.25%).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)

12. UNRESTRICTED FUNDS

	Balance 01 April 2022 £	Movement in Funding Income £	Expenditure £	Transfers £	Balance 31 March 2023 £
GENERAL FUNDS	936,513	1,971,060	-1,940,818	-	966,755
DESIGNATED FUNDS					
Leasehold property refurbishment fund	49,586	-	-5,685	-14,482	29,419
Actions for Living Fund	-	-	-10,246	90,432	80,186
	49,856	-	-15,931	75,950	109,605
TOTAL UNRESTRICTED FUNDS	986,369	1,971,060	-1,956,749	75,950	1,076,360

	Balance 01 April 2021 £	Movement in Funding Income £	Expenditure £	Transfers £	Balance 31 March 2022 £
GENERAL FUNDS	893,611	2,086,778	-2,043,876	-	936,513
DESIGNATED FUNDS					
Leasehold property refurbishment fund	55,271	-	-5,685	-	49,586
	55,271	-	-5,685	-	49,856
TOTAL UNRESTRICTED FUNDS	948,882	2,086,778	-2,049,561	-	986,369

The leasehold property refurbishment fund is used to meet the depreciation arising from the refurbishment of properties leased from Bristol City Council.

The Actions for Living Fund is used to fund projects to aid the recovery of people with drug and or alcohol addiction.

13. LEASE COMMITMENTS

At 31 March 2023 the charity had annual commitments under operating leases as set out below:

	Land, buildings & equipment 2023 £	Land, buildings & equipment 2022 £
Leases which expire in less than 1 year	27,211	41,636
Leases which expire between two and five years	59,239	14,450
	86,450	56,086

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023 (continued)

14. RESTRICTED FUNDS

	North Somerset Service Fund £	North Somerset Refurb. Fund £	GambleAware Projects Fund £	Gloucestershire Fund £	GamCare Youth Outreach & Education Fund £	Gambling Commission Fund £	Other Funds £	Total 2023 £
BALANCE BROUGHT FORWARD	128,234	6,678	36,450	-	8,621	209,953	173	390,109
INCOME								
Grants and donations	-	-	251,159	114,820	187,710	652,845	-	1,206,334
EXPENDITURE								
Staff costs	-	-	188,946	105,185	119,537	152,249	-	565,917
Allocated support costs	-	-	38,010	9,635	28,407	98,770	-	174,822
Depreciation	-	-	-	-	-	1,755	-	1,755
Other direct costs	-	-	16,274	-	-	348,977	-	365,251
Transfers	75,950	-	-	-	-	-	-	75,950
	75,950	-	243,230	114,820	147,944	601,751	-	1,183,695
BALANCE CARRIED FORWARD	52,284	6,678	44,379	-	48,387	260,847	173	412,748

	North Somerset Service Fund £	North Somerset Refurb. Fund £	GambleAware Projects Fund £	Gloucestershire Fund £	GamCare Youth Outreach & Education Fund £	Gambling Commission Fund £	Other Funds £	Total 2022 £
BALANCE BROUGHT FORWARD	128,234	6,678	36,450	-	13,047	86,310	173	270,892
INCOME								
Grants and donations	-	-	-	114,820	154,112	415,721	-	684,653
EXPENDITURE								
Staff costs	-	-	-	100,230	136,085	38,501	-	274,816
Allocated support costs	-	-	-	14,590	22,453	60,568	-	97,611
Depreciation	-	-	-	-	-		-	-
Other direct costs	-	-	-	-	-	193,009	-	193,009
Transfers	-	-	-	-	-		-	-
	-	-	-	114,820	158,538	292,078	-	565,436
BALANCE CARRIED FORWARD	128,234	6,678	36,450	-	8,621	209,953	173	390,109

North Somerset Service & Refurbishment Funds - these funds was established to provide treatment and support services to people in North Somerset. It is intended that this fund will be used in 2023/24 for a project in the area.
GambleAware Projects Fund - this fund has been set up for the provision of services for gambling addiction funded by GambleAware (formerly known as the Responsible Gambling Fund)
Gloucestershire Fund - this fund is set up to fund the provision of services in Gloucestershireas as part of a sub-contract with CGL.
Gambling Youth Outreach & Education Fund - was set up to fund a service to raise awareness amongst young people of the dangers of gambling addiction.
Gambling Commission Fund - was set up to fund projects approved by the Gambling Commission.
Other Funds - this includes funds given to ARA to purchase assets for a specific purpose.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)

15 . ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed Assets £'s	Net Current Assets £'s	Creditors due after one year £'s	Total 2023 £'s
Restricted Funds				
North Somerset Refurb Fund	6,678	-	-	6,678
North Somerset Service Fund	-	52,284	-	52,284
GambleAware Projects Fund	-	44,379	-	44,379
GamCare Youth Outreach & Education Fund	-	48,387	-	48,387
Gambling Commission Projects Fund	-	260,847		260,847
Other Funds	-	173	-	173
				412,748
Unrestricted Funds				
General Reserves	697,325	443,997	-174,567	966,755
Designated Reserves	-	109,605	-	109,605
	704,003	959,672	-174,567	1,489,108

	Fixed Assets £'s	Net Current Assets £'s	Creditors due after one year £'s	Total 2022 £'s
Restricted Funds				
North Somerset Refurb Fund	6,678		-	6,678
North Somerset Service Fund	-	128,234	-	128,234
GambleAware Projects Fund	-	36,450	-	36,450
GamCare Youth Outreach & Education Fund	-	8,621	-	8,621
Gambling Commission Projects Fund	-	209,953	-	209,953
Other Funds	-	173	-	173
				390,109
Unrestricted Funds				
General Reserves	718,410	423,232	-205,129	936,513
Designated Reserves	-	49,586	-	49,586
	725,088	856,249	-205,129	1,376,208

16. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and as such there is no share capital. In the event of the company being wound up the liability of the members is limited to £1 each.

17. CAPITAL COMMITMENTS

At 31 March 2023 capital commitments were nil (2022, nil).

ADDICTION RECOVERY AGENCY LIMITED

CASH FLOW STATEMENT FOR THE THE YEAR ENDING 31 MARCH 2023

18. NOTES TO THE CASHFLOW STATEMENT

	Reconciliation to the Statement of Financial Activities	2023 SoFA £	2023 Debtors /prepaid £	2023 Creditors /accrued £	2023 Cashflow £	2022 SoFA £	2022 Debtors /prepaid £	2022 Creditors /accrued £	2022 Cashflow £
18a.1	**Income from charitable activities**	2,480,327				2,310,246			
	increase in sundry debtors		-58,607		2,421,720		58,360		2,368,606
18a.2	**Other trading activities**	36,666			36,666	42,500			42,500
18a.3	**Incoming voluntary resources**								
	grants and donations	656,005			656,005	418,242			418,242
18b.1	**Charitable expenditure**	-3,064,494				-2,614,997			
	depreciation charged	78,874				68,467			
	depreciation eliminated on disposal	-22,676							
	decrease in amounts prepaid		-2,388				-20,092		
	increase in current liabilities			88,198	-2,922,486			-42,166	-2,608,788
	Balance sheet movements		-60,995	88,198			38,268	-42,166	

		2023 £	2022 £	Change £	2022 £	2021 £	Change £
18c	**Analysis of changes in cash during year**						
	Cash at bank and in hand	1,006,800	876,174	130,626	876,174	766,058	110,116
		1,006,800	876,174	130,626	876,174	766,058	110,116

		Brought forward £	Cashflows £	Carried forward £	Brought forward £	Cashflows £	Carried forward £
18d	**Analysis of changes in net debt**						
	Cash	876,174	130,626	1,006,800	766,058	110,116	876,174
	Loans due within one year	-33,350	1,394	-31,956	-32,466	-884	-33,350
	Loans due after one year	-205,129	30,562	-174,567	-239,363	34,234	-205,129
		637,695	162,582	800,277	494,229	143,466	637,695

Charity law prohibits the use of net cash inflows on any endowed or other restricted fund to offset net cash inflows on any fund outside its own objects, except on special authority. In practice, this restriction has not had any effect on cash flows for the year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)

19. PRIOR YEAR FUND COMPARATIVES

	Unrestricted Funds £	Restricted Funds £	Total funds 2022 £
INCOME AND EXPENDITURE			
INCOME FROM:			
Donations	2,521	415,721	418,242
Other Trading Activities:			
Rental income and related services	42,500	-	42,500
Investments:			
Interest receivable	443	-	443
Charitable Activities			
Grants, contracts and fees:			
Gambling Service	386,640	154,112	540,752
Housing Support & Resettlement	1,598,691	-	1,598,691
Somerset Services	55,983	-	55,983
Gloucestershire Services	-	114,820	114,820
sub total	2,041,314	268,932	2,310,246
TOTAL INCOME	2,086,778	684,653	2,771,431
EXPENDITURE ON:			
Charitable activities:			
Gambling Service	371,030	450,616	821,646
Housing Support & Resettlement	1,627,445	-	1,627,445
Somerset Services	51,086	-	51,086
Gloucestershire Services	-	114,820	114,820
sub total	2,049,561	565,436	2,614,997
TOTAL EXPENDITURE	2,049,561	565,436	2,614,997

20. PRIOR YEAR GRANTS, DONATIONS, CONTRACTS FEES COMPARATIVES

GRANTS AND DONATIONS	Unrestricted Funds £	Restricted Funds £	Total funds 2022 £
Betway	-	25,060	25,060
Shaftesbury Casinos	-	86,664	86,664
Clockfair Casinos	-	86,664	86,664
Les Croupiers	-	135,000	135,000
Double Diamond Gaming	-	82,333	82,333
Other grants and donations	2,521	-	2,521
	2,521	415,721	418,242

GRANTS, CONTRACTS & FEES	Unrestricted Funds £	Restricted Funds £	Total funds 2022 £
Housing Support & Resettlement			
Bristol City Council	835,502	-	835,502
Rent receivable (housing benefit)	550,624	-	550,642
Client service charges	61,642	-	61,642
Ministry of Justice	150,923	-	150,923
	1,598,691	-	1,598,691
Gambling Service			
GamCare	322,890	154,112	477,002
Beacon Counselling Trust	63,750	-	63,750
	386,640	154,112	540,752
Somerset Services			
Second Step	55,983	-	55,983
Gloucestershire Services			
CGL	-	114,820	114,820

21. PRIOR YEAR TOTAL EXPENDITURE COMPARATIVES

	Direct Staff Costs £	Other Direct Costs £	Support Costs £	Total 2022 £
Gambling Service	486,949	195,344	139,353	821,646
Housing Support & Resettlement	607,697	758,711	261,037	1,627,445
Somerset Services	42,930	-	8,156	51,086
Gloucestershire Services	100,230	-	14,590	114,820
	1,237,806	954,055	423,136	2,614,997

ADDICTION RECOVERY AGENCY LTD

England & Wales - Charity number 1002224

Accounts

ADDICTION RECOVERY AGENCY LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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Registered charity number – 1002224

Company number - 02540814

ADDICTION RECOVERY AGENCY LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

REFERENCE AND ADMINISTRATIVE INFORMATION

WORKING NAME

ARA

SOLICITORS

Ince
Queen Square House
18-21 Queen Square
BRISTOL
BS1 4NH

AUDITOR

Burton Sweet Limited
The Clock Tower
5 Farleigh Court
Old Weston Road
Flax Bourton
Bristol
BS48 1UR

BANKERS

HSBC
Grosvenor Court
149 Whiteladies Road
BRISTOL
BS8 2RR

PRINCIPAL ADDRESS

King's Court
King Street
BRISTOL
BS1 4EF

KEY PERSONNEL

Chief Executive	Graham England
Company Secretary	Andrew Ridley
Chief Operating Officer	Robbie Thornhill
Head of Business Development	Helen Kovacs

ADDICTION RECOVERY AGENCY LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

BOARD REPORT

The Board present their report for the year ended 31 March 2022. Due to the Board Members' status as directors under the Companies Act 2006, this report constitutes a director's report as required by the Companies Act 2006, and has been prepared taking advantage of the exemptions conferred by Part 15 of this act.

The Board Members during the year and to date of approval of the accounts were:

A Collins (Chair)
H Bellfield (Vice Chair)
P Bullivant (resigned November 2021)
J Tucker (resigned November 2021)
D Thomas
C Shepherd
C Lewis (resigned December 2021)
K Lawrence (resigned May 2021)
L Copsie (appointed November 2021)
S Malpass (appointed March 2022)

GOVERNING DOCUMENT

The Charity was established in 1987 by incorporation as a company limited by guarantee. Consequently, the governing instrument of the Charity is its Memorandum and Articles of Association. The Charity is registered with the Charity Commission under number 1002224. The Company registration number is 02540814.

CHARITABLE OBJECTS

The Charity's objects are:
To relieve poverty sickness and distress among those who are affected by mental ill health or by addiction to drugs and alcohol of any kind and to educate the public on matters related to mental health and drug or alcohol misuse.

PUBLIC BENEFIT

ARA is one of the largest voluntary organisations providing addiction and mental health services in the South West. In 2021/22 ARA offered a wide range of treatment and support to benefit people with drugs, alcohol, gambling and mental health problems in Bristol, North Somerset, South Gloucestershire, Gloucestershire, Somerset, Cornwall and throughout Wales including:

- **Housing support service -** the largest single contracted service of its kind in Bristol providing accommodation and support to over 250 people with drug and alcohol problems at any one time. A key element of the Bristol Homelessness Pathways service;

PUBLIC BENEFIT (continued)

- **Prison Accommodation & Resettlement Services** – services that help people to resettle into appropriate accommodation on release from HMP Bristol;
- **Somerset Step Together** - a front line service providing floating support services delivered in partnership with Second Step;
- **Gambling Counselling** - ARA has formed a partnership with GamCare to provide counselling for people experiencing problems with gambling;
- **Gloucestershire Drug & Alcohol Service** - working in partnership with Change, Grow, Live (CGL) ARA staff work in local hospitals and provide housing advice.

During the year, ARA charged for rent and household service charges. These charges were paid for by Local Authorities and service users respectively. ARA provides no private benefit. Board Members have considered public benefit guidance issued by the Charity Commission.

ACHIEVEMENTS AND PERFORMANCE 2021/22

ARA continues to have a major impact on the lives of those suffering from addiction. Key statistics and performance against targets are set out below:

HOUSING SERVICE

271 people housed in our substance misuse accommodation.

87% occupancy across our housing accommodation (business plan target 92%). The reduced availability of treatment services in Bristol had an impact on occupancy.

92% of service users were satisfied or very satisfied with our trauma-informed assessments

83% in our prep and prep-intake housing identified as having a mental health need that Ara workers supported them with.

ACHIEVEMENTS AND PERFORMANCE 2021/22 (continued)

GAMBLING TREATMENT SERVICE

1220 clients seen an increase of 368 from the previous year

98% clients were extremely satisfied or very satisfied with the service they received

100% of clients would recommend the service to somebody else

Before treatment 12% of clients reported that they felt well. Post-treatment 99% reported that they felt well

Young People's Project

2518 professionals were educated in our gambling awareness programme

6475 young people took part in our programme to raise awareness of gambling harms

Six To Ten

ARA was very pleased to receive regulatory settlement money from the Gambling Commission for the development of the Six To Ten project. The project should help to make a huge difference to the lives of people who have a family member gambling problems.

CRIMINAL JUSTICE SERVICES

145 people were met at the gate and housed under the Rough Sleepers Initiative

44 people were supported and prevented from being homeless under the Prison Accommodation Pilot funded by the Ministry of Justice

GLOUCESTERSHIRE SERVICES

Outreach and housing link - 396 people seen.

Hospitals outreach - 923 patients seen at Gloucester and Cheltenham Hospitals

ACHIEVEMENTS AND PERFORMANCE 2021/22(continued)

RISK MANAGEMENT

The Board actively reviews the major risks that the Charity faces on a regular basis and believes that maintaining our free reserves at the levels stated on page 7 will provide sufficient resources in the advent of adverse business conditions. The Board has approved a Risk Policy and Risk Register that identifies the main risks facing ARA, the potential impact of these risks, controls already in place to mitigate the risk and what action needs to be taken.

Loss of a major contract is a potentially significant risk. To deal with this ARA has procedures to monitor contract performance and to ensure that strong working relationships are maintained with commissioners. The loss of key staff and Board Members is another potential risk facing the organisation. The documentation of all policies, procedures, and succession planning help to minimise the impact of this risk. Failure to provide the required level of support to clients and patients is also a potential significant risk. Client risk assessments and detailed policies and procedures are in place to mitigate this risk.

LOOKING AHEAD

The coming year also brings a number of exciting opportunities and challenges. Our main objectives for 2022/23 are to:

- achieve 90% occupancy for our houses;
- collect 85% of service charge due;
- roll out the Six to Ten project for families affected by problem gambling;
- support 30% more problem gamblers and affected others than in 2021;
- develop new, ready-for-market interventions for gaming and e-sports;
- research and develop new ways of supporting people with substance misuse problems as part of the Actions for Living project;
- expand our criminal justice and mental health services.

BOARD REPORT (continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT

A Board of Trustees governs ARA. Regular briefings are held for Board Members to provide them with detailed information about the way in which services are designed and delivered as a means of understanding the regular performance information provided for monitoring purposes. ARA's Senior Management Team is Graham England (Chief Executive), Andrew Ridley (Director of Finance, Deputy Chief Executive and Company Secretary), Robbie Thornhill (Chief Operating Officer) and Helen Kovacs (Head of Business Development). The pay and terms and conditions of the Senior Management Team are reviewed annually by the Board. During 2021/22 ARA had an average of 45 full time equivalent staff.

RECRUITMENT AND APPOINTMENT OF TRUSTEES

A skills audit is regularly conducted of Board Members to identify gaps in expertise on the Board and to assist with recruitment. Recruitment of new Members with appropriate skills and experience is undertaken through individual contact, networking and advertising.

TRUSTEE INDUCTION AND TRAINING

New Trustees are given the Board Member's handbook on joining, which includes the duties and responsibilities of Trustees and the structure, organisation and management of the charity. Induction training is also provided.

FINANCIAL POSITION OF THE CHARITY

The Board can confirm that the Charity's assets are available and adequate to fulfil the obligations of the charity on a fund-by-fund basis. The Charity had net assets of £1,376,208 at 31 March 2022 of which £936,513 is held in general unrestricted funds. Whilst ARA does receive small value donations it does not actively engage in fundraising.

BOARD REPORT (continued)

INVESTMENT POLICY

The Board approved an Investment Policy in August 2021. The policy outlines the Charity's attitude to risk and the ethical issues that need to be considered when decisions on investments are taken.

RESERVES POLICY

At 31 March 2022, the Charity had total reserves of £1,376,208 of which £486,609 can only be realised from the disposal of tangible fixed assets. The balance on restricted reserves was £390,109. Movements in restricted funds are shown in note 14 to the financial statements. Designated reserves totalled £49,586. This reserve will be used to meet the costs of property refurbishment.

The Charity's reserves policy is to hold two to three months operating expenses on unrestricted activities in liquid unrestricted funds. This currently equates to around £340,000 - £515,000. At 31 March 2022 the liquid unrestricted reserves were £423,232 (2021, £422,750). The Board consider this to be adequate given the duration of the Charity's main contracts.

TRUSTEES STATEMENT OF RESPONSIBILITIES

The Trustees (who are also directors of Addiction Recovery Agency for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Accepted Accounting Practice).

BOARD REPORT (continued)

TRUSTEES STATEMENT OF RESPONSIBILITIES

Company law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditor is unaware; and the Trustees have taken all steps that they ought to make themselves aware of that information.

BY ORDER OF THE BOARD

TONY COLLINS
CHAIR DATE 4 NOVEMBER 2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADDICTION RECOVERY AGENCY LIMITED

OPINION

We have audited the financial statements of Addiction Recovery Agency Limited (the "Charity") for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state in them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted out audit in accordance with international Standards in Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ADDICTION RECOVERY AGENCY LIMITED continued

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern as described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If based, on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the trustees' report (incorporating the directors' report) have been prepared in accordance with applicable law requirements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADDICTION RECOVERY AGENCY LIMITED continued

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify and recognise non-compliance with applicable laws and regulations;

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADDICTION RECOVERY AGENCY LIMITED continued

- we identified the laws and regulations applicable to the charity through discussions with directors and other management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements of the operations of the company, including the Company's Act 2006, taxation legislation and data protection, anti-bribery, employment, environment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence and;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance through the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including an understanding of fraud might occur by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the charity's remuneration policies.

To address the risk of fraud through management bias and override controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigate the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation claims;
- and reviewing correspondence with HMRC, relevant regulators and the charity's legal advisors.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADDICTION RECOVERY AGENCY LIMITED continued

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence if any.

Material misstatements hat arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm This description forms part of our auditor's report.

Joshua Kingston FCA (Senior Statutory Auditor)

For and on behalf of Burton Sweet Limited

The Clock Tower
5 Farleigh Court
Old Weston Road
Flax Bourton
Bristol BS48 1UR

Date: 4 November 2022

ADDICTION RECOVERY AGENCY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (incorporating income and expenditure account) FOR THE YEAR ENDED 31 MARCH 2022

	note	Unrestricted Funds £	Restricted Funds £	Total funds 2022 £	Total funds 2021 £
INCOME AND EXPENDITURE					
INCOME FROM:					
Donations	3	2,621	415,721	418,242	370,112
Other Trading Activities:					
Rental income and related services		42,500	-	42,500	40,000
Investments:					
Interest receivable		443	-	443	1,389
Charitable Activities					
Grants, contracts and fees:	4				
Gambling Service		386,640	154,112	540,752	440,520
Housing Support & Resettlement		1,598,691	-	1,598,691	1,792,863
Mental Health Services		-	-	-	1,081
Somerset Services		55,983	-	55,983	81,104
Gloucestershire Services		-	114,820	114,820	110,927
sub total		2,041,314	268,932	2,310,246	2,426,495
TOTAL INCOME		2,086,778	684,653	2,771,431	2,837,996
EXPENDITURE ON:					
Charitable activities:					
Community Recovery Services		-	-	-	14,862
Gambling Service		371,030	450,616	821,646	599,579
Housing Support & Resettlement		1,627,445	-	1,627,445	1,874,127
Mental Health Services		-	-	-	133
Somerset Services		51,086	-	51,086	84,453
Gloucestershire Services		-	114,820	114,820	110,927
sub total		2,049,561	565,436	2,614,997	2,684,080
TOTAL EXPENDITURE	5	2,049,561	565,436	2,614,997	2,684,080
Net income for the year		37,217	119,217	156,434	153,916
BALANCE BROUGHT FORWARD AT 1 APRIL 2021	12, 14	948,882	270,892	1,219,774	1,065,858
BALANCE CARRIED FORWARD AT 31 MARCH 2022	12, 14	986,099	390,109	1,376,208	1,219,774

The notes on pages 17 to 32 form part of these accounts.

All of the results relate to continuing operations.

Prior year comparatives are included in note 19.

ADDICTION RECOVERY AGENCY LIMITED

(Company number 02540814, registered charity number 1002224)

BALANCE SHEET
AT 31 MARCH 2022

	note	2022 £	2021 £
FIXED ASSETS			
Tangible assets	8	725,088	716,902
CURRENT ASSETS			
Debtors	9	161,488	199,756
Cash at bank and in hand		876,174	766,058
		1,037,662	965,814
CREDITORS: Amounts falling due within one year	10	-181,413	-223,579
NET CURRENT ASSETS		856,249	742,235
TOTAL ASSETS LESS CURRENT LIABILITIES		1,581,337	1,459,137
CREDITORS: Amounts falling due after one year	11	-205,129	-239,363
NET ASSETS		1,376,208	1,219,774
FUNDS:			
Restricted	14	390,109	270,892
Unrestricted			
Designated	12	49,586	55,271
General	12	936,513	893,611
	15	1,376,208	1,219,774

The accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board on 4 November 2022 and signed on its behalf by

TONY COLLINS (CHAIR)

The notes on pages 17 to 32 form part of these accounts

ADDICTION RECOVERY AGENCY LIMITED

CASH FLOW STATEMENT FOR THE THE YEAR ENDING 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
OPERATIONAL CASH FLOWS					
Income from operations:					
Charitable activities (gross)	18a.1	2,368,606		2,438,682	
Other activities: trading (gross)	18a.2	42,500	2,411,106	40,000	2,478,682
Charitable expenditure	18b.1		-2,608,788		-2,681,299
Net inflow / (outflow) from operating activities			-197,682		-202,617
Income for operating activities:					
Voluntary sources other than endowments (gross)	18a.3	418,242		370,112	
Endowed funds converted into income		-	418,242	-	370,112
Net inflow of operating activities			220,560		167,495
NON-OPERATIONAL CASH FLOWS					
Investing activities:					
Payments for tangible fixed assets		-76,653		-74,940	
Dividends and interest (gross)		443		1,389	
			-76,210		-73,551
Financing:					
Loan repayments		-34,234		-36,007	
			-34,234		36,007
Net cash inflow for the year	18c		**110,116**		**57,937**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES

a) Accounting convention
The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice : Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011 and the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

b) Depreciation
Depreciation is provided on tangible assets with a value of more than £100 at rates calculated to write off the cost, less estimated residual value of each asset, over its expected useful life as follows:

Long leasehold property	2% straight line;
Improvements to long leasehold property	10% straight line;
Improvements to short leasehold property	10% - 33% straight line;
Office fixtures, fittings and equipment	10% - 33% straight line;
House fixtures, fittings and equipment	10% - 33% straight line

c) Income
Income is recognised in the period to which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

When donors specify that donations or grants are for a particular restricted purpose, which do not amount to pre-conditions regarding entitlement, this income is included in income of the appropriate restricted fund when it is receivable.

d) Costs of raising funds, charitable activities and governance costs
Expenditure is on an accruals basis inclusive of any VAT that cannot be recovered. The majority of costs are directly attributable to specific charitable activities.
The support costs have been apportioned to the activities of the Charity on the basis of the percentage of income of the activity compared to total income. This basis was used as a reasonable representation of the level of support required by each activity.
Governance costs are those associated with the constitutional and statutory requirements of the charity covering the external audit fee and Board expenses. Governance costs are included with charitable activities.

e) Pensions costs
The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and is shown in Note 6 to these financial statements.

f) Operating leases
Operating lease payments are charged to the Statement of Financial Activities as incurred over the term of the lease.

g) Fund accounting
Funds held by the Charity are either:

- Unrestricted general funds – these are funds which can be used in accordance with charitable objects at the discretion of trustees;
- Designated funds – these are funds set aside by the trustees out of unrestricted general funds for specific or future projects;
- Restricted funds – these are funds that an only be used for particular purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

h) Going concern
The Board has carefully considered the going concern basis used in the preparation of the financial statements and is satisfied that this is correct based on forecast income and expenditure. There are no material uncertainties about the ability of the charity to continue as a going concern, despite the worldwide COVID 19 crisis. Whilst the Board expects that there will be an impact on the charity's operations in the coming months the charity's reserves will be sufficient to meet this challenge.

i) Public Benefit
Addiction Recovery Agency Limited is a public benefit entity.

j) Trade debtors
Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

k) Trade creditors
Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cos using the effective interest rate method.

l) Cash and cash equivalents
Cash and cash equivalents comprise cash in hand and call deposits and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

2. TAXATION
Addiction Recovery Agency Limited is a registered charity and, subject to funds being used for charitable purposes only, is exempt from Corporation Tax on its income and gains.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

3. GRANTS AND DONATIONS	Unrestricted Funds £	Restricted Funds £	Total funds 2022 £	Total funds 2021 £
National Lottery	-	-	-	46,475
Bristol City Council	-	-	-	5,000
Quartet Foundation	-	-	-	5,000
Other grants and donations	2,521	-	2,521	2,437
Caesars Entertainment	-	-	-	311,200
Betway	-	25,060	25,060	-
Shaftesbury Casinos	-	86,664	86,664	-
Clockfair Casinos	-	86,664	86,664	-
Les Croupiers	-	135,000	135,000	-
Double Diamond Gaming	-	82,333	82,333	-
	2,521	415,721	418,242	370,112

4. GRANTS, CONTRACTS & FEES	Unrestricted Funds £	Restricted Funds £	Total funds 2022 £	Total funds 2021 £
Housing Support & Resettlement				
Bristol City Council	835,502	-	835,502	869,369
Rent receivable (housing benefit)	550,624	-	550,624	570,211
Client service charges	61,642	-	61,642	56,644
Ministry of Justice	150,923	-	150,923	296,639
	1,598,691	-	1,598,691	1,792,863
Gambling Service				
GamCare	322,890	154,112	477,002	436,770
Beacon Counselling Trust	63,750	-	63,750	3,750
	386,640	154,112	540,752	440,520
Mental Health Services				
Weston College	-	-	-	1,081
	-	-	-	1,081
Somerset Services				
Second Step	55,983	-	55,983	81,104
	55,983	-	55,983	81,104
Gloucestershire Services				
CGL	-	114,820	114,820	110,927

Prior year comparatives are included in note 20.

6. TOTAL EXPENDITURE

	Direct Staff Costs	Other Direct Costs	Support Costs	Total 2022	Total 2021
	£	£	£	£	£
Community Recovery Services	-	-	-	-	14,862
Gambling Service	486,949	195,344	139,353	821,646	599,579
Housing Support & Resettlement	607,697	758,711	261,037	1,627,445	1,874,127
Mental Health Services	-	-	-	-	133
Somerset Services	42,930	-	8,156	51,086	84,453
Gloucestershire Services	100,230	-	14,590	114,820	110,927
	1,237,806	954,055	423,136	2,614,997	2,684,080

Prior year comparatives are included in note 21.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

5. TOTAL EXPENDITURE (continued)

Other Direct Costs	Total 2022 £	Total 2021 £
House running costs	485,565	518,341
Client expenditure	11,174	23,132
Depreciation	31,447	25,132
Payments to partners	381,525	337,757
Premises & running costs	44,344	121,263
Volunteer expenses	-	9,868
	954,055	1,035,493

Support Costs	Total 2022 £	Total 2021 £
Staff costs	153,579	122,386
Premises	36,052	34,450
Office costs	166,991	137,765
Depreciation	37,020	30,352
Legal and professional	21,343	31,636
Loan interest	8,151	7,109
	423,136	363,698

Included within support costs are governance costs of £7,815 (2021, £5,405) which relate to the external audit and Board expenses.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

6. STAFF COSTS, TRUSTEES' REMUNERATION AND RELATED PARTY TRANSACTIONS

Staff costs were as follows:	Total 2022 £	Total 2021 £
Wages and salaries	1,194,671	1,227,994
Social security costs	101,268	98,160
Pension costs	33,091	41,200
	1,329,030	1,367,354

One employee earned between £70,000 and £80,000 (2021, one employee earned between £70,000 and £80,000)

Employment benefits, inclusive of employer national insurance and pension paid to key management personnel (Chief Executive, Director of Finance, Chief Operating Officer and Head of Business Development) in 2021/22 totalled £193,544 (2020/21, £191,633) The Head of Business Development post was filled in March 2022.

No remuneration was paid to Board Members. Travel costs of £164.50 (2020/21, £85) were re-imbursed to one Board Member.

These payments are permitted under clause four of the memorandum of association There are no other related party transactions.

The average number of employees analysed by function: equivalents analysed by function was:

	2022 Head count	2022 FTE	2021 Head count	2021 FTE
Support services	33	30	39	34
Treatment services	14	7	15	5
Management and administration of the charity	10	8	7	6
	57	45	61	45

7. NET INCOME FOR THE YEAR

	2022 £	2021 £
This is stated after charging:		
Depreciation of owned assets	68,154	55,484
Auditors' remuneration - audit fee	7,200	5,340
Auditors' remuneration - other work	228	-
Operating lease rentals	66,314	69,598

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

8. TANGIBLE ASSETS

	Long Leasehold Property £	Long Leasehold Improvts £	Short Leasehold Improvts £	Managed Property Refurbishments & Equipment £	Fixtures, Fittings and Equipment £	Total £
COST						
At 1 April 2021	768,461	94,120	58,371	199,052	118,792	1,238,796
Additions	-	9,436	-	26,071	41,146	76,653
Disposals	-	-	-	-8,051	-	-8,051
Adjustments	-	14,698	57	-13,425	-1,330	-
At 31 March 2022	768,461	118,254	58,428	203,647	158,608	1,307,398
DEPRECIATION						
At 1 April 2021	227,267	94,120	6,006	164,653	29,648	521,694
Charge for the year	15,369	-	5,685	25,449	21,651	68,154
Disposals	-	-	-	-7,738	-	-7,738
Adjustments	-1,565	-	7,653	-20,248	14,160	-
At 31 March 2022	241,071	94,120	19,344	162,316	65,459	582,310
NET BOOK VALUE						
At 31 March 2022	527,390	24,134	39,084	41,331	93,149	725,088
At 31 March 2021	541,194	-	52,365	34,199	89,144	716,902

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022(continued)

9. DEBTORS	2022	2021
	£	£
Rents and fees	138,458	199,490
Prepayments	52,179	32,087
less Provision for doubtful debts	-29,149	-31,821
	161,488	199,756

10. CREDITORS	2022	2021
	£	£
Amounts falling due within one year		
Bank loan	33,350	32,466
Trade creditors	42,362	62,430
Taxation and social security	31,535	26,352
Amounts due to residents	3,627	2,971
Other creditors and accruals	45,487	80,610
Fees and grants received in advance	25,052	18,750
	181,413	223,579

11. CREDITORS	2022	2021
	£	£
Amounts falling due after more than one year		
Bank loan	205,129	239,363

The bank loan is secured by a 25 year mortgage over the charity's leasehold property known as Units 6, 7 and 8 King's Court, King Street, Bristol.

Maturity of bank loan repayable by instalments.		
Due in less than one year	33,350	32,466
Due between two and five years	133,400	129,864
Due after more than five years	71,729	109,499
	238,479	271,829

The bank loan is to be repaid by monthly instalments over 25 years and is on a variable rate of 3% per annum over the Bank' s base rate (currently 2.25%).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

12. UNRESTRICTED FUNDS

	Balance 01 April 2021 £	Movement In Funding Income £	Expenditure £	Balance 31 March 2022 £
GENERAL FUNDS	893,611	2,086,778	-2,043,876	936,513
DESIGNATED FUNDS				
Leasehold property refurbishment fund	55,271	-	-5,685	49,586
	55,271	-	-5,685	49,586

	Balance 01 April 2020 £	Movement In Funding Income £	Expenditure £	Balance 31 March 2021 £
GENERAL FUNDS	809,388	2,210,282	-2,126,059	893,611
DESIGNATED FUNDS				
Leasehold property refurbishment fund	60,956	-	-5,685	55,271
	60,956	-	-5,685	55,271

The leasehold property refurbishment fund is used to meet the depreciation arising from the refurbishment of properties leased from Bristol City Council.

13. LEASE COMMITMENTS

At 31 March 2022 the charity had annual commitments under operating leases as set out below:

	Land, buildings & equipment 2022 £	Land, buildings & equipment 2021 £
Leases which expire in less than 1 year	41,636	62,425
Leases which expire between two and five years	14,450	38,425
	56,086	100,850

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022 (continued)

14. RESTRICTED FUNDS

	Floating Support Service Fund £	North Somerset Service Fund £	North Somerset Refurb. Fund £	South Wales Gambling Pilot Fund £	Gloucestershire Fund £	Gambling Youth Outreach Fund £	National Lottery COVID Fund £	Gambling Commission Fund £	Other Funds £	Total 2022 £
BALANCE BROUGHT FORWARD	-	128,234	6,678	36,450	-	13,047	-	86,310	173	270,892
INCOME										
Grants and donations	-	-	-	-	114,820	154,112	-	415,721	-	684,653
EXPENDITURE										
Staff costs	-	-	-	-	100,230	136,085	-	38,501	-	274,816
Allocated support costs	-	-	-	-	14,590	22,453	-	60,568	-	97,611
Depreciation	-	-	-	-	-	-	-	-	-	-
Other direct costs	-	-	-	-	-	-	-	193,009	-	193,009
Transfers	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	114,820	158,538	-	292,078	-	585,436
BALANCE CARRIED FORWARD	-	128,234	6,678	36,450	-	8,621	-	209,953	173	390,109

	Floating Support Service Fund £	North Somerset Service Fund £	North Somerset Refurb. Fund £	South Wales Gambling Pilot Fund £	Gloucestershire Fund £	Gambling Youth Outreach Fund £	National Lottery COVID Fund £	Gambling Commission Fund £	Other Funds £	Total 2021 £
BALANCE BROUGHT FORWARD	19,152	128,234	6,678	36,450	-	4,827	-	-	173	195,514
INCOME										
Grants and donations	-	-	-	-	110,927	154,112	46,476	311,200	5,000	627,714
EXPENDITURE										
Staff costs	19,152	-	-	-	104,115	128,952	-	35,372	-	285,590
Allocated support costs	-	-	-	-	8,811	18,941	322	36,248	500	64,822
Depreciation	-	-	-	-	-	-	-	-	-	-
Other direct costs	-	-	-	-	-	-	46,153	151,271	4,500	201,924
Transfers	-	-	-	-	-	-	-	-	-	-
	19,152	-	-	-	110,927	145,892	46,475	224,890	5,000	552,336
BALANCE CARRIED FORWARD	-	128,234	6,678	36,450	-	13,047	-	86,310	173	270,892

Floating Support Service Fund - this fund was originally set up to finance the provision of therapy and counselling for alcohol misue in Bristol. The Commissioning body has now agreed that this fund can now be used to provide floating support services in Bristol.
North Somerset Service & Refurbishment Funds - these funds were established to provide treatment and support services to people in North Somerset. ARA is planning to use some of these funds as part of its Actions For Living project.
South Wales Gambling Pilot Fund - this fund has been set up for the provision of gambling treatment services in South Wales
Gloucestershire Fund - this fund is set up to fund the provision of services in Gloucestershiress as part of a sub-contract with CGL.
Gambling Youth Outreach Fund - was set up to fund a service to raise swareness amongst young people of the dangers of gambling addiction.
Gambling Commission Fund - was set up to fund projects approved by the Gambling Commission.
National Lottery COVID Fund - this fund was set up following the receipt of money from The National Lottery to help with the impact of coronavirus.
Other Funds - this includes funds given to ARA to purchase assets for a specific purpose.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

15 . ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed Assets £'s	Net Current Assets £'s	Creditors due after one year £'s	Total 2022 £'s
Restricted Funds				
North Somerset Refurb Fund	6,678	-	-	6,678
North Somerset Service Fund	-	128,234	-	128,234
Gambling Commission Fund	-	209,953	-	209,953
South Wales Gambling Pilot Fund	-	36,450	-	36,450
Gambling Youth Outreach Fund	-	8,621	-	8,621
Other Funds	-	173	-	173
				390,109
Unrestricted Funds				
General Reserves	718,410	423,232	-205,129	936,513
Designated Reserves	-	49,586	-	49,586
	725,088	856,249	-205,129	1,376,208

	Fixed Assets £'s	Net Current Assets £'s	Creditors due after one year £'s	Total 2021 £'s
Restricted Funds				
North Somerset Refurb Fund	6,678		-	6,678
North Somerset Service Fund	-	128,234	-	128,234
South Wales Gambling Pilot Fund	-	36,450	-	36,450
Gambling Youth Outreach Fund	-	13,047	-	13,047
Gambling Commission Fund		86,310		86,310
Other Funds	-	173	-	173
				270,891
Unrestricted Funds				
General Reserves	710,224	422,750	-239,363	893,611
Designated Reserves	-	55,271	-	55,271
	716,902	742,235	-239,363	1,219,774

16. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and as such there is no share capital. In the event of the company being wound up the liability of the members is limited to £1 each.

17. CAPITAL COMMITMENTS

At 31 March 2022 capital commitments were nil (2021, nil).

ADDICTION RECOVERY AGENCY LIMITED

CASH FLOW STATEMENT FOR THE THE YEAR ENDING 31 MARCH 2022

18. NOTES TO THE CASHFLOW STATEMENT

	Reconciliation to the Statement of Financial Activities	2022 SoFA £	2022 Debtors /prepaid £	2022 Creditors /accrued £	2022 Cashflow £	2021 SoFA £	2021 Debtors /prepaid £	2021 Creditors /accrued £	2021 Cashflow £
18a.1	**Income from charitable activities**	2,310,246				2,426,495			
	decrease in sundry debtors		58,360		2,368,606		12,187		2,438,682
18a.2	**Other trading activities**	42,500			42,500	40,000			40,000
18a.3	**Incoming voluntary resources**								
	grants and donations	418,242			418,242	370,112			370,112
18b.1	**Charitable expenditure**	-2,614,997				-2,684,080			
	depreciation eliminated	68,467				55,484			
	decrease in amounts prepaid		-20,092				-1,481		
	decrease in current liabilities			-42,166	-2,608,788			-51,222	-2,681,299
	Balance sheet movements		38,268	-42,166			10,706	-51,222	

18c	**Analysis of changes in cash during year**	2022 £	2021 £	Change £	2021 £	2020 £	Change £
	Cash at bank and in hand	876,174	766,058	110,116	766,058	708,121	57,937
		876,174	766,058	110,116	766,058	708,121	57,937

18d	**Analysis of changes in net debt**	Brought forward £	Cashflows £	Carried forward £	Brought forward £	Cashflows £	Carried forward £
	Cash	766,058	110,116	876,174	708,121	57,937	766,058
	Loans due within one year	-32,466	-884	-33,350	-28,975	-3,491	-32,466
	Loans due after one year	-239,363	34,234	-205,129	-275,320	35,957	-239,363
		494,229	143,466	637,695	403,826	90,403	494,229

Charity law prohibits the use of net cash inflows on any endowed or other restricted fund to offset net cash outflows on any fund outside its own objects, except on special authority. In practice, this restriction has not had any effect on cash flows for the year.

19. PRIOR YEAR FUND COMPARATIVES

	Unrestricted Funds £	Restricted Funds £	Total funds 2021 £
INCOME AND EXPENDITURE			
INCOME FROM:			
Donations	7,437	362,675	370,112
Other Trading Activities:			
Rental income and related services	40,000	-	40,000
Investments:			
Interest receivable	1,389	-	1,389
Charitable Activities			
Grants, contracts and fees:			
Gambling Service	286,408	154,112	440,520
Housing Support & Resettlement	1,792,863	-	1,792,863
Mental Health Services	1,081	-	1,081
Somerset Services	81,104	-	81,104
Gloucestershire Services	-	110,927	110,927
sub total	2,161,456	265,039	2,426,495
TOTAL INCOME	2,210,282	627,714	2,837,996
EXPENDITURE ON:			
Charitable activities:			
Community Recovery Services	14,862	-	14,862
Gambling Service	228,796	370,783	599,579
Housing Support & Resettlement	1,803,500	70,627	1,874,127
Mental Health Services	133	-	133
Somerset Services	84,453	-	84,453
Gloucestershire Services		110,927	110,927
sub total	2,131,744	552,337	2,684,080
TOTAL EXPENDITURE	2,131,744	552,337	2,684,080

20. PRIOR YEAR GRANTS, DONATIONS, CONTRACTS FEES COMPARATIVES

GRANTS AND DONATIONS	Unrestricted Funds £	Restricted Funds £	Total funds 2021 £
National Lottery	-	46,475	46,475
Bristol City Council	-	5,000	5,000
Quartet Foundation	5,000	-	5,000
Other grants and donations	2,437	-	2,437
Caesars Entertainment (in lieu of regulatory settlement)	-	311,200	311,200
	7,437	362,675	370,112

GRANTS, CONTRACTS & FEES	Unrestricted Funds £	Restricted Funds £	Total funds 2021 £
Housing Support & Resettlement			
Bristol City Council	869,369	-	869,369
Rent receivable (housing benefit)	570,211	-	570,211
Client service charges	56,644	-	56,644
Ministry of Justice	296,639	-	296,639
	1,792,863	-	1,792,863
Gambling Service			
GamCare	282,658	154,112	436,770
Other	3,750	-	3,750
	286,408	154,112	440,520
Mental Health Services			
Weston College	1,081	-	1,081
	1,081	-	1,081
Somerset Services			
Second Step	81,104	-	81,104
	81,104	-	81,104
Gloucestershire Services			
CGL	-	110,927	110,927

21. PRIOR YEAR TOTAL EXPENDITURE COMPARATIVES

	Direct Staff Costs £	Other Direct Costs £	Support Costs £	Total 2021 £
Community Recovery Services	12,387	2,475	-	14,862
Gambling Service	351,501	152,415	95,663	599,579
Housing Support & Resettlement	742,400	880,603	251,123	1,874,127
Mental Health Services	-	-	133	133
Somerset Services	74,485	-	9,968	84,453
Gloucestershire Services	104,115	-	6,811	110,927
	1,284,888	1,035,493	363,698	2,684,080

ADDICTION RECOVERY AGENCY LTD

England & Wales - Charity number 1002224

Accounts

ADDICTION RECOVERY AGENCY LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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Registered charity number – 1002224

Company number - 02540814

ADDICTION RECOVERY AGENCY LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

REFERENCE AND ADMINISTRATIVE INFORMATION

WORKING NAME

ARA

SOLICITORS

Ince Metcalfes
46-48 Queen Square
BRISTOL
BS1 4LY

AUDITOR

Burton Sweet
The Clock Tower
5 Farleigh Court
Old Weston Road
Flax Bourton
Bristol
BS48 1UR

BANKERS

HSBC
Grosvenor Court
149 Whiteladies Road
BRISTOL
BS8 2RR

PRINCIPAL ADDRESS

King's Court
King Street
BRISTOL
BS1 4EF

KEY PERSONNEL

Chief Executive	Graham England
Company Secretary	Andrew Ridley
Chief Operating Officer	Robbie Thornhill

ADDICTION RECOVERY AGENCY LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

BOARD REPORT

The Board present their report for the year ended 31 March 2021. Due to the Board Members' status as directors under the Companies Act 2006, this report constitutes a director's report as required by the Companies Act 2006, and has been prepared taking advantage of the exemptions conferred by Part 15 of this act.

The Board Members during the year and to date of approval of the accounts were:

A Collins (Chair)
H Bellfield (Vice Chair)
A Carruthers (resigned November 2020)
P Bullivant
J Tucker
D Thomas
C Shepherd (appointed November 2020)
K Lawrence (appointed November 2020, resigned April 2021)
C Lewis (appointed May 2021)

GOVERNING DOCUMENT

The Charity was established in 1987 by incorporation as a company limited by guarantee. Consequently, the governing instrument of the Charity is its Memorandum and Articles of Association. The Charity is registered with the Charity Commission under number 1002224. The Company registration number is 02540814.

CHARITABLE OBJECTS

The Charity's objects are:
To relieve poverty sickness and distress among those who are affected by mental ill health or by addiction to drugs and alcohol of any kind and to educate the public on matters related to mental health and drug or alcohol misuse.

PUBLIC BENEFIT

ARA is one of the largest voluntary organisations providing addiction and mental health services in the South West. In 2020/21ARA offered a wide range of treatment and support to benefit people with drugs, alcohol, gambling and mental health problems in Bristol, North Somerset, South Gloucestershire, Gloucestershire, Somerset and throughout Wales including:

- **Housing support service -** the largest single contracted service of its kind in Bristol providing accommodation and support to over 250 people with drug and alcohol problems at any one time. A key element of the Bristol Homelessness Pathways service;

PUBLIC BENEFIT (continued)

- **Prison Accommodation & Resettlement Services** – services that help people to resettle into appropriate accommodation on release from HMP Bristol;
- **Somerset Step Together** - a front line service providing floating support services delivered in partnership with Second Step;
- **Gambling Counselling** - ARA has formed a partnership with GamCare to provide counselling for people experiencing problems with gambling;
- **Gloucestershire Drug & Alcohol Service** - working in partnership with Change, Grow, Live (CGL) ARA staff work in local hospitals and provide housing advice.

During the year, ARA charged for rent and household service charges. These charges were paid for by Local Authorities and service users respectively. ARA provides no private benefit. Board Members have considered public benefit guidance issued by the Charity Commission.

ACHIEVEMENTS AND PERFORMANCE 2020/21

ARA continues to have a major impact on the lives of those suffering from addiction. Key statistics and performance against targets are set out below:

HOUSING SERVICE

259 people housed in our substance misuse accommodation.

90% occupancy across our housing accommodation (business plan target 95%). The reduced availability of treatment services in Bristol had an impact on occupancy.

92% of respondents felt more positive about the future than when they arrived at the service.

94% of service users felt listened to & understood by their support worker.

100% of respondents said that they would recommend ARA's services to other people.

Bad debts increased compared to a business plan target of a reduction 30%. Revised procedures have been put in place to try and address this.

ACHIEVEMENTS AND PERFORMANCE 2020/21(continued)

GAMBLING TREATMENT SERVICE

852 clients seen an increase of 246 from the previous year and 97% of our target

93% planned endings.

100% of clients would recommend the service to somebody else.

Average well-being and problem gambling scores improved by 18 points on exit from the service.

Young People's Project

1732 professionals attended workshops.

885 young people trained.

Don't Bet Your Life On It (DBYLOI)

ARA was very pleased to receive regulatory settlement money from the Gambling Commission for the development of DBYLOI which is an on-line resource to help people with gambling addiction. The project will be completed and rolled out in 2021/22 and should help to make a huge difference to the lives of people with gambling problems and their families. (www.dontbetyourlifeonit.co.uk)

CRIMINAL JUSTICE SERVICES

65 clients were met at the gate and housed under the Prison Resettlement Service.

23 people were housed under the Prison Accommodation Pilot funded by the Ministry of Justice with 78% of those referred to the service successfully maintaining their tenancies.

GLOUCESTERSHIRE SERVICES

Working in partnership with CGL the service saw record numbers:

Outreach and housing link - 399 people seen.
Hospitals outreach - 1798 people seen with 83% rating the service as excellent.

STEP TOGETHER SOMERSET

Over 150 clients were seen with half moving on from the service in a planned way.

ACHIEVEMENTS AND PERFORMANCE 2020/21(continued)

CORONAVIRUS

The coronavirus and the associated lockdowns has brought its challenges for ARA's staff and service users. ARA's main services have been able to continue working successfully with the ethos of "maximum support, minimum contact". In May 2020, ARA's Board decided to permanently close its cafes at St Mary Redcliffe Church and The Royal West of England Academy due the impact of the virus on the hospitality industry and the need to protect its staff and volunteers. This decision was reached with great sadness given the excellent work done by the cafes, however it is hoped to develop other employment opportunities.

In addition to the closure of the cafes the coronavirus has led to additional expenditure on food for residents, protective equipment and IT and telephony to allow more staff to work from home and more clients to access services. ARA is grateful for the support of the National Lottery and the Quartet Foundation which provided grants to help meet some of these costs. The Board believes that ARA remains in a strong financial position given its existing contracts and reserves.

RISK MANAGEMENT

The Board actively reviews the major risks that the Charity faces on a regular basis and believes that maintaining our free reserves at the levels stated on page 8 will provide sufficient resources in the advent of adverse business conditions. The Board has approved a Risk Policy and Risk Register that identifies the main risks facing ARA, the potential impact of these risks, controls already in place to mitigate the risk and what action needs to be taken.

Loss of a major contract is a potentially significant risk. To deal with this ARA has procedures to monitor contract performance and to ensure that strong working relationships are maintained with commissioners. The loss of key staff and Board Members is another potential risk facing the organisation. The documentation of all policies, procedures, and succession planning help to minimise the impact of this risk. Failure to provide the required level of support to clients and patients is also a potential significant risk. Client risk assessments and detailed policies and procedures are in place to mitigate this risk.

BOARD REPORT (continued)

LOOKING AHEAD

The coming year also brings a number of exciting opportunities and challenges. Our main objectives for 2021/22 are to:

- achieve 92% occupancy for our houses;
- collect 85% of service charge due;
- complete the Don't Bet Your Life On It project;
- see 1000 people in the gambling counselling service;
- obtain funding from the Gambling Commission to provide a service help and support those families and people close to those who have gambling addiction;
- develop new products that meet the needs of our Commissioning bodies and partner agencies;
- to expand our criminal justice and mental health services.

STRUCTURE, GOVERNANCE AND MANAGEMENT

A Board of Trustees governs ARA. Regular briefings are held for Board Members to provide them with detailed information about the way in which services are designed and delivered as a means of understanding the regular performance information provided for monitoring purposes. ARA's Senior Management Team is Graham England (Chief Executive), Andrew Ridley (Director of Finance, Deputy Chief Executive and Company Secretary) and Robbie Thornhill (Chief Operating Officer). The pay and terms and conditions of the Senior Management Team are reviewed annually by the Board. During 2020/21 ARA had an average of 45 full time equivalent staff and 3 volunteers.

RECRUITMENT AND APPOINTMENT OF TRUSTEES

A skills audit is regularly conducted of Board Members to identify gaps in expertise on the Board and to assist with recruitment. Recruitment of new Members with appropriate skills and experience is undertaken through individual contact, networking and advertising.

TRUSTEE INDUCTION AND TRAINING

New Trustees are given the Board Member's handbook on joining, which includes the duties and responsibilities of Trustees and the structure, organisation and management of the charity. Induction training is also provided.

FINANCIAL POSITION OF THE CHARITY

The Board can confirm that the Charity's assets are available and adequate to fulfil the obligations of the charity on a fund-by-fund basis. The Charity had net assets of £1,219,774 at 31 March 2021 of which £893,611 is held in general unrestricted funds. Whilst ARA does receive small value donations it does not actively engage in fundraising.

INVESTMENT POLICY

The Board approved an Investment Policy in August 2020. The policy outlines the Charity's attitude to risk and the ethical issues that need to be considered when decisions on investments are taken.

RESERVES POLICY

At 31 March 2021, the Charity had total reserves of £1,219,774 of which £477,539 can only be realised from the disposal of tangible fixed assets. The balance on restricted reserves was £270,892. Movements in restricted funds are shown in note 14 to the financial statements. Designated reserves totalled £55,271. This reserve will be used to meet the costs of property refurbishment.

The Charity's reserves policy is to hold two to three months operating expenses on unrestricted activities in liquid unrestricted funds. This currently equates to around £355,000 - £530,000. At 31 March 2021 the liquid unrestricted reserves were £422,750 (2020, £393,940). The Board consider this to be adequate given the duration of the Charity's main contracts.

TRUSTEES STATEMENT OF RESPONSIBILITIES

The Trustees (who are also directors of Addiction Recovery Agency for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Accepted Accounting Practice).

BOARD REPORT (continued)

TRUSTEES STATEMENT OF RESPONSIBILITIES

Company law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditor is unaware; and the Trustees have taken all steps that they ought to make themselves aware of that information.

BY ORDER OF THE BOARD

TONY COLLINS
CHAIR

DATE 5 NOVEMBER 2021

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADDICTION RECOVERY AGENCY LIMITED

OPINION

We have audited the financial statements of Addiction Recovery Agency Limited (the "Charity") for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state in them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted out audit in accordance with international Standards in Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ADDICTION RECOVERY AGENCY LIMITED continued

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of a least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and out auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If based, on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the trustees' report (incorporating the strategic report and the directors' report) have been prepared in accordance with applicable law requirements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADDICTION RECOVERY AGENCY LIMITED continued

- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm This description forms part of our auditor's report.

Neil Kingston FCA (Senior Statutory Auditor)

For and on behalf of Burton Sweet Chartered Accountants and Statutory Auditor

The Clock Tower
5 Farleigh Court
Old Weston Road
Flax Bourton
Bristol BS48 1UR

Date: 5.11.2021

STATEMENT OF FINANCIAL ACTIVITIES (incorporating income and expenditure account) FOR THE YEAR ENDED 31 MARCH 2021

	note	Unrestricted Funds £	Restricted Funds £	Total funds 2021 £	Total funds 2020 £
INCOME AND EXPENDITURE					
INCOME FROM:					
Donations	3	7,437	362,675	370,112	-
Other Trading Activities:					
Rental income and related services		40,000	-	40,000	24,213
Investments:					
Interest receivable		1,389	-	1,389	3,361
Charitable Activities					
Grants, contracts and fees:	4				
Community Recovery Services		-	-	-	56,645
Gambling Service		286,408	154,112	440,520	259,662
Housing Support & Resettlement		1,792,863	-	1,792,863	1,627,453
Mental Health Services		1,081	-	1,081	73,950
Somerset Services		81,104	-	81,104	69,742
Gloucestershire Services		-	110,927	110,927	116,448
sub total		2,161,456	265,039	2,426,495	2,203,900
TOTAL INCOME		2,210,282	627,714	2,837,996	2,231,474
EXPENDITURE ON:					
Raising Funds					
Applying for grants and negotiating contracts		-	-	-	-
Charitable activities:					
Community Recovery Services		14,862	-	14,862	91,610
Gambling Service		228,796	370,783	599,579	241,911
Housing Support & Resettlement		1,803,500	70,627	1,874,127	1,679,301
Mental Health Services		133	-	133	85,836
Somerset Services		84,453	-	84,453	55,526
Gloucestershire Services		-	110,927	110,927	116,448
sub total		2,131,744	552,336	2,684,080	2,270,632
TOTAL EXPENDITURE	5	2,131,744	552,336	2,684,080	2,270,632
Net income for the year		78,538	75,378	153,916	-39,158
Balance brought forward at 1 April 2020		870,344	195,514	1,065,858	1,105,016
Transfers		-	-	-	-
BALANCE CARRIED FORWARD AT 31 MARCH 2021		948,882	270,892	1,219,774	1,065,858

The notes on pages 15 to 30 form part of these accounts.

All of the results relate to continuing operations.

Prior year comparatives are included in note 19.

ADDICTION RECOVERY AGENCY LIMITED

(Company number 02540814, registered charity number 1002224)

BALANCE SHEET

AT 31 MARCH 2021

	note	2021	2020
		£	£
FIXED ASSETS			
Tangible assets	8	716,902	697,446
CURRENT ASSETS			
Debtors	9	199,756	210,412
Cash at bank and in hand		766,058	708,121
		965,814	918,533
CREDITORS: Amounts falling due within one year	10	-223,579	-274,801
NET CURRENT ASSETS		742,235	643,732
TOTAL ASSETS LESS CURRENT LIABILITIES		1,459,137	1,341,178
CREDITORS: Amounts falling due after one year	11	-239,363	-275,320
NET ASSETS		1,219,774	1,065,858
FUNDS:			
Restricted	14	270,892	195,514
Unrestricted			
Designated	12	55,271	60,956
General	12	893,611	809,388
	15	1,219,774	1,065,858

The accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board on 5 November 2021 and signed on its behalf by

TONY COLLINS (CHAIR)

The notes on pages 15 to 30 form part of these accounts

ADDICTION RECOVERY AGENCY LIMITED

CASH FLOW STATEMENT FOR THE THE YEAR ENDING 31 MARCH 2021

		2021		2020	
OPERATIONAL CASH FLOWS	Notes	£	£	£	£
Income from operations:					
Charitable activities (gross)	18a.1	2,438,682		2,154,094	
Other activities: trading (gross)	18a.2	40,000	2,478,682	24,213	2,178,307
Charitable expenditure	18b.1		-2,681,299		-2,118,619
Net inflow / (outflow) from operating activities			-202,617		59,688
Income for operating activities:					
Voluntary sources other than endowments (gross)	18a.3	370,112		-	
Endowed funds converted into income		-	370,112	-	-
Costs of generating funds	18b.2		-		-
Net inflow of operating activities			167,495		59,688
NON-OPERATIONAL CASH FLOWS					
Investing activities:					
Payments for tangible fixed assets		-74,940		-52,253	
Dividends and interest (gross)		1,389		3,361	
			-73,551		-48,892
Financing:					
Loan repayments		-36,007		-30,757	
			-36,007		-30,757
Net cash outflow for the year	18c		**57,937**		**-19,962**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

a) Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (FRS 102) and the Companies Act 2006.

b) Depreciation

Depreciation is provided on tangible assets with a value of more than £100 at rates calculated to write off the cost, less estimated residual value of each asset, over its expected useful life as follows:

Long leasehold property	2% straight line;
Improvements to long leasehold property	10% straight line;
Improvements to short leasehold property	10% - 33% straight line;
Office fixtures, fittings and equipment	10% - 33% straight line;
House fixtures, fittings and equipment	10% - 33% straight line

c) Income

Income is recognised in the period to which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

When donors specify that donations or grants are for a particular restricted purpose, which do not amount to pre-conditions regarding entitlement, this income is included in income of the appropriate restricted fund when it is receivable.

d) Costs of raising funds, charitable activities and governance costs

Expenditure is on an accruals basis inclusive of any VAT that cannot be recovered. The majority of costs are directly attributable to specific charitable activities.

The support costs have been apportioned to the activities of the Charity on the basis of the percentage of income of the activity compared to total income. This basis was used as a reasonable representation of the level of support required by each activity.

Governance costs are those associated with the constitutional and statutory requirements of the charity covering the external audit fee and Board expenses. Governance costs are included with charitable activities.

e) Pensions costs
The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and is shown in Note 6 to these financial statements.

f) Operating leases
Operating lease payments are charged to the Statement of Financial Activities as incurred over the term of the lease.

g) Fund accounting
Funds held by the Charity are either:

- Unrestricted general funds – these are funds which can be used in accordance with charitable objects at the discretion of trustees;
- Designated funds – these are funds set aside by the trustees out of unrestricted general funds for specific or future projects;
- Restricted funds – these are funds that an only be used for particular purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

h) Going concern
The Board has carefully considered the going concern basis used in the preparation of the financial statements and is satisfied that this is correct based on forecast income and expenditure. There are no material uncertainties about the ability of the charity to continue as a going concern, despite the worldwide COVID 19 crisis. Whilst the Board expects that there will be an impact on the charity's operations in the coming months the charity's reserves will be sufficient to meet this challenge.

i) Public Benefit
Addiction Recovery Agency Limited is a public benefit entity.

j) Trade debtors
Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

k) Trade creditors
Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cos using the effective interest rate method.

l) Cash and cash equivalents
Cash and cash equivalents comprise cash in hand and call deposits and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

2. TAXATION
Addiction Recovery Agency Limited is a registered charity and, subject to funds being used for charitable purposes only, is exempt from Corporation Tax on its income and gains.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

3. GRANTS AND DONATIONS	Unrestricted Funds £	Restricted Funds £	Total funds 2021 £	Total funds 2020 £
National Lottery	-	46,475	46,475	-
Bristol City Council	-	5,000	5,000	-
Quartet Foundation	5,000	-	5,000	-
Other grants and donations	2,437	-	2,437	-
Caesars Entertainment (in lieu of regulatory settlement)	-	311,200	311,200	-
	7,437	362,675	370,112	-

4. GRANTS, CONTRACTS & FEES	Unrestricted Funds £	Restricted Funds £	Total funds 2021 £	Total funds 2020 £
Community Recovery Service				
Cafe sales	-	-	-	54,675
Other	-	-	-	1,970
	-	-	-	56,645
Housing Support & Resettlement				
Bristol City Council	869,369	-	869,369	809,224
Rent receivable (housing benefit)	570,211	-	570,211	580,365
Client service charges	56,644	-	56,644	57,872
Ministry of Justice	296,639	-	296,639	137,113
P3	-	-	-	33,142
Department of Work & Pensions	-	-	-	8,336
Other	-	-	-	1,401
	1,792,863	-	1,792,863	1,627,453
Gambling Service				
GamCare	282,658	154,112	436,770	259,362
Other	3,750	-	3,750	300
	286,408	154,112	440,520	259,662
Mental Health Services				
NHS Bristol and South Glos.	-	-	-	73,950
Weston College	1,081	-	1,081	-
	1,081	-	1,081	73,950
Somerset Services				
CGL	-	-	-	594
Second Step	81,104	-	81,104	-
	81,104	-	81,104	594
Gloucestershire Services				
CGL	-	110,927	110,927	116,448

Prior year comparatives are included in note 20.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (continued)

5. TOTAL EXPENDITURE

	Direct Staff Costs £	Other Direct Costs £	Support Costs £	Total 2021 £	Total 2020 £
Applying for grants and negotiating contracts	-	-	-	-	-
Community Recovery Services	12,387	2,475	-	14,862	91,610
Gambling Service	351,501	152,415	95,663	599,579	241,912
Housing Support & Resettlement	742,400	880,603	251,123	1,874,127	1,679,301
Mental Health Services	-	-	133	133	85,836
Somerset Services	74,485	-	9,968	84,453	55,526
Gloucestershire Services	104,115	-	6,811	110,927	116,448
	1,284,888	1,035,493	363,698	2,684,080	2,270,632

Prior year comparatives are included in note 21.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

5. TOTAL EXPENDITURE (continued)

Other Direct Costs	Total 2021 £	Total 2020 £
House running costs	518,341	445,563
Client expenditure	23,132	6,735
Depreciation	25,132	26,633
Payments to partners	337,757	244,903
Premises	121,263	54,785
Volunteer expenses	9,868	2,744
	1,035,493	781,363

Support Costs	Total 2021 £	Total 2020 £
Staff costs	122,386	139,040
Premises	34,450	25,026
Office costs	137,765	139,672
Depreciation	30,352	19,571
Legal and professional	31,636	17,723
Loan interest	7,109	10,873
	363,698	351,905

Included within support costs are governance costs of £5,405 (2020, £6,540) which relate to the external audit and Board expenses.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

6. STAFF COSTS, TRUSTEES' REMUNERATION AND RELATED PARTY TRANSACTIONS

Staff costs were as follows:	Total 2021 £	Total 2020 £
Wages and salaries	1,227,994	1,086,132
Social security costs	98,160	84,059
Pension costs	41,200	39,887
	1,367,354	1,210,078

One employee earned between £70,000 and £80,000 (2019, no employee earned more than £60,000)

Employment benefits, inclusive of employer national insurance and pension paid to key management personnel (Chief Executive ,Director of Finance and Chief Operating Officer) in 2020/21 totalled £191,633 (2019/20, £138,068) The Chief Operating Offier post was filled in October 2019.

No remuneration was paid to Board Members. Expenses of £65 (2019/20, £300) were re-imbursed to one Board Member.

These payments are permitted under clause four of the memorandum of association.

The average number of employees analysed by function: equivalents analysed by function was:

	2021 Head count	2021 FTE	2020 Head count	2020 FTE
Support services	39	34	38	31
Treatment services	15	5	14	6.5
Management and administration of the charity	7	6	7	5.5
	61	45	59	43

7. NET INCOMING RESOURCES FOR THE YEAR

	2021 £	2020 £
This is stated after charging:		
Depreciation of owned assets	55,484	46,204
Auditors' remuneration - audit fee	5,340	4,920
Auditors' remuneration - other work	-	-
Operating lease rentals	69,598	62,080

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

8. TANGIBLE ASSETS

	Long Leasehold Property £	Long Leasehold Improvts £	Short Leasehold Improvts £	Managed Property Refurbishments & Equipment £	Fixtures, Fittings and Equipment £	Total £
COST						
At 1 April 2020	768,461	94,120	58,371	184,157	60,961	1,166,070
Additions	-	-	-	17,109	57,831	74,940
Dipsosals	-	-	-	-2,214	-	-2,214
At 31 March 2021	768,461	94,120	58,371	199,052	118,792	1,238,796
DEPRECIATION						
At 1 April 2020	211,898	94,120	321	145,152	17,133	468,624
Charge for the year	15,369	-	5,685	21,915	12,515	55,484
Disposals	-	-	-	-2,214	-	-2,214
At 31 March 2021	227,267	94,120	6,006	164,853	29,648	521,894
NET BOOK VALUE						
At 31 March 2021	541,194	-	52,365	34,199	89,144	716,902
At 31 March 2020	556,563	-	58,050	39,005	43,828	697,446

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021(continued)

9. DEBTORS	2021 £	2020 £
Rents and fees	199,490	198,499
Prepayments	32,087	30,606
less Provision for doubtful debts	-31,821	-18,643
	199,756	210,412

10. CREDITORS	2021 £	2020 £
Amounts falling due within one year		
Bank loan	32,466	28,975
Trade creditors	62,430	152,484
Taxation and social security	26,352	27,249
Amounts due to residents	2,971	2,446
Other creditors and accruals	80,610	54,921
Fees and grants received in advance	18,750	8,726
	223,579	274,801

11. CREDITORS	2021 £	2020 £
Amounts falling due after more than one year		
Bank loan	239,363	275,320

The bank loan is secured by a 25 year mortgage over the charity's leasehold property known as Units 6, 7 and 8 King's Court, King Street, Bristol.

Maturity of bank loan repayable by instalments.		
Due in less than one year	32,466	28,975
Due between two and five years	129,864	115,900
Due after more than five years	109,499	159,420
	271,829	304,295

The bank loan is to be repaid by monthly instalments over 25 years and is on a variable rate of 3% per annum over the Bank' s base rate (currently 0.1%).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

12. UNRESTRICTED FUNDS

	Balance 01 April 2020 £	Movement in Funding Income £	Expenditure £	Transfers £	Balance 31 March 2021 £
GENERAL FUNDS	809,388	2,210,282	-2,126,059	-	893,611
DESIGNATED FUNDS					
Leasehold property refurbishment fund	60,956	-	-5,685	-	55,271
	60,956	-	-5,685	-	55,271

	Balance 01 April 2019 £	Movement in Funding Income £	Expenditure £	Transfers £	Balance 31 March 2020 £
GENERAL FUNDS	793,067	2,081,047	-2,078,814	14,088	809,388
DESIGNATED FUNDS					
Leasehold property refurbishment fund	66,644	-	-5,688	-	60,956
	66,644	-	-5,688	-	60,956

The leasehold property refurbishment fund is used to meet the depreciation arising from the refurbishment of properties leased from Bristol City Council.

13. LEASE COMMITMENTS

At 31 March 2021 the charity had total commitments under operating leases as set out below:

	Land, buildings & equipment 2021 £	Land, buildings & equipment 2020 £
Leases which expire in less than 1 year	62,425	66,726
Leases which expire between two and five years	38,425	100,850
	100,850	167,576

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (continued)

14. RESTRICTED FUNDS

	Floating Support Service Fund	North Somerset Service Fund	North Somerset Refurb. Fund	South Wales Gambling Pilot Fund	Somerset Fund	Gloucestershire Fund	Gambling Youth Outreach Fund	National Lottery COVID Fund	Gambling Commission Fund	Other Funds	Total 2021
	£	£	£	£	£	£	£	£	£	£	£
BALANCE BROUGHT FORWARD	19,152	128,234	6,678	36,450	-	-	4,827	-	-	173	195,514
INCOME											
Grants and donations	-	-	-	-	-	110,927	154,112	46,475	311,200	5,000	627,714
EXPENDITURE											
Staff costs	19,152	-	-	-	-	104,115	126,952	-	35,372	-	285,590
Allocated support costs	-	-	-	-	-	6,811	18,941	322	38,248	500	64,822
Depreciation	-	-	-	-	-	-	-	-	-	-	-
Other direct costs	-	-	-	-	-	-	-	46,153	151,271	4,500	201,924
Transfers	-	-	-	-	-	-	-	-	-	-	-
	19,152	-	-	-	-	110,927	145,892	46,475	224,890	5,000	552,336
BALANCE CARRIED FORWARD	-	128,234	6,678	36,450	-	-	13,047	-	86,310	173	270,892

	Floating Support Service Fund	North Somerset Service Fund	North Somerset Refurb. Fund	South Wales Gambling Pilot Fund	Somerset Fund	Gloucestershire Fund	Gambling Youth Outreach Fund	Big Potential Advance Fund		Other Funds	Total 2020
	£	£	£	£	£	£	£	£		£	£
BALANCE BROUGHT FORWARD	54,039	128,234	6,678	36,450	13,824	-	5	-		6,075	245,305
INCOME											
Grants and donations	-	-	-	-	594	11,648	33,385	-		-	150,427
EXPENDITURE											
Staff costs	34,887	-	-	-	330	95,528	23,331	-		-	154,076
Allocated support costs	-	-	-	-	-	20,920	5,232	-		-	26,152
Depreciation	-	-	-	-	-	-	-	-		132	132
Other direct costs	-	-	-	-	-	-	-	-		5,770	5,770
Transfers	-	-	-	-	14,088	-	-	-		-	-
	-	28,230	-	36,450	14,418	116,448	28,563	-		5,902	200,218
BALANCE CARRIED FORWARD	19,152	128,234	6,678	36,450	-	-	4,827	-		173	195,514

Floating Support Service Fund - this fund was originally set up to finance the provision of therapy and counselling for alcohol misuse in Bristol. The Commissioning body has now agreed that this fund can now be used to provide floating support services in Bristol.
North Somerset Service Fund - this fund was established to provide treatment and support services to people in North Somerset. These services are not currently provided by ARA and discussions are continuing with the Commissioning body about the future use of the fund
North Somerset Refurbishment Fund - this fund was set up from specific grants and donations to refurbish short leasehold property in Weston-super-Mare. Discussions are continuing with the Commissioning body about the future use of the fund.
South Wales Gambling Pilot Fund - this fund has been set up for the provision of gambling treatment services in South Wales
Somerset Fund - this fund was set up to fund the provision of services in Somerset as part of a sub-contract with Change Grow Live (CGL). This sub-contract came to end and any remaining funds have been transferred to general reserves.
Gloucestershire Fund - this fund is set up to fund the provision of services in Gloucestershire as as part of a sub-contract with CGL.
Gambling Youth Outreach Fund - was set up to fund a service to raise awareness amongst young people of the dangers of gambling addiction.
Big Potential Advance Fund- this was set up from funds received from The National Lottery to help the organisation increase the number of houses it manages/leases.
National Lottery COVID Fund - this fund was set up following the receipt of money from The National Lottery to help with the impact of coronavirus.
Gambling Commission Fund - this was set up to fund projects approved by the Gambling Commission.
Other Funds - this includes funds given to ARA to purchase assets for a specific purpose.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

15 . ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed Assets £'s	Net Current Assets £'s	Creditors due after one year £'s	Provisions £'s	Total 2021 £'s
Restricted Funds					
North Somerset Refurb Fund	6,678	-	-	-	6,678
North Somerset Service Fund	-	128,234	-	-	128,234
South Wales Gambling Pilot Fund	-	36,450	-	-	36,450
Gambling Youth Outreach Fund	-	13,047	-	-	13,047
Gambling Commission Fund	-	86,310	-	-	86,310
Other Funds	-	173	-	-	173
					270,891
Unrestricted Funds					
General Reserves	710,224	422,750	-239,363	-	893,611
Designated Reserves	-	55,271	-	-	55,271
	716,902	742,235	-239,363	-	1,219,774

	Fixed Assets £'s	Net Current Assets £'s	Creditors due after one year £'s	Provisions £'s	Total 2020 £'s
Restricted Funds					
North Somerset Refurb Fund	6,678		-	-	6,678
North Somerset Service Fund	-	128,234	-	-	128,234
Floating Supprt Service Fund	-	19,152	-	-	19,152
South Wales Gambling Pilot Fund	-	36,450	-	-	36,450
Gambling Youth Outreach Fund	-	4,827	-	-	4,827
Somerset Fund	-	-	-	-	-
Other Funds	-	173	-	-	173
					195,514
Unrestricted Funds					
General Reserves	690,768	393,940	-275,320	-	809,388
Designated Reserves	-	60,956	-	-	60,956
	697,446	643,732	-275,320	-	1,065,858

16. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and as such there is no share capital. In the event of the company being wound up the liability of the members is limited to £1 each.

17. CAPITAL COMMITMENTS

At 31 March 2021 capital commitments were nil (2020, nil).

ADDICTION RECOVERY AGENCY LIMITED

CASH FLOW STATEMENT FOR THE THE YEAR ENDING 31 MARCH 2021

18. NOTES TO THE CASHFLOW STATEMENT

	Reconciliation to the Statement of Financial Activities	2021 SoFA £	2021 Debtors /prepaid £	2021 Creditors /accrued £	2021 Cashflow £	2020 SoFA £	2020 Debtors /prepaid £	2020 Creditors /accrued £	2020 Cashflow £
18a.1	**Income from charitable activities**	2,426,495				2,203,900			
	increase in sundry debtors		12,187		2,438,682		-49,806		2,154,094
18a.2	**Other trading activities**	40,000			40,000	24,213			24,213
18a.3	**Incoming voluntary resources**								
	grants and donations	370,112			370,112	-			-
18b.1	**Charitable expenditure**	-2,684,080				-2,270,632			
	depreciation eliminated	55,484				46,204			
	decrease in amounts prepaid		-1,481				-3,877		
	increase in current liabilities			-51,222	-2,681,299			109,686	-2,118,619
18b.2	**Cost of raising funds**	-			-	-			-
	Balance sheet movements		10,706	-51,222			-53,683	109,686	

		2021 £	2020 £	Change £	2020 £	2019 £	Change £
18c	**Analysis of changes in cash during year**						
	Cash at bank and in hand	766,058	708,121	57,937	708,121	728,083	-19,962
		766,058	708,121	57,937	708,121	728,083	-19,962

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

19. PRIOR YEAR FUND COMPARATIVES

	Unrestricted Funds £	Restricted Funds £	Total funds 2020 £
INCOME AND EXPENDITURE			
INCOME FROM:			
Donations	-	-	-
Other Trading Activities:			
Rental income and related services	24,213	-	24,213
Investments:			
Interest receivable	3,361	-	3,361
Charitable Activities			
Grants, contracts and fees:			
Community Recovery Services	56,645	-	56,645
Gambling Service	226,277	33,385	259,662
Housing Support & Resettlement	1,627,453	-	1,627,453
Mental Health Services	73,950	-	73,950
Somerset Services	69,148	594	69,742
Gloucestershire Services	-	116,448	116,448
sub total	2,053,473	150,427	2,203,900
TOTAL INCOME	2,081,047	150,427	2,231,474
EXPENDITURE ON:			
Raising Funds			
Applying for grants and negotiating contracts	-	-	-
Charitable activities:			
Community Recovery Services	85,708	5,902	91,610
Gambling Service	213,348	28,563	241,911
Housing Support & Resettlement	1,644,414	34,887	1,679,301
Mental Health Services	85,836	-	85,836
Somerset Services	55,196	330	55,526
Gloucestershire Services		116,448	116,448
sub total	2,084,502	186,130	2,270,632
TOTAL EXPENDITURE	2,084,502	186,130	2,270,632

20. PRIOR YEAR GRANTS, DONATIONS, CONTRACTS FEES COMPARATIVES

GRANTS AND DONATIONS	Unrestricted Funds £	Restricted Funds £	Total funds 2020 £
Other grants and donations	-	-	-
	-	-	-

GRANTS, CONTRACTS & FEES	Unrestricted Funds £	Restricted Funds £	Total funds 2020 £
Community Recovery Service			
Cafe sales	54,675	-	54,675
Other	1,970	-	1,970
	56,645	-	56,645
Housing Support & Resettlement			
Bristol City Council	809,224	-	809,224
Rent receivable (housing benefit)	580,365	-	580,365
Client service charges	57,872	-	57,872
Ministry of Justice	137,113	-	137,113
P3	33,142	-	33,142
Department of Work & Pensions	8,336	-	8,336
Other	1,401	-	1,401
	1,627,453	-	1,627,453
Gambling Service			
GamCare	225,977	33,385	259,362
Other	300	-	300
	226,277	33,385	259,662
Mental Health Services			
NHS Bristol and South Glos.	73,950	-	73,950
Weston College	-	-	-
	73,950	-	73,950
Somerset Services			
CGL	-	594	594
Second Step	69,148	-	69,148
	69,148	594	69,742
Gloucestershire Services			
CGL	-	116,448	116,448

21. PRIOR YEAR TOTAL EXPENDITURE COMPARATIVES

	Direct Staff Costs £	Other Direct Costs £	Support Costs £	Total 2020 £
Applying for grants and negotiating contracts	-	-	-	-
Community Recovery Services	53,136	38,474	-	91,610
Gambling Service	192,300	8,919	40,693	241,912
Housing Support & Resettlement	687,825	723,702	267,774	1,679,301
Mental Health Services	63,979	10,268	11,589	85,386
Somerset Services	44,596	-	10,930	55,526
Gloucestershire Services	95,528	-	20,920	116,448
	1,137,364	781,363	351,905	2,270,632