

Addictions North East

Charity No. 1102494

Company No. 05028930

Trustees' Report and Unaudited Accounts

31 January 2023

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The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the unaudited financial statements of the charity for the year ended 31 January 2023.

REFERENCE AND ADMINISTRATIVE DETAILS

Company No. 05028930

Charity No. 1102494

Registered Office

5a Station Terrace
East Boldon
NE36 0LJ

Directors and Trustees

The Directors of the charitable company are its Trustees for the purposes of charity law.

The following Directors and Trustees served during the year:

E. Barnes

I.W. Kay

C.E. Lilley

S.J. Newton

F. Nicholson

J.B. Vickers

A.D. Welsh

Company Secretary

R.A. Percival

Accountants

Brewster & Co (NE) Ltd
5a Station Terrace
East Boldon
Tyne & Wear
NE36 0LJ

OBJECTIVES AND ACTIVITIES

The Charity's objects are a) to promote the prevention, recognition and treatment of problems related to the use of alcohol, drugs, related substances and other addictions, in particular but not limited to b) the provision of advice, information, support and counselling to such persons, their families and carers c) the provision of a range of holistic therapies and treatments such as reflexology, aromatherapy, massage and reiki, osteopathy, chiropractic, acupuncture, herbal medicine and homeopathy and to promote such other charitable purposes as may from time to time be determined.

ACHIEVEMENTS AND PERFORMANCE

The welfare of recovering alcoholics, addicts and their carers and people with general well-being issues such as mental health and neurodiverse conditions is paramount to the objectives of the Charity. In conjunction with Addictions UK, we have some developed twenty-six training courses relating to abstinence well-being issues. These courses are available through our Training Portal (www.addictionstraining.co.uk) Initial training sessions have been held and we are pleased that these OCN Accredited courses are proving to be popular with Health Practitioners, Service Users and Carers / Family Members.

Our Volunteers and Staff provide targeted support to clients in recovery both in our own managed housing and in their own accommodation throughout the North East of England. We have been pleased at the development of new group training sessions which has had positive feedback from attendees. These therapeutic sessions have partly been conducted remotely through Zoom / Microsoft Teams and this has allowed us to expand our support and training services throughout the crisis of the Covid-19 Pandemic and beyond.

Our face-to-face support and therapy sessions are conducted five days per week for up to three sessions per week – details of which are available on our website. We were pleased to receive housing benefits payments from Durham County Council for an increased number of service users.

We are well equipped to deliver the objectives, being a registered charitable body as well as being a limited liability company and having close associations with other similar voluntary and statutory agencies. We have managed to promote additional welfare rights and advocacy services to our client group and assisted many people with applications for Employment Support Allowance, Personal Independence Payments and Universal Credit. We continue to attend numerous Tribunal Hearings for our clients and support them in DWP Assessment Interviews.

Our Trustees have now purchased a total of four houses in Seaham and Murton, County Durham. We plan to increase the number of our own purchased properties which will provide security for the longer-term development of our charity. Addictions UK have purchased six houses for our charitable use.

PLANS FOR FUTURE PERIODS

Addictions North East remains committed to supporting the development of its radical new approach to provide 24/7 crisis support for recovering addicts and their carers plus delivering wellbeing, mentoring and confidence building activities in both group and one-to-one service delivery.

Addictions North East have committed to leasing a major premise in the Spectrum Business Park in Seaham to base our entire operations from this therapeutic setting. We will hope to house several facilities at this new base including music therapy, recovery therapies, administration, group & 121 work and an industrial kitchen facility.

The development of our well-being services and increased training work is both positive and exciting. Our plans to accept self-funding service users will provide a balance between Public Sector funded placements and self-funded individuals. Facilitating employment and support to individuals, especially after people commence recovery is a priority for the Trust to promote.

We are pleased that we have maintained our excellent relationship with many other third sector agencies in the North East Region. Additionally, we have helped facilitate the creation of other support measures with associated agencies. We are grateful to our funders and supporters and to the Trustees for their never-ending help and support.

Addictions North East hold mentoring, counselling and training sessions throughout County Durham and neighbouring counties. We are seeking further resources to expand our services and we are concerned at the inadequate levels of Talking Therapies available in the North East Region.

More services are needed especially in rural areas and more isolated communities. Our Programme has now become a major source of assistance for over seventy people in recovery. We continue to expand this service and are working hard to tackle waiting lists from vulnerable men and women. We also plan to develop our work with other people who find it difficult to access traditional services because of social or economic exclusion issues. Addictions North East will increase this work to further tackle social exclusion during the next year.

We are receiving increased numbers of self-referrals through social media and word of mouth. Our referral and partnership links with public and third sector agencies are also proving to be productive. The Trustees hope that we will be able to expand our work in the next reporting period - especially with clients who find it difficult to access available services and experience addictions issues or mental health or neurodiverse problems.

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

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006 and in accordance with the Charities SORP (FRS 102).

Signed on behalf of the board

I.W. Kay
Trustee
21 July 2023

Independent Examiner's Report to the trustees of Addictions North East

I report to the charity trustees on my examination of the financial statements of Addictions North East for the year ended 31 January 2023 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

As the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW.

I have completed my examination. I can confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that:

- accounting records were not kept in accordance with section 386 of the 2006 Act ; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements under section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the financial statements have not been prepared in accordance with the Charities SORP (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Charles Brewster
ICAEW
Brewster & Co (NE) Ltd
5a Station Terrace
East Boldon
Tyne & Wear

NE36 0LJ
21 July 2023

Addictions North East
Statement of Financial Activities
for the year ended 31 January 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
	Notes				
Income and endowments from:					
Donations and legacies	4	27,393	-	27,393	16,387
Other trading activities	5	710,173	-	710,173	518,691
Investments	6	363	-	363	-
Other	7	54,748	-	54,748	42,300
Total		792,677	-	792,677	577,378
Expenditure on:					
Charitable activities	8	566,390	3,143	569,533	410,712
Other	9	102,107	-	102,107	55,006
Total		668,497	3,143	671,640	465,718
Net gains on investments		-	-	-	-
Net income		124,180	(3,143)	121,037	111,660
Transfers between funds		-	-	-	-
Net income before other gains/(losses)		124,180	(3,143)	121,037	111,660
Other gains and losses					
Net movement in funds		124,180	(3,143)	121,037	111,660
Reconciliation of funds:					
Total funds brought forward		260,055	3,143	263,198	151,538
Total funds carried forward		384,235	-	384,235	263,198

Addictions North East
Summary Income and Expenditure Account
for the year ended 31 January 2023

	2023 £	2022 £
Income	792,314	577,378
Interest and investment income	363	-
Gross income for the year	<u>792,677</u>	<u>577,378</u>
Expenditure	671,640	465,718
Total expenditure for the year	<u>671,640</u>	<u>465,718</u>
Net income before tax for the year	121,037	111,660
Net income for the year	<u><u>121,037</u></u>	<u><u>111,660</u></u>

Addictions North East

Balance Sheet

at 31 January 2023

Company No. 05028930	Notes	2023 £	2022 £
Fixed assets			
Tangible assets	11	206,892	55,753
		<u>206,892</u>	<u>55,753</u>
Current assets			
Debtors	12	9,667	142,985
Cash at bank and in hand		216,292	126,478
		<u>225,959</u>	<u>269,463</u>
Creditors: Amount falling due within one year	13	(7,490)	(12,018)
Net current assets		218,469	257,445
Total assets less current liabilities		425,361	313,198
Creditors: Amounts falling due after more than one year	14	(41,126)	(50,000)
Net assets excluding pension asset or liability		<u>384,235</u>	<u>263,198</u>
Total net assets		<u>384,235</u>	<u>263,198</u>
The funds of the charity			
Restricted funds	15		
Restricted income funds		-	3,143
		<u>-</u>	<u>3,143</u>
Unrestricted funds	15		
General funds		384,235	260,055
		<u>384,235</u>	<u>260,055</u>
Reserves	15		
Total funds		<u>384,235</u>	<u>263,198</u>

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

For the year ended 31 January 2023 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

Approved by the board on 21 July 2023

And signed on its behalf by:

A.D. Welsh
Trustee
21 July 2023

Addictions North East
Statement of Cash flows
for the year ended 31 January 2023

	2023 £	2022 £
Cash flows from operating activities		
Net income per Statement of Financial Activities	121,037	111,660
Adjustments for:		
Dividends, interest and rents from investments	(55,111)	(42,300)
Decrease/(Increase) in trade and other receivables	133,318	(91,066)
(Decrease)/Increase in trade and other payables	(10,318)	2,359
Net cash provided by/(used in) operating activities	<u>188,926</u>	<u>(19,347)</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(151,139)	(55,753)
Dividends, interest and rents from investments	55,111	42,300
Net cash used in investing activities	<u>(96,028)</u>	<u>(13,453)</u>
Cash flows from financing activities		
Repayment of borrowings	(8,874)	50,000
Net cash (used in)/from financing activities	<u>(8,874)</u>	<u>50,000</u>
Net increase in cash and cash equivalents	84,024	17,200
Cash and cash equivalents at the beginning of the year	126,478	108,978
Cash and cash equivalents at the end of the year	<u>210,502</u>	<u>126,178</u>
Components of cash and cash equivalents		
Cash and bank balances	216,292	126,478
	<u>216,292</u>	<u>126,478</u>

for the year ended 31 January 2023

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of income	Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.
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Income with related expenditure	Where income has related expenditure the income and related expenditure is reported gross in the SoFA.
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Donations and legacies	Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.
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Tax reclaims on donations and gifts	Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.
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Donated services and facilities	These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.
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Volunteer help	The value of any volunteer help received is not included in the accounts.
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Investment income	This is included in the accounts when receivable.
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Gains/(losses) on revaluation of fixed assets	This includes any gain or loss resulting from revaluing investments to market value at the end of the year.
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Gains/(losses) on investment assets	This includes any gain or loss on the sale of investments.
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Expenditure

Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Freehold investment property

Investment properties are measured initially at cost and subsequently at fair value at each balance sheet date and are not depreciated. All gains or losses are taken to the Statement of Financial Activities as they arise.

Stocks

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

Trade and other debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

Short term creditors are measured at the transaction price. Other creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Monetary assets and liabilities denominated in currencies other than the functional currency of the charity are translated at the rates of exchange prevailing at the end of the reporting period.

Transactions in currencies other than the functional currency of the charity are recorded at the rate of exchange on the date that the transaction occurred.

All exchange differences are taken into account in arriving at net income/expenditure.

Leased assets

Where the charity enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease.

Leases which do not transfer substantially all the risks and rewards of ownership to charity are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the charity at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet date as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the charity's policy on borrowing costs.

Assets held under finance leases are depreciated in the same way as owned assets.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

2 Company status

The company is a private company limited by guarantee and consequently does not have share capital.

3 Statement of Financial Activities - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Income and endowments from:			
Donations and legacies	16,387	-	16,387
Other trading activities	518,691	-	518,691
Other	-	42,300	42,300
Total	535,078	42,300	577,378
Expenditure on:			
Charitable activities	354,394	56,318	410,712
Other	55,006	-	55,006
Total	409,400	56,318	465,718
Net income	125,678	(14,018)	111,660
Net income before other gains/(losses)	125,678	(14,018)	111,660
Other gains and losses:			
Net movement in funds	125,678	(14,018)	111,660
Reconciliation of funds:			
Total funds brought forward	134,377	17,161	151,538
Total funds carried forward	260,055	3,143	263,198

4 Income from donations and legacies

Unrestricted	Total 2023	Total 2022
£	£	£
27,393	27,393	16,387
27,393	27,393	16,387

5 Income from other trading activities

Unrestricted	Total 2023	Total 2022
£	£	£
710,173	710,173	518,691
710,173	710,173	518,691

6 Income from investments

Unrestricted	Total 2023	Total 2022
£	£	£
363	363	-
<u>363</u>	<u>363</u>	<u>-</u>

7 Other income

Unrestricted	Total 2023	Total 2022
£	£	£
54,748	54,748	42,300
<u>54,748</u>	<u>54,748</u>	<u>42,300</u>

8 Expenditure on charitable activities

	Unrestricted	Restricted	Total 2023	Total 2022
	£	£	£	£
<i>Expenditure on charitable activities</i>				
	566,390	3,143	569,533	410,712
<i>Governance costs</i>				
	<u>566,390</u>	<u>3,143</u>	<u>569,533</u>	<u>410,712</u>

9 Other expenditure

	Unrestricted	Total 2023	Total 2022
	£	£	£
Legal and professional costs	102,107	102,107	55,006
	<u>102,107</u>	<u>102,107</u>	<u>55,006</u>

10 Staff costs

No employee received emoluments in excess of £60,000.

11 Tangible fixed assets

	£	£	£
Cost or revaluation			
At 1 February 2022	50,753	5,000	55,753
Additions	151,139	-	151,139
At 31 January 2023	<u>201,892</u>	<u>5,000</u>	<u>206,892</u>
Net book values			
At 31 January 2023	<u>201,892</u>	<u>5,000</u>	<u>206,892</u>
At 31 January 2022	<u>50,753</u>	<u>5,000</u>	<u>55,753</u>

12 Debtors

	2023	2022
	£	£
Other debtors	9,667	142,985
	<u>9,667</u>	<u>142,985</u>

13 Creditors:
amounts falling due within one year

	2023	2022
	£	£
Other creditors	-	10,318
Accruals	7,490	1,700
	<u>7,490</u>	<u>12,018</u>

14 Creditors:
amounts falling due after more than one year

	2023	2022
	£	£
Bank loans and overdrafts	41,126	50,000
	<u>41,126</u>	<u>50,000</u>

15 Movement in funds

	At 1 February 2022	Incoming resources (including other gains/losses) £	Resources expended £	At 31 January 2023 £
Restricted funds:				
Restricted income funds:				
	3,143	-	(3,143)	-
<i>Total</i>	<u>3,143</u>	<u>-</u>	<u>(3,143)</u>	<u>-</u>
Unrestricted funds:				
General funds	260,055	792,677	(668,497)	384,235
Total funds	<u>263,198</u>	<u>792,677</u>	<u>(671,640)</u>	<u>384,235</u>

16 Analysis of net assets between funds

	Unrestricted funds £	Total £
Fixed assets	206,892	206,892
Net current assets	218,469	218,469
Creditors due in more than one year and provisions	(41,126)	(41,126)
	<u>384,235</u>	<u>384,235</u>

17 Reconciliation of net debt

	At 1 February 2022 £	Cash flows £	At 31 January 2023 £
Cash and cash equivalents	126,478	89,814	216,292
	<u>126,478</u>	<u>89,814</u>	<u>216,292</u>
Bank loans	(50,000)	8,874	(41,126)
	<u>(50,000)</u>	<u>8,874</u>	<u>(41,126)</u>
Net debt	<u>76,478</u>	<u>98,688</u>	<u>175,166</u>

18 Related party disclosures

Controlling party

The company is limited by guarantee and has no share capital; thus no single party controls the company.

Addictions North East
Detailed Statement of Financial Activities
for the year ended 31 January 2023

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income and endowments from:				
Donations and legacies	27,393	-	27,393	16,387
	<u>27,393</u>	<u>-</u>	<u>27,393</u>	<u>16,387</u>
Other trading activities	710,173	-	710,173	518,691
	<u>710,173</u>	<u>-</u>	<u>710,173</u>	<u>518,691</u>
Investments	363	-	363	-
	<u>363</u>	<u>-</u>	<u>363</u>	<u>-</u>
Other	54,748	-	54,748	42,300
	<u>54,748</u>	<u>-</u>	<u>54,748</u>	<u>42,300</u>
Total income and endowments	<u>792,677</u>	<u>-</u>	<u>792,677</u>	<u>577,378</u>
Expenditure on:				
Charitable activities	566,390	3,143	569,533	410,712
	<u>566,390</u>	<u>3,143</u>	<u>569,533</u>	<u>410,712</u>
Total of expenditure on charitable activities	566,390	3,143	569,533	410,712
Legal and professional costs				
Accountancy and bookkeeping	1,680	-	1,680	1,700
Management charges	100,427	-	100,427	53,306
	<u>102,107</u>	<u>-</u>	<u>102,107</u>	<u>55,006</u>
Total of expenditure of other costs	<u>102,107</u>	<u>-</u>	<u>102,107</u>	<u>55,006</u>
Total expenditure	668,497	3,143	671,640	465,718
Net gains on investments	-	-	-	-
	<u>124,180</u>	<u>(3,143)</u>	<u>121,037</u>	<u>111,660</u>
Net income				
Net income before other gains/(losses)	124,180	(3,143)	121,037	111,660
Other Gains	-	-	-	-
	<u>124,180</u>	<u>(3,143)</u>	<u>121,037</u>	<u>111,660</u>
Net movement in funds				
Reconciliation of funds:				
Total funds brought forward	260,055	3,143	263,198	151,538

Addictions North East
Detailed Statement of Financial Activities

Total funds carried forward	<u>384,235</u>	<u>-</u>	<u>384,235</u>	<u>263,198</u>
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