

Addictions North East

Charity No. 1102494

Company No. 05028930

Trustees' Report and Audited Accounts

31 January 2024

**Addictions North East
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The Trustees present their annual report and financial statements for the year end. 2023 - 2024

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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 2019).

Objectives and activities

The objectives of the charity are to:

- 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:
 - (i) The provision of advice, information, support and counselling to such people, their families and carers.
 - (ii) The provision of a range of holistic therapies and treatments such as reflexology, acupuncture, massage, reiki, osteopathy, chiropractic, herbal medicine and homeopathy.
- b) To promote such other charitable purposes as may from time to time be determined.

In furtherance of the Objectives but not otherwise the Charity may exercise the following powers:

- 1) To promote charitable services to addicts within the Counties of Durham, Northumberland, Tyne & Wear and Yorkshire.
 - 2) To develop and provide programmes and opportunities for the addicts and their families and friends.
 - 3) To devise and present measures to alleviate poverty by developing employment and training opportunities.
 - 4) To provide activities and programmes for recovering addicts.
 - 5) To introduce educational opportunities to meet training needs.
 - 6) To encourage activities for addicts, these being educational, recreational and cultural.
 - 7) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills, cheques and other instruments, and to name of the charity.
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- 8) To raise funds and to invite and receive contributions: providing that in raising funds the charity shall not undertake any substantial permanent trading activities and shall conform to any relevant statutory regulations.
- 9) To acquire, alter, improve and (subject to such consents as may be required by law) to charge or otherwise dispose of property.
- 10) Subject to clause 5 below to employ such staff, who shall not be Directors of the Charity (hereinafter referred to as "the Trustees"), as are necessary for the proper pursuit of the objects and to make all reasonable and necessary provision for the payment of pensions and superannuation to staff and their dependents.
- 11) To establish or support any charitable trusts, associations or institutions formed for all or any of the objects.
- 12) To co-operate with other charities, voluntary bodies and statutory authorities operating in furtherance of the objects or similar charitable purposes and to exchange information and advice with them.
- 13) To provide indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the charity: Provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defense to a criminal prosecution brought against the Trustees in their capacity as directors of the charity.
- 14) To pay out of the funds of the charity the costs, charges and expenses of any incidental to the formation and registration of the charity.
- 15) To do all such other lawful things as are necessary for the achievement of the objects.
- 16) Have the power, subject to any consent required by law to borrow money and to charge all or any part of the property of the Trust with repayment of the money so borrowed.

Public benefit

The Trustees have had regard to the Charity Commission's guidance on their legal duty on public benefit and are satisfied that the Charity delivers public benefit and pays due to the guidance on public benefit when deciding which new projects the Charity should undertake.

The main activities undertaken to further the Charity's purposes for public benefit are those detailed above.

Achievements and performance Fundraising activities

The Trustees consider that the Charity met the Objects in its constitution in the year by successfully delivering the following:

Core Services – ANE Supported Housing programme.

Our Supported Housing Programme provided residential accommodation for 96 services users with a mix of "move-on" houses and shared occupancies (no more than three people per house). We continue to observe a growing trend of increased applications from women. We are pleased that we now have 32 women and 64 men in our supported housing facilities.

Our waiting list continues to be high despite the added placements. Our current waiting list has 22 men and 18 females urgently seeking residential therapeutic services from our charity. We continue to look for additional properties – either rented or purchased. Numbers increase daily despite adding new housing stock. ANE are seriously concerned at the shortage of women's' Supported Housing services within the North East Region.

As part of our therapeutic services we have been using a range of abstinence wellbeing training courses designed by Addictions UK complemented by workbooks devised and written by Addictions North East. These courses are validated by the Open College Network (OCN) at Levels Three and Four. All our staff and volunteers have completed these courses in addition to the other service users in our Stages Three and Four Groups.

We continue to work with MYBE Awards who delivered Level 2 Volunteering courses and latterly have delivered the "Confidence with Numbers" courses and "Learning Resilience" Courses. 12 candidates completed Level 2 Food and Hygiene courses, 6 individuals are studying to complete their Level 3 Community Well-being Apprenticeship courses and 2 people achieved their Level 5 Management courses.

The ANE "45 weeks structured residential training programme" has proven to be a remarkable success with candidates completing the programme. The programme is split into four stages of circa 10 weeks in each stage. When service users experience a relapse in their abstinence programme, they are required to re-commence the programme in Stage 1.

The "Own My Life" courses which address issue of domestic violence have proven to be extremely popular. ANE has five accredited staff members licenced to conduct these women only training courses.

Therapeutic and Counselling Services

With the support of Addictions UK, we have been able to offer counselling to our clients through a counselling scheme supervised by Simon Stephens, Director of Case Work at Addictions UK. Simon is, a graduate psychologist and a Senior Accredited BACP Counsellor and Psychotherapist. With a team of our own paid staff and counselling students, this scheme has proved to be immensely popular and successful, and it is hoped that this programme can be enlarged next year.

Our Premises:

At the commencement of our Financial Year (February 2023 to January 2024, ANE currently operate from three houses in Seaham – One house acts as a training centre and is used every day as a Training Hub with a full programme of training / therapeutic and Recovery sessions booked in ten hours per day. Another house services as a base for all our staff and volunteers with facilities for small meetings to be held with our service users. Our third house is used for serving meals (Full Breakfasts and Lunches) and for holding overflow group and one – to – one meetings.

Because of the high numbers attending group meetings we have booked more facilities five days per week at the Dawdon Youth and Community Centre.

Our Trustees are aware that because of the growth in our therapeutic and residential supported Housing Programmes that we needed more suitable office premises, and we secured new premises to convert / lease for the following fiscal year at 1 (a) Lighthouse View, Spectrum Business Park, Seaham. Our former houses, which were used as our business premises, were returned to residential occupancy.

Our Staff and Volunteers

Our Trustees are grateful to our staff for their hard work and diligence during the last fiscal year. We have adopted a policy of “Grow our own staff group” and we have employed all of our staff members who possess “Lived Experience.” This has been an absolute success with nine full time and twelve part time, initiative-taking staff members being appointed. All of our staff have enthusiastically embarked on their accredited training courses – including apprenticeships.

We are fortunate to have recruited a considerable number of very skilled volunteers who function as “shadows” to their employed colleagues, shadowing them in roles such as facilitators, wellbeing and support staff, caterers, or maintenance personnel. Hopefully, in time, our volunteers will be well placed to secure remunerative employment by gaining such useful experience.

Financial review

Principal funding sources

The Trustees' objective is to raise as many funds as is reasonably possible to finance the Charity's activities and to meet its reserves policy. That objective was met for the year with funds being raised from the following sources:

Incoming resources

- **Housing Benefit Income** **£ 1,124,562**
- **Other Fundraising Activities** **£ 88,714**
- **Donations** **£ 29,582**

The net incoming resources for the period amounted to a surplus of £9,708 (2023: £121,037). The amount attributable to reserves stands at £393,943 (2023: £384,235) of which £21,875 (2023: £NIL) are restricted.

Reserves policy

In accordance with the Charity Commissioners guidance the Trustees are required to hold a reserves policy based on a realistic estimation of reserve requirements. Reserves represent those resources which can be made available to spend once all commitments and planned expenditure have been met. Reserves are spent at the discretion of the Trustees and in the furtherance of the Charity's aims and objectives.

The level of reserves held, as decided by the Trustees, is equal to the value of one month of running costs. The Trustees will seek to expand this amount over the coming years.

The reserves policy will be reviewed by the Trustees at the annual audit meeting. Free reserves at the year-end amount to £153,808.00.

Plans for future periods

Following significant growth as a Charity, the Trustees and senior management team recognised the need for a systemic review and a revised strategy. In the coming year a number of activities will take place to provide a new strategy for the Charity over the coming five years and any necessary structural, procedural, or other changes to take place. This will also consider our financial needs and the best

methods to sustain the organisation and its services.

We look forward to moving into our new premises next fiscal year.

Having all our services under one roof will be effective, it will enhance and improve the quality of our work with service users – both residential and within the community.

We are committed to working in partnership with all our friends and stakeholders from the private, public and third sectors for which we are grateful for their help and assistance.

Our plans include developing an ANE Women's Recovery Hub, a Community Café, and additional Housing stock to help reduce our unacceptable waiting lists

Consideration will be given for the Charity to register as a provider of social housing with the Regulator of Social Housing.

Further expansion to our abstinence based recovery housing to other areas of the North East of England. This service will run in parallel with our therapeutic services.

Day to day management

Over the last year the officers responsible for the day-to-day management of the Charity were Scott Barnes, Chief Executive Officer and Angela Johnson, Operations Manager.

Structure, governance and management Governing document

The Charity is a company limited by guarantee, as defined by the Companies Act 2006, and is constituted by its Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of the signature of the financial statements were:

- **Frank Nicolson appointed 27.07.2021**
- **Jane Bryce Vickers appointed 27.07.2021**
- **Iain William Kay appointed 31.10.2020**
- **Elizabeth Barnes appointed 24.09.2019**
- **Charlotte Elizabeth Lilley appointed 19.09.2019**
- **Anthony David Welsh appointed 06.01.2016**

Recruitment and appointment of new Trustees

Trustees are re-Appointed to or removed from the board by members of the Charity at the annual general meeting and are responsible for the strategic governance of the Charity. They do not receive any remuneration and offer their services voluntarily. Each Trustee brings his/her own specific skills and experience for the benefit of the

Charity, and, on appointment, new Trustees are able to meet with the Chief Executive Officer and other members of staff in order to understand the Charity's objectives and business processes. A procedure is in place for advising new Trustees about their expected roles and responsibilities, including reference to the Charity Commission's 'The Essential Trustee' guidance.

Day-to-day management and decision-making

The officers responsible for the day-to-day management of the Charity during the year were Scott Barnes, Chief Executive Officer and Angela Johnson, Operations Manager. Decision-making regarding matters such as material expenditure, resourcing, remuneration, recruitment and the Charity's overall structure have been delegated to the Executive team, and overall strategy are reserved to the Trustees.

Key management remuneration

Key management remuneration is reviewed annually and normally increased with average earnings. The Trustee's benchmark is the mid-point range paid for comparable roles in charities of a similar size.

Related parties

The Charity does not have any subsidiaries and there are no entities that are related parties. During the year, two employees of the Charity were connected to a Trustee and the Trustees manage any issues that may arise in accordance with the guidance provided by the Charity Commission.

Risk management

The Trustees have a duty to identify and review the risks to which the Charity is exposed, to safeguard the assets of the Charity and to ensure appropriate controls are in place for taking steps to provide reasonable assurance against fraud and error.

Significant events

There were no significant financial events during the year.

Statement of trustees' responsibilities

The trustees, who are also the directors of Addictions North East for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each

financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that year.

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 judgements 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 charity will continue in operation.

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

In accordance with the company's articles, a resolution proposing that BK Plus be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of Information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



30/10/2024

AUDITORS REPORT TO THE TRUSTEES OF ADDICTIONS NORTH EAST FOR THE YEAR ENDED 31 JANUARY 2024

Opinion

We have audited the financial statements of Addictions North East (the charity) for the year ended 31 January 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 January 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on 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

In auditing the financial statements, we have concluded that the trustees' 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 that fact.

We have nothing to report in this regard.

AUDITORS REPORT TO THE TRUSTEES OF ADDICTIONS NORTH EAST FOR THE YEAR ENDED 31 JANUARY 2024

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 Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, 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 the trustees 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 '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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Other matters which we are required to address

This is a first year audit engagement and as such, the comparative figures are unaudited, and we provide no assurance over them. Sufficient opening balance work has been performed to enable an unqualified opinion over the current year figures.

**AUDITORS REPORT TO THE TRUSTEES OF ADDICTIONS NORTH EAST FOR THE YEAR ENDED
31 JANUARY 2024**

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

BK Plus Audit Limited

Colin Chater FCA

Senior Statutory Auditor

For and on behalf of BK Plus Audit Limited

Date: *31st October 2024*

Azzurri House

Walsall Road

Aldridge

Walsall

England

WS9 0RB

Addictions North East
Statement of Financial Activities
for the year ended 31 January 2024

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
	Notes				
Income and endowments					
from:					
Donations and legacies	4	29,582	-	29,582	27,393
Other trading activities	5	1,124,562	-	1,124,562	710,173
Investments	6	2,911	-	2,911	363
Other	7	56,062	21,875	77,937	54,748
Total		1,213,117	21,875	1,234,992	792,677
Expenditure on:					
Charitable activities	8	1,070,464	-	1,070,464	569,533
Other	9	154,990	-	154,990	103,826
Total		1,225,454	-	1,225,454	673,359
Net gains on investments		-	-	-	-
Net income	10	(12,337)	21,875	9,538	119,318
Transfers between funds		-	-	-	-
Net income before other gains/(losses)		(12,337)	21,875	9,538	119,318
Other gains and losses					
Net movement in funds		(12,337)	21,875	9,538	119,318
Reconciliation of funds:					
Total funds brought forward		382,516	-	382,516	263,198
Total funds carried forward		370,179	21,875	392,054	382,516

Addictions North East
Summary Income and Expenditure Account
for the year ended 31 January 2024

	2024	2023
	£	£
Income	1,232,081	792,314
Interest and investment income	2,911	363
Gross income for the year	1,234,992	792,677
Expenditure	1,224,634	671,640
Depreciation and charges for impairment of fixed assets	820	-
Total expenditure for the year	1,225,454	671,640
Net income before tax for the year	9,538	121,037
Net income for the year	9,538	121,037

Additions North East**Balance Sheet****at 31 January 2024**

Company No. 05028930	Notes	2024 £	2023 £
Fixed assets			
Tangible assets	12	250,128	205,173
		<u>250,128</u>	<u>205,173</u>
Current assets			
Debtors	13	33,615	9,667
Cash at bank and in hand		175,683	216,292
		<u>209,298</u>	<u>225,959</u>
Creditors: Amount falling due within one year	14	(46,246)	(17,490)
Net current assets		163,052	208,469
Total assets less current liabilities		413,180	413,642
Creditors: Amounts falling due after more than one year	15	(21,126)	(31,126)
Net assets excluding pension asset or liability		392,054	382,516
Total net assets		<u>392,054</u>	<u>382,516</u>
The funds of the charity			
Restricted funds	16		
Restricted income funds		21,875	-
		<u>21,875</u>	<u>-</u>
Unrestricted funds	16		
General funds		370,179	382,516
		<u>370,179</u>	<u>382,516</u>
Reserves	16		
Total funds		<u>392,054</u>	<u>382,516</u>

These 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 30 October 2024

And signed on its behalf by:



A.D. Welsh

Trustee

30 October 2024

Addictions North East
Statement of Cash flows
for the year ended 31 January 2024

	2024	2023
	£	£
Cash flows from operating activities		
Net income per Statement of Financial Activities	9,538	121,037
Adjustments for:		
Depreciation of property, plant and equipment	820	-
Dividends, interest and rents from investments	(80,848)	(55,111)
(Increase)/Decrease in trade and other receivables	(23,948)	133,318
Increase/(Decrease) in trade and other payables	4,059	(10,318)
Net cash (used in)/provided by operating activities	<u>(90,379)</u>	<u>188,926</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(45,775)	(151,139)
Dividends, interest and rents from investments	80,848	55,111
Net cash from/(used in) Investing activities	<u>35,073</u>	<u>(96,028)</u>
Cash flows from financing activities		
Repayment of borrowings	(10,000)	(8,874)
Net cash used in financing activities	<u>(10,000)</u>	<u>(8,874)</u>
Net (decrease)/increase in cash and cash equivalents	(65,306)	84,024
Cash and cash equivalents at the beginning of the year	216,292	126,478
Cash and cash equivalents at the end of the year	<u>150,986</u>	<u>210,502</u>
Components of cash and cash equivalents		
Cash and bank balances	175,683	216,292
	<u>175,683</u>	<u>216,292</u>

Addictions North East
Notes to the Accounts
for the year ended 31 January 2024

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.
--	--

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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Addictions North East

Notes to the Accounts

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.

Tangible fixed assets and depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Motor Vehicles	25%% Reducing Balance
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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.

Additions North East

Notes to the Accounts

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.

Additions North East
Notes to the Accounts

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 2023 £	Restricted funds 2023 £	Total funds 2023 £
Income and endowments from:			
Donations and legacies	27,393	-	27,393
Other trading activities	710,173	-	710,173
Investments	363	-	363
Other	54,748	-	54,748
Total	792,677	-	792,677
Expenditure on:			
Charitable activities	566,390	3,143	569,533
Other	102,107	-	102,107
Total	668,497	3,143	671,640
Net income	124,180	(3,143)	121,037
Net income before other gains/(losses)	124,180	(3,143)	121,037
Other gains and losses:			
Net movement in funds	124,180	(3,143)	121,037
Reconciliation of funds:			
Total funds brought forward	260,055	3,143	263,198
Total funds carried forward	384,235	-	384,235

4 Income from donations and legacies

Unrestricted	Total 2024	Total 2023
£	£	£
29,582	29,582	27,393
29,582	29,582	27,393

5 Income from other trading activities

Unrestricted	Total 2024	Total 2023
£	£	£
1,124,562	1,124,562	710,173
1,124,562	1,124,562	710,173

Additions North East
Notes to the Accounts

6 Income from investments

Unrestricted	Total 2024	Total 2023
£	£	£
2,911	2,911	363
<u>2,911</u>	<u>2,911</u>	<u>363</u>

7 Other income

	Unrestricted	Restricted	Total 2024	Total 2023
	£	£	£	£
	56,062	-	56,062	54,748
Grant received - Bernicia	-	21,875	21,875	-
	<u>56,062</u>	<u>21,875</u>	<u>77,937</u>	<u>54,748</u>

8 Expenditure on charitable activities

	Unrestricted	Total 2024	Total 2023
	£	£	£
<i>Expenditure on charitable activities</i>	1,070,464	1,070,464	569,533
<i>Governance costs</i>	<u>1,070,464</u>	<u>1,070,464</u>	<u>569,533</u>

9 Other expenditure

	Unrestricted	Total 2024	Total 2023
	£	£	£
Amortisation, depreciation, impairment, profit/loss on disposal of fixed assets	820	820	1,719
Legal and professional costs	154,170	154,170	102,107
	<u>154,990</u>	<u>154,990</u>	<u>103,826</u>

10 Net income before transfers

	2024	2023
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	820	1,719

11 Staff costs

No employee received emoluments in excess of £60,000. The average number of staff in the year was 14 (2023: NIL).

The total remuneration of key management personnel during the year was £74,350 (2023: £NIL).

Addictions North East
Notes to the Accounts

12 Tangible fixed assets

	Land and buildings	Freehold	Motor Vehicles	Total
	£	£	£	£
Cost or revaluation				
At 1 February 2023	201,892	-	5,000	206,892
Additions	45,775	-	-	45,775
At 31 January 2024	<u>247,667</u>	<u>-</u>	<u>5,000</u>	<u>252,667</u>
Depreciation and impairment				
At 1 February 2023	-	-	1,719	1,719
Depreciation charge for the year	-	-	820	820
At 31 January 2024	<u>-</u>	<u>-</u>	<u>2,539</u>	<u>2,539</u>
Net book values				
At 31 January 2024	<u>247,667</u>	<u>-</u>	<u>2,461</u>	<u>250,128</u>
At 31 January 2023	<u>201,892</u>	<u>-</u>	<u>3,281</u>	<u>205,173</u>

13 Debtors

	2024	2023
	£	£
Prepayments and accrued income	33,615	9,667
	<u>33,615</u>	<u>9,667</u>

14 Creditors:

amounts falling due within one year

	2024	2023
	£	£
Bank loans and overdrafts	10,000	10,000
Other taxes and social security	1,757	-
Other creditors	2,302	-
Accruals	32,187	7,490
	<u>46,246</u>	<u>17,490</u>

15 Creditors:

amounts falling due after more than one year

	2024	2023
	£	£
Bank loans and overdrafts	21,126	31,126
	<u>21,126</u>	<u>31,126</u>

Additions North East

Notes to the Accounts

16 Movement in funds

	At 1 February 2023	Incoming resources (including other gains/losses) £	Resources expended £	At 31 January 2024 £
Restricted funds:				
Restricted income funds:				
	-	21,875	-	21,875
<i>Total</i>	-	21,875	-	21,875
Unrestricted funds:				
General funds	382,516	1,213,117	(1,225,454)	370,179
Total funds	382,516	1,234,992	(1,225,454)	392,054

17 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	250,128	-	250,128
Net current assets	141,177	21,875	163,052
Creditors due in more than one year and provisions	(21,126)	-	(21,126)
	370,179	21,875	392,054

18 Reconciliation of net debt

	At 1 February 2023 £	Cash flows £	At 31 January 2024 £
Cash and cash equivalents	216,292	(40,609)	175,683
	216,292	(40,609)	175,683
Bank loans	(41,126)	10,000	(31,126)
	(41,126)	10,000	(31,126)
Net debt	175,166	(30,609)	144,557

19 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 2024

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income and endowments from:				
Donations and legacies	29,582	-	29,582	27,393
	<u>29,582</u>	<u>-</u>	<u>29,582</u>	<u>27,393</u>
Other trading activities	1,124,562	-	1,124,562	710,173
	<u>1,124,562</u>	<u>-</u>	<u>1,124,562</u>	<u>710,173</u>
Investments	2,911	-	2,911	363
	<u>2,911</u>	<u>-</u>	<u>2,911</u>	<u>363</u>
Other	56,062	-	56,062	54,748
Grant received - Bernicia	-	21,875	21,875	-
	<u>56,062</u>	<u>21,875</u>	<u>77,937</u>	<u>54,748</u>
Total income and endowments	1,213,117	21,875	1,234,992	792,677
Expenditure on:				
Charitable activities	1,070,464	-	1,070,464	569,533
	<u>1,070,464</u>	<u>-</u>	<u>1,070,464</u>	<u>569,533</u>
Total of expenditure on charitable activities	1,070,464	-	1,070,464	569,533
General administrative costs, including depreciation and amortisation				
Depreciation of Freehold	-	-	-	-
Depreciation of Motor Vehicles	820	-	820	1,719
	<u>820</u>	<u>-</u>	<u>820</u>	<u>1,719</u>
Legal and professional costs				
Audit/Independent examination fees	6,600	-	6,600	-
Accountancy and bookkeeping	2,470	-	2,470	1,680
Management charges	145,100	-	145,100	100,427
	<u>154,170</u>	<u>-</u>	<u>154,170</u>	<u>102,107</u>
Total of expenditure of other costs	154,990	-	154,990	103,826
Total expenditure	1,225,454	-	1,225,454	673,359
Net gains on investments	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net income	(12,337)	21,875	9,538	119,318

Additions North East**Detailed Statement of Financial Activities**

Net income before other gains/(losses)	(12,337)	21,875	9,538	119,318
Other Gains	-	-	-	-
Net movement in funds	(12,337)	21,875	9,538	119,318
Reconciliation of funds:				
Total funds brought forward	382,516	-	382,516	263,198
Total funds carried forward	370,179	21,875	392,054	382,516