THE ALCOHOL AND DRUG SERVICE

England & Wales · Charity number 1108595

Details

Status	Registered
Legal form	Charitable company
Company number	05375809
Registered	2005-03-15
Register	View on the Charity Commission register

Contact

Address	Kingston House Priory Park 12 Saxon Way Hessle HU3 1AB
Phone	01482320606
Email	info@ads-uk.org
Website	www.ads-uk.org

Activities

Objects: 2.1 The Charity's objects are restricted specifically, in each case only for the public benefit to identify and help prevent, as well as actively promote the means of preventing, alcohol related problems and other addictive behaviours such as drug and substance misuse. Also to provide counselling help and care management for clients with the above problems, and to provide advice, support and help for the families of persons with alcohol problems and other addictive behaviours, as outlined above..2.2 Nothing in these Articles shall authorise an application of the property of the Charity for purposes which are not charitable in accordance with any statutory provision regarding the meaning of the word "charitable" or the words "charitable purposes" in force in any part of the United Kingdom.

Activities: To provide psycho-social and counselling, advice, information and support to help people affected by substance misuse to make positive change. The charity operates at tier 2 and 3 of the treatment system as defined by models of care.

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Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives
- **Who:** People With Disabilities, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** NOT DEFINED. IN PRACTICE CITY OF KINGSTON UPON HULL.
- Doncaster
- East Riding Of Yorkshire
- Kingston Upon Hull City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£5,470,814	£5,322,140	£3,683,589	113
2024-03-31	£4,971,314	£5,099,851	£3,534,916	109
2023-03-31	£5,253,490	£4,061,857	£3,663,453	100
2022-03-31	£4,472,461	£3,358,476	£2,471,820	89
2021-03-31	£2,991,754	£2,768,446	£1,357,835	83

Trustees

Name	Role	Appointed
Andy Smith		2014-10-20
Ellen Tatterton		2023-07-20
Frances Ashton		2023-07-27
Gillian Emily Gilbert		2025-02-20
Ian Dominic Parsons		2023-03-24
Nick Dodds		2023-07-20
Stephanie Scott		2025-04-17
William McHugh		2025-01-16

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THE ALCOHOL AND DRUG SERVICE

England & Wales - Charity number 1108595

Accounts

Smailes Goldie
CHARTERED ACCOUNTANTS

REGISTERED COMPANY NUMBER:05375809
CHARITY REGISTRATION NUMBER: 1108595

The Alcohol and Drug Service

Financial Statements

31 March 2025

SD-021909-1-6

ICAEW
CHARTERED
ACCOUNTANTS

building
better
together.

The Alcohol and Drug Service

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The Alcohol and Drug Service

Reference and Administrative Details

Trustees:	A Smith - Chair K Yorath (resigned 17 October 2024) I D Parsons E Tatterton - Treasurer N Dodds J Cooper (resigned 23 December 2024) F Ashton W McHugh (appointed 16 January 2025) G Gilbert (appointed 20 February 2025) S Scott (appointed 17 April 2025)
Executive Team	T Young, Chief Executive S Grunnill, Finance Director
Charity Registration Number	1108595
Company Registration Number	05375809
Registered Office	82 Spring Bank Hull HU3 1AB
Auditor	Smailes Goldie Chartered Accountants Regent's Court Princess Street Hull HU2 8BA

The Alcohol and Drug Service

Trustees' Report

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2025. The trustees have adopted the provisions of 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).

Public Benefit

The charity clearly sets out the benefit it aims to deliver in its mission statement. This reflects the charity's objectives and which sits at the centre of all planning and performance management. The mission is:

"The ADS will work in partnership to support people affected by substance misuse to make positive change."

To further support the mission statement, the charity articulates its values and a vision statement. The vision statement is,

"The ADS aspire to be an organisation where the services we offer are individually tailored, creative, innovative, of the highest quality and result in the optimum outcome for each service user."

Values

The charity's values are.
- Honesty
- Diversity
- Service user and carer focused
- Effective
- Caring

National strategy

The national strategy published in January 2021 and the associated funding and guidance, represents a once in a generation opportunity to enhance the sector and set the agenda for many years to come.

ADS are well placed to utilise this opportunity and support change to improve support for those people affected by problematic substance use.

The election of any new government presents a period of uncertainty while new ministers work to translate manifesto commitments into actions and financial plans. During this period the charity worked with others in the sector to support the continuation of the principles and funding within the National Strategy. In late 2024 it was confirmed that the National Strategy would continue but with a slightly different emphasis. In addition, funding was confirmed for the 2025/26 financial year. The charity welcomed this news and the opportunity to make further enhancements to a sector which supports some of the most vulnerable and excluded people in society.

To do so the charity will continue to,

- Share best practice it has developed with others.
- Work in partnership with other providers and national bodies such as the Office of Health Improvement and Disparity (OHID)
- Continue to invest in its mission.

The Alcohol and Drug Service

Trustees' Report

Planning

The charity believes that comprehensive well informed planning is the corner stone of its continued success. All annual plans and strategy documents are approved by the Board and progress against all plans is reported at each meeting.

The planning framework has the common aim of furthering the charity's objectives and consists of the following.

A Strategic Plan.

Describes the overall direction of the charity for the coming 3 to 5 years.

An Annual Business Plan.

Describes the charity's activity over the coming year.

An Annual Workforce Development Plan

Describes the charity's support for its workforce over the coming year.

Quality and performance

A robust Quality Assurance framework is in place which contains a range of internal quality indicators. These are reported monthly to managers and quarterly to the Board.

The positive impact of our services is measured against our mission. We aim to support positive change in all who come through our doors.

Abstinence^

- Every week, 52 weeks a year 16 people leave our services substance free and do not return to treatment
- Of those people who come to us with an alcohol problem 43% leave alcohol free and do not return

[^Data source: Public Health Outcomes Framework C19 (formerly 2.15): Accessed 14 May 2025]

Percentage of people making substantial progress in treatment*
Across all ADS services: 53%
ADS best performing service: 67%
National performance: 47%
Regional performance: 47%

Increase in numbers in treatment*
Across all ADS services: + 7%
ADS best performing service: + 10%
National performance: + 7%
Regional performance: + 10%

Percentage of those released from prison who engage in community services (Continuity of care)*
Across all ADS services: 68%
ADS best performing service: 70%
National performance: 56%
Regional performance: 65%

[*Data source: NDTMS Local outcome Framework: Accessed 14 May 2025]

Quality Management System (BS EN ISO 9001:2015)

An annual external audit assures the Quality Management System has been implemented, maintained and is operating in accordance with the standards.

A good employer and a good place to work.

Holding the Investors in People award since 2016 the charity is proud to be a good employer and a good place to work but continues to seek improvement. In addition to the Investors reviews and the annual workforce survey, the charity collects data on key measures of performance.

Funding our mission

Of ADS expenditure 98% was on direct charitable activities.
[Data source: ADS Audited accounts 2024/25]

Investing in our mission

The ADS has effective financial controls in place which enable it to manage its internal finances and ensure it is able to deploy its funds to ensure best value for its beneficiaries.

Due to this continued good financial planning and management, the charity is in a healthy financial position including having free reserves. This year has made it possible to continue investing in the mission to ameliorate risks to the charity's ability to deliver its mission, to enhance the quality of that delivery and to plan for further investments in the years to come.

Risk amelioration

The most significant risk to the charity this year was:

- Continuation of funding and the National Drug (and Alcohol) Strategy.
  Substance misuse services commissioners are the source of 96% of income and are the recipients of the government provided national funding for drug and alcohol services. The funding cannot be spent on anything other than substance misuse services. The funding for the year 2025/26 has been confirmed as continuing at current levels.

Enhancing quality

A critical determinant of successfully delivering our mission is a well trained, high quality workforce. To support this the Charity has invested in the workforce to ensure the continued provision of high quality services to its beneficiaries.

These investments include:

- The successful introduction of Apprenticeships including the following:
  - Social Work (BA) Apprenticeship
  - People Support (formerly Human Resources) Apprenticeship
- Production and delivery of a free Commissioners in substance use training.
- Creating and implementing a People Support Team Career Map.

Planned investments for the coming year include:

- Enhanced Social Worker support scheme.
- A next level training for Commissioners of substance use services.
- Our apprenticeship offer will be extended.

Information Communication Technology (ICT)

The charity continues to invest and develop its ICT assets and has achieved and maintained the Cyber Essentials Plus quality mark for cyber security.

- A strategic ICT plan will be developed and authorised by the Board of Trustee/Directors.
- An ICT plan will be embedded in the 2025/26 annual business plan.

Stakeholders

The charity regularly consults with stakeholders utilising feedback to continue to improve services.

Commissioners are consulted in several formal and informal ways. In addition to formal monitoring meetings a partnership approach to developments and joint planning ensures the opinions of commissioners are embedded in the service development.

Service Users are regularly consulted throughout services, with some operating an on-going formal consultation and others using periodic surveys. Feedback is sought on an on-going basis from Service User Groups and mentors to ensure their ideas and thoughts are reflected and their involvement is included in the co-design and implementation of new developments.

Employee consultation is through team and other meetings, supervision, and whole service events. An annual ADS conference offers the opportunity for all ADS employees and those of partnership organisations to be consulted and an employee forum provides an arena where employee representatives meet with the Chief Executive. Annual plans are made available on the charity's hub ensuring all employees have access to information, policies and plans in an easy to access format.

Service delivery

Based upon its stated focus, the Alcohol and Drug Service offers a confidential, professional, modern approach to alcohol and drug problems. At present our services cover the areas of the East Riding, Doncaster and Hull.

The ADS has maintained its commitment to its core focus under the following four headings.

- The full range of adult community based services
- Young People's services
- Delivering services to both rural and urban areas
- Partnership working
- Supporting early intervention outside of specialist services

The charity continues to develop alliances and partnerships to provide service users with access to key wrap around support vital for sustaining recovery.

All the charity's services are delivered in partnerships and/or feature significant alliances including two partnerships with NHS Trusts.

Peer mentors and volunteers

The charity is supported by volunteers many of whom have lived experience of problematic substance use. The charity provides a comprehensive volunteer training programme to equip volunteers with the necessary skills and knowledge. Most modules in the programme are accredited assuring quality and providing volunteers with nationally accredited certificates as evidence of their learning and development.
The successful completion of the volunteer programme equips volunteers with the qualifications and experience required for a paid post as a Trainee Recovery Worker.

Social media

Facebook, Instagram and X continue to be utilised by the charity and service user groups are encouraged to use their own Facebook pages to support their recovery network.

Financial management

Introduction

The economic environment has been difficult over recent years. Along with the national strategy and associated additional funding, has come pressure to expand services quickly. At the end of a decade of significant cuts, providing the additional workforce required to deliver on the national targets has been challenging. In the absence of an available qualified workforce there is competition for those small number who are. In this landscape ADS has utilised its strong financial position to invest in training, skills and resources to provide a workforce capable of maintaining services of a high quality and continue to effectively deliver on its mission.

Income

There was an increase in income (10%) this year with overall income at £5,470,814 (2023/24; £4,971,314). This reflects the continued investment by central government in the national drug strategy.

Expenditure

Approximately half of the ADS's funding is Restricted, in that the income is required to be expended on specific services that are contracted. Expenditure in 2024/25 amounted to £5,322,139 (2023/24 £5,099,851). Whilst most of this is pay costs and there has been a growth in the establishment, there has been a continued investment in up skilling key posts and resourcing the organisation to meet the challenges of the current economic environment. The majority of these costs relate primarily to the operational staff and the ADS continue to minimise management and administration costs and demonstrate best value to commissioners. In order to ensure this is transparent to purchasers a direct charge of 10% is levied on all contracts.

Surplus for the year was £148,675. The surplus on unrestricted funds was £410,515, the surplus on designated funds was £12,546 and a deficit of £261,840 arose on restricted funds. The deficit on restricted funds was expected and planned for and represents timing differences between the receipt of income and the provision of services.

Balance sheet

There has been no significant change in the fixed assets of the ADS.

The balance of cash held across all accounts at the year-end was £3,867,418 (2023/24 £3,657,820).

Corporate governance, risk management and reserves policy

The ADS Board of Trustees/Directors (the Board) have considered the major risks to which the Charity is exposed and to the systems designed to mitigate those risks. The ADS has an experienced Management Board, principally drawn from senior figures in commerce, health, and social care, which has ably supported its growth.

Biographies of the Trustee/Directors are published on the ADS website at https://ads-uk.org/trustees.

The Management Board are supported by an experienced Executive Team consisting of a Chief Executive and Finance Director, who have a combined experience of the charitable sector of over 50 years.

The Board oversees and approves the overall strategy, performance and management of the ADS and meets four times a year, reviewing business developments and agreeing policy with the Executive Team.

The Chief Executive is responsible for day to day control of operations and the performance of the ADS. The Chief Executive has also set in place operational controls over service provision, to ensure that employees are trained and working to proper standards.

An annual Business and Finance Strategy review is carried out and from this an Action Plan is agreed by the Board. The plan sets out priorities for new service opportunities and funding. The ADS prepares detailed budgets and monthly management accounts. The performance of each cost centre is monitored against budget by the budget holder supported by a management accountant. The Board monitor performance against the global budget.

In order that the ADS is compliant with Charity Commission guidelines, and to enable it to deal with any issues arising from short-term fluctuations in funding and/or cash flow, the Board sets a minimum reserves target. This target has been achieved and maintained. The mechanism for calculating the minimum reserves target sits within a comprehensive reserves policy. The reserves target is reviewed annually.

The overall finance strategy is delivered through a range of annual plans and policies ensuring the delivery of the charity's objectives. This balanced approach has enabled the investment in capacity and infrastructure alongside traditional investments and a business case approach through which additional income is generated while enhancing the charity's ability to deliver its objectives.

Outlook

The service is in a sound financial position and the recent investment has ensured that the structures, skills and resources are in place to control and manage expansion and development going forward.

The operational management structure and systems reflect this and are sufficiently robust to manage and sustain development in the future. Alongside this the charity has a robust planning structure which supports an ethos of continuous improvement and development to enable forward planning and ensure the Board is able to continue to govern the charity effectively.

The ADS is well placed to build on its core areas and further develop and expand its services in the region. It has a growing reputation locally for providing a quality service, with a pro-active and experienced management team, supported by an active, professionally focused Board.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Alcohol and Drug Service is an incorporated Charity governed by the Articles of Association which are regularly reviewed. The current Articles were adopted 18 April 2024. This ensures that the risk to Trustees is managed, and that the charity is able to continue to attract and retain the calibre of Trustees/Directors necessary to maintain a Board of the highest quality best suited to deliver sound governance to the charity.

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The Articles of Association set out the rules regarding membership and all members shall be entitled to vote at all general meetings of the charity.

The Alcohol and Drug Service

Trustees' Report

The governance of the charity is the responsibility of the Board of Trustee/Directors. Trustee/Directors are either elected at the annual general meeting or co-opted if necessary. The day to day management of the charity is devolved by the Board to an Executive Team. The principal office is situated at 82, Spring Bank, Hull. The charity has a schedule of delegation which provides a clear and concise record of the delegation of authority and the limits on those delegations in critical areas. This supports effective and timely scrutiny by the Board of delegated decisions.

In the event of a winding up of the charity any surplus funds must be granted to any such charitable organisation having objects similar to those of the charity.

Structure and management

The Trustee/Directors have overall responsibility for ensuring that the charity has appropriate systems of internal controls, financial and otherwise. They are also responsible for keeping proper accounting records which 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 and detection of fraud and other irregularities.

An experienced Management Board oversees the charity, with the Executive Team reporting to the Board and being responsible for the day to day operational functioning of the charity.

Financial performance is monitored through the preparation of detailed budgets, forecasts, and monthly management accounts.

The charity has an overarching objective to allow its resources to be allocated by those closest to its services and service users, while maintaining robust financial control. To enable this, the charity has a detailed budget setting procedure and map describing a process which ensures local budget holders have a full input in setting their service budgets and accounts for organisational priorities and governance.

The process is reviewed annually with a primary indicator being the year end position of individual cost centres to ensure initial budgets set were accurate and have been managed effectively.

The charity continues to explore the most effective ways to invest its resources in furtherance of its objectives. A comprehensive investment strategy and attendant policy is in place which includes a definition of investment encompassing traditional investment which seeks a monetary return and a category outlining the use of resources to enhance the charities capacity to improve services for its service users, deliver on current contracts and better position it to increase its impact on its beneficiaries going forward. The investment strategy will be reviewed during the 2025/26 financial year.

The workforce development plan is based on an analysis of performance and supply and demand. The plan accounts for personal development; service and departmental development and succession planning.

All developments are linked with the charity's strategic, business and workforce development plans which are designed to further its objectives.

The charity publishes its annual and strategic plans on its intranet allowing all employees access and inviting scrutiny.

The Alcohol and Drug Service

Trustees' Report

Trustee policy and procedures

The ADS has robust systems in place for assuring the quality of its trustees, they include the following,

- Each role on the Board has a specific Job Description and Person Specification.
- Each sub-group, whether a standing or task and finish group, has clear Terms of Reference.
- Trustee/Director recruitment policy and procedure.
- Trustee/Director induction policy and procedure.
- Trustee/Director training policy and procedure.
- Trustee/Director registration of interests' policy and procedure.

Appointment of Trustee/Directors

To ensure the make up of the charity Board remains fit for purpose recruitment is triggered by one of the following factors.

- An existing Board member resigns, and a replacement is sought.
- A review of the Board membership indicates a need for increased numbers, diversity or a specific skill/experience gap.

If recruitment is triggered a rigorous recruitment process is then used.

Trustee/Director Induction

A robust Trustee induction programme is in place and its delivery is monitored and signed off by the Board.

Executive Team performance related remuneration

The charity ensures decisions about levels of executive pay, and benefits follow a robust evidence-based process and are reasonable and defensible.

A Remuneration Committee is elected by the Board. The Committee has a critical role in balancing the interests of beneficiaries, funders, donors, and other stakeholders with the need to attract senior leaders who will be effective in using the charity's resources to deliver the charity's stated purposes to those communities it is set up to serve.

The Alcohol and Drug Service

Trustees' Report

TRUSTEES' RESPONSIBILITY STATEMENT

The trustees (who are also the directors of The Alcohol and Drug Service for the purposes of company law) are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including its income and expenditure, of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 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 business.

The trustees are responsible for keeping proper accounting records that can 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 and detection of fraud and other irregularities.

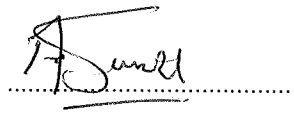
Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Smailes Goldie as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on 17 July 2025 and signed on its behalf by:



.....

Trustee

Independent Auditor's Report to the Members of The Alcohol and Drug Service

Opinion

We have audited the financial statements of The Alcohol and Drug Service (the 'charity') for the year ended 31 March 2025, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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 incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

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 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 original financial statements were 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.

Independent Auditor's Report to the Members of The Alcohol and Drug Service

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 that fact.

We have nothing to report in this regard.

Opinion on other matter 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where 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 not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Report (set out on page 11), 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 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.

Independent Auditor's Report to the Members of The Alcohol and Drug Service

Auditor 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.

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

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 focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011, the Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation. An understanding of these laws and regulations and the extent of compliance was obtained through discussion with management and inspecting legal and regulatory correspondence.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risks of fraud through management bias and override of 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
- were indicative of potential bias; and
- investigated 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 supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators and legal advisors.

Due to the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances 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.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

Independent Auditor's Report to the Members of The Alcohol and Drug Service

Use of our report

This report is made solely to the charity's trustees, 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 trustees 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 charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Stephen Bramall BSc., FCA (Senior Statutory Auditor)
For and on behalf of Smailes Goldie, Statutory Auditor

Regent's Court
Princess Street
Hull
HU2 8BA

17 July 2025

The Alcohol and Drug Service

Statement of Financial Activities for the Year Ended 31 March 2025 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2025 £	Total 2024 £
Income and Endowments from:						
Donations and legacies	3	2,337	-	41,430	43,767	15,285
Charitable activities	4	701,813	2,055,248	2,587,435	5,344,496	4,897,751
Other trading activities	5	12,580	-	-	12,580	11,760
Investment income	6	69,971	-	-	69,971	46,518
Total income		786,701	2,055,248	2,628,865	5,470,814	4,971,314
Expenditure on:						
Raising funds		24,857	-	-	24,857	19,162
Charitable activities		370,419	1,996,580	2,876,933	5,243,932	5,024,172
Governance costs		46,659	6,691	-	53,350	56,517
Total expenditure	7	441,935	2,003,271	2,876,933	5,322,139	5,099,851
Net income/(expenditure)		344,766	51,977	(248,068)	148,675	(128,537)
Transfers between funds		53,203	(39,431)	(13,772)	-	-
Net movement in funds		397,969	12,546	(261,840)	148,675	(128,537)
Reconciliation of funds						
Total funds brought forward		1,686,897	215,855	1,632,164	3,534,916	3,663,453
Total funds carried forward	18	2,084,866	228,401	1,370,324	3,683,591	3,534,916

All of the charity's activities derive from continuing operations during the above two periods.

The Alcohol and Drug Service

(Registration number: 05375809)
Balance Sheet as at 31 March 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	12	95,000	69,250
Current assets			
Debtors	13	213,288	131,108
Cash at bank and in hand		3,867,418	3,657,820
		4,080,706	3,788,928
Creditors: Amounts falling due within one year	14	(397,115)	(254,012)
Net current assets		3,683,591	3,534,916
Total assets less current liabilities		3,778,591	3,604,166
Creditors: Amounts falling due after more than one year	15	(95,000)	(69,250)
Net assets		3,683,591	3,534,916
Funds of the charity:			
Restricted income funds			
Restricted funds		1,370,324	1,632,164
Unrestricted income funds			
Designated Funds		228,401	215,855
General Funds		2,084,866	1,686,897
Total unrestricted funds		2,313,267	1,902,752
Total funds	18	3,683,591	3,534,916

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 16 to 30 were approved by the trustees, and authorised for issue on 17 July 2025 and signed on their behalf by:

.....

Trustee

The Alcohol and Drug Service

Statement of Cash Flows for the Year Ended 31 March 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash income/(expenditure)		148,675	(128,537)
Adjustments for non-operating items			
Investment income	6	(69,971)	(46,518)
		78,704	(175,055)
Working capital adjustments			
Increase in debtors	13	(82,180)	(10,777)
Increase/(decrease) in creditors	14	143,103	(26,789)
Net cash flows from operating activities		139,627	(212,621)
Cash flows from investing activities			
Interest receivable and similar income	6	69,971	46,518
Net increase/(decrease) in cash and cash equivalents		209,598	(166,103)
Cash and cash equivalents at 1 April		3,657,820	3,823,923
Cash and cash equivalents at 31 March		3,867,418	3,657,820

All of the cash flows are derived from continuing operations during the above two periods.

Notes to the Financial Statements for the Year Ended 31 March 2025

1 Charity status

The charity is limited by guarantee, incorporated in England & Wales, and consequently does not have share capital. Each of the 8 members is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
82 Spring Bank
Hull
HU3 1AB

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation
The Alcohol and Drug Service meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern
The trustees, having considered the available information & forecasts for the period to March 2026 and strategic plan for the period to 26/27, have a reasonable expectation that the charity has adequate resources to continue in operational existence for a period of 12 months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

Income
Income from donors and funders

Grants and contract income is recognised when the charity has entitlement to the funds, after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably.

Voluntary income

Cash donations, gifts and legacies are included in full in the Statement of Financial Activities as they are received.

Other trading income

All other income is accounted for on an accruals basis.

Investment income

Bank interest and investment bond income is included in the Statement of Financial Activities on receipt.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Administration includes the cost of management of the charity's affairs.

Staff costs

Termination benefits

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme. Contributions to defined contribution plans are recognised in the Statement of Financial Activities in the period to which they relate. The assets of the scheme are externally administered by trustees.

Taxation

The Alcohol & Drug Service Limited is a UK registered charity, number 1108595. All the charity's income is applied to its charitable objectives and the charity is, therefore, exempt under current legislation from most forms of taxation.

Depreciation and amortisation

Depreciation is calculated on the straight line basis to write down the cost of all fixed assets, except freehold property, over expected useful lives.

The lives generally applicable are:

Asset class	Depreciation method and rate
Office equipment	5 - 6 years

Tangible fixed assets
The Charity only considers capitalising items over £5,000.

During the reporting period, the Charity has revised its policy relating to the capitalisation of fixed assets. Previously, items of a capital nature with a cost in excess of £1,000 were capitalised and depreciated over their useful lives. The revised threshold reflects a reassessment of the materiality and administrative burden associated with tracking lower-value assets. The new policy provides financial statements that are more reliable and relevant by focusing on material assets and aligning the capitalisation threshold with the current scale of the Charity. The change has been applied prospectively from 1 April 2024, in accordance with applicable accounting standards. Comparative figures have not been restated, as the impact of the change is not considered material to prior periods.

Debtors and creditors receivable / payable within one year
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Fund structure
Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Designated funds are funds earmarked by the management committee for a particular purpose.

Restricted funds are to be used for a specific purpose as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs where applicable.

Hire purchase and finance leases
Rentals payable under operating leases are charged to the statement of financial activities over the period of the lease on a straight line basis.

3 Income from donations and legacies

	Total 2025 £	Total 2024 £
Donations and gifts	34,271	3,362
Sundry income	9,496	11,923
	43,767	15,285

4 Income from charitable activities

	2025 £	2024 £
Grants and contracts	5,257,897	4,817,375
Training	86,599	80,376
	5,344,496	4,897,751

Grants received, included in the above, are as follows:

	2025 £	2024 £
Doncaster Drug & Alcohol Service	2,875,367	2,618,777
East Riding Partnership	1,408,272	1,258,027
Hull Primary Care Addictions Service	356,638	287,557
Access and Liaison	240,791	267,679
Riverside	376,829	347,335
Camarus	-	38,000
	5,257,897	4,817,375

5 Income from other trading activities

	2025 £	2024 £
Placements and training	12,580	11,760

6 Investment income

	2025 £	2024 £
Bank interest	69,971	46,518

7 Expenditure

	Direct Costs £	Support Costs £	2025 £	2024 £
Raising funds	22,449	2,408	24,857	19,162
Charitable activities	5,003,770	240,162	5,243,932	5,024,172
Governance costs	35,553	17,797	53,350	56,517
	5,061,772	260,367	5,322,139	5,099,851

Costs directly allocated to activities are as follows:

	Raising funds £	Direct service activity £	Governance £	2025 £	2024 £
Client health supplies	300	698,486	-	698,786	394,374
Staff costs	19,013	3,894,494	-	3,913,507	3,875,784
Recruitment	-	18,386	25,200	43,586	48,712
Staff training	3,062	71,256	-	74,318	71,621
Equipment purchase	-	816	-	816	6,876
Administration costs	74	33,636	-	33,710	36,598
Audit of the financial statements	-	-	9,864	9,864	8,598
AGM and annual report	-	-	489	489	523
Premises - direct	-	274,243	-	274,243	409,998
Volunteer expenses	-	12,453	-	12,453	11,178
	22,449	5,003,770	35,553	5,061,772	4,864,262

Analysis of support costs:

	Raising funds £	Grants and contracts £	Governance costs £	2025 £	2024 £
Support costs					
General office and finance	8	21,905	397	22,310	18,058
Central premises	-	34,014	-	34,014	28,689
Communications	2,400	180,977	-	183,377	177,044
Bank charges	-	1,100	-	1,100	1,064
Professional fees	-	2,166	17,400	19,566	10,734
	2,408	240,162	17,797	260,367	235,589

Support costs are allocated between raising funds, grants and contracts and governance costs based on the purpose of individual expenditure and the most appropriate category on a purchase by purchase basis.

8 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2025 £	2024 £
Operating leases - other assets	151,681	127,158
Audit fees	9,864	8,598

9 Trustees remuneration and expenses

There were no trustees' remuneration or other benefits for the year ended 31 March 2025 nor for the year ended 31 March 2024.

Trustees were reimbursed £- (2024: £246) during the year for travel and expenses.

10 Staff costs

The aggregate payroll costs were as follows:

	2025 £	2024 £
Staff costs during the year were:		
Wages and salaries	3,190,362	3,004,740
Social security costs	300,624	276,305
Pension costs	198,861	183,066
Other staff costs and agency	223,660	411,673
	3,913,507	3,875,784

The monthly average number of persons employed by the charity and those providing service on a voluntary basis during the year:

	2025 No	2024 No
Average number of employees	113	109
Average number of volunteers	26	16
	139	125

During the year, the charity made redundancy and/or termination payments which totalled £Nil (2024 - £25,000).

Termination benefits

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

The number of employees whose emoluments fell within the following bands was:

	2025 No	2024 No
£60,001 - £70,000	1	1
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-

11 Comparative SOFA

	Note	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2024 £
Income and Endowments from:					
Donations and legacies	3	4,337	1,286	9,662	15,285
Charitable activities	4	568,945	1,953,911	2,374,895	4,897,751
Other trading activities	5	11,760	-	-	11,760
Investment income	6	46,518	-	-	46,518
Total income		631,560	1,955,197	2,384,557	4,971,314
Expenditure on:					
Raising funds		19,162	-	-	19,162
Charitable activities		498,300	1,763,004	2,762,868	5,024,172
Governance costs		49,162	-	7,355	56,517
Total expenditure		566,624	1,763,004	2,770,223	5,099,851
Net income/(expenditure)		64,936	192,193	(385,666)	(128,537)
Transfers between funds		219,064	(219,064)	-	-
Net movement in funds		284,000	(26,871)	(385,666)	(128,537)
Reconciliation of funds					
Total funds brought forward		1,402,897	242,726	2,017,830	3,663,453
Total funds carried forward	18	1,686,897	215,855	1,632,164	3,534,916

12 Tangible fixed assets

	Land and buildings £	Office equipment £	Total £
Cost			
At 1 April 2024	69,250	8,498	77,748
Revaluations	25,750	-	25,750
At 31 March 2025	95,000	8,498	103,498
Depreciation			
At 1 April 2024	-	8,498	8,498
At 31 March 2025	-	8,498	8,498
Net book value			
At 31 March 2025	95,000	-	95,000
At 31 March 2024	69,250	-	69,250

In 1991 a grant was received from the then Hull Health Authority which was used to make necessary improvements to the property. The total cost of these improvements amounted to £42,041 against which a grant of £42,000 was received. The freehold land and buildings themselves were donated by the Hull Health Authority subject to a legal charge in their favour which was set upon at the open market value as assessed by the District Valuer as £69,250 at the date of transfer. The property and the liability arising from the legal charge have been revalued in line with a professional valuation which the charity received on 6 February 2025 for £95,000.

In order to comply with the accounting requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" published in 2011, the trustees introduced the current value of the property into the charity's balance sheet, together with the accompanying legal charge of the same amount.

The trustees are of the opinion that the property occupied for the purposes of the charity is maintained to such a level that ensures that the estimated useful life of the property is of such a length as to make a depreciation charge immaterial and therefore one has not been provided in the year ended 31 March 2025.

13 Debtors

	2025 £	2024 £
Trade debtors	27,485	3,439
Prepayments & accrued income	119,615	107,296
Other debtors	66,188	20,373
	213,288	131,108

14 Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	168,012	145,755
Other creditors	107,651	24,383
Accruals & deferred income	121,452	83,874
	397,115	254,012

15 Creditors: amounts falling due after one year

	2025 £	2024 £
East Riding & Hull Health Authority	95,000	69,250

The East Riding & Hull Health Authority holds a legal charge on a building donated to the charity. Should the building be sold or cease to be used for the charitable objects of the charity then £95,000 would be due to the Authority.

16 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2025 £	2024 £
Other		
Within one year	133,559	98,600
Between one and five years	261,180	40,500
	394,739	139,100

17 Employee Benefit Obligations

The charity operates a defined contribution scheme, the amount charged to the Statement of Financial Activities in the year to 31st March 2025 was £198,861 (2024: £183,006). There are also some employees in the NHS pension scheme which cannot be valued and is, therefore, disclosed on a contributions basis. Required payments to all of the schemes are up to date.

18 Funds

	Balance at 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2025 £
Unrestricted funds					
General					
General fund	1,686,897	786,701	(441,935)	53,203	2,084,866
Designated					
Central Marketing Development	529	-	(14,645)	14,826	710
Central Workforce Enhancement	(93)	-	(6,571)	6,380	(284)
Hull Drug & Alcohol Service	10,175	308,732	(282,509)	(10,175)	26,223
ERP	140,043	1,199,759	(1,173,902)	-	165,900
Access & Liaison	65,201	199,652	(163,801)	(65,200)	35,852
Riverside	-	347,105	(361,843)	14,738	-
	215,855	2,055,248	(2,003,271)	(39,431)	228,401
Restricted funds					
Doncaster Drug & Alcohol	1,626,035	2,587,435	(2,837,949)	(14,738)	1,360,783
Service User Group	6,129	33,030	(30,584)	966	9,541
ASYE	-	8,400	(8,400)	-	-
Total restricted funds	1,632,164	2,628,865	(2,876,933)	(13,772)	1,370,324
Total funds	3,534,916	5,470,814	(5,322,139)	-	3,683,591

Notes to the Financial Statements for the Year Ended 31 March 2025

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
Unrestricted funds					
General					
General fund	1,402,897	631,560	(566,624)	219,064	1,686,897
Designated					
Central Marketing Development	222	-	(14,686)	14,993	529
Central Workforce Enhancement	(4,051)	-	(8,541)	12,499	(93)
Hull Drug & Alcohol Service	42,969	256,612	(246,437)	(42,969)	10,175
ERP	134,411	1,141,958	(1,001,914)	(134,412)	140,043
Access & Liaison	69,175	239,006	(173,805)	(69,175)	65,201
Central I, M & T Development	-	1,286	(1,286)	-	-
Riverside	-	316,335	(316,335)	-	-
	242,726	1,955,197	(1,763,004)	(219,064)	215,855
Restricted					
Doncaster Drug & Alcohol	2,006,443	2,374,895	(2,735,030)	(20,273)	1,626,035
Service User Group	11,387	3,362	(28,893)	20,273	6,129
ASYE	-	6,300	(6,300)	-	-
Total restricted funds	2,017,830	2,384,557	(2,770,223)	-	1,632,164
Total funds	3,663,453	4,971,314	(5,099,851)	-	3,534,916

Restricted funds

The restricted funds of the charity comprise unexpended balances of grants to be applied for specific purposes.

Each project is subject to individual funding specifically for that project and as a result has a restriction on its use placed upon it by the grant provider. The balance will fund expenditure yet to be incurred.

Designated funds

During the year, the charity reviewed the balances held in designated funds relating to specific projects. At the year end, it was determined that the activities for which these funds were originally designated had been fully completed, and the associated expenditure had been fully incurred in line with the funders' intentions. As a result, the residual balances, which were no longer subject to any designation, were transferred to unrestricted funds.

19 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
Tangible fixed assets	-	-	95,000	95,000	69,250
Current assets	2,258,847	345,150	1,476,709	4,080,706	3,788,928
Current liabilities	(173,981)	(116,749)	(106,385)	(397,115)	(254,012)
Creditors over 1 year	-	-	(95,000)	(95,000)	(69,250)
Total net assets	2,084,866	228,401	1,370,324	3,683,591	3,534,916

20 Related party transactions

There were no related party transactions in the year.

THE ALCOHOL AND DRUG SERVICE

England & Wales - Charity number 1108595

Accounts

Smailes Goldie
CHARTERED ACCOUNTANTS

REGISTERED COMPANY NUMBER:05375809
REGISTERED CHARITY NUMBER:1108595

The Alcohol and Drug Service

Financial Statements

31 March 2024

SD-0214629-1-6
ICAEW CHARTERED ACCOUNTANTS

Smailes Goldie is a trading name of
Smailes Goldie Partnership.

building better together.

The Alcohol and Drug Service

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The Alcohol and Drug Service

Reference and Administrative Details

Trustees	A Smith
	K Yorath
	I D Parsons
	E Tatterton
	N Dodds
	J Cooper
	F Ashton
Executive Team	T Young, Chief Executive
	S Grunnill, Finance Director
Charity Registration Number	1108595
Company Registration Number	05375809
Registered Office	82 Spring Bank Hull HU3 1AB
Auditor	Smailes Goldie Chartered Accountants Regent's Court Princess Street Hull HU2 8BA

The Alcohol and Drug Service

Trustees' Report

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2024. The trustees have adopted the provisions of 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).

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	A Smith
	K Yorath
	A Wilkinson (resigned 26 June 2023)
	I D Parsons
	E Tatterton (appointed 20 July 2023)
	N Dodds (appointed 20 July 2023)
	J Cooper (appointed 20 July 2023)
	F Ashton (appointed 27 July 2023)
	H Shay (appointed 20 July 2023 and resigned 5 March 2024)
Executive Team:	T Young, Chief Executive
	S Grunnill, Finance Director

Public Benefit

The charity clearly sets out the benefit it aims to deliver in its mission statement. This reflects the charity's objectives and which sits at the centre of all planning and performance management. The mission is:

"The ADS will work in partnership to support people affected by substance misuse to make positive change."

To further support the mission statement, the charity articulates, its values and a vision statement. The vision statement is,

"The ADS aspire to be an organisation where the services we offer are individually tailored, creative, innovative, of the highest quality and result in the optimum outcome for each service user."

The Alcohol and Drug Service

Trustees' Report

The charity's values are.

Honesty. We believe that,

- In striving to continuously improve we embrace the concept of reflective learning. To be effective, reflective learning depends on honest reflections to identify areas for improvement.
- Trust is the foundation of an effective partnership approach, and that partnership is the defining characteristic of our relationship with service users, employees and those who purchase services from us.

Diversity. We believe that,

- There is strength in diversity and that through embracing diversity new solutions and innovations are born.
- To encourage diversity and fairness, a non-judgemental approach and transparency are vital.

Service user and carer focused. We believe that,

- Our sole raison d'être is to deliver effective services to service users and carers.
- No two people are the same. As a result, personalised solutions are required and to achieve this people must be treated as individuals and services must be flexible in meeting their needs.
- With the right support, service users can identify and implement changes which will enhance their lives.

Effective. We believe that,

- Evidence based services, that are continuously developing in the light of experience, produce the most effective outcomes for service users.
- The effective use of resources and a value for money approach will maximise the number of service users we are able to support.

Caring. We believe that,

- The best services are delivered by people who care about what they do.
- Hope and belief are nurtured in others when they encounter people who care.

National strategy

The national strategy published in January 2021 and the associated funding and guidance, represents a once in a generation opportunity to enhance the sector and set the agenda for many years to come.

ADS are well placed to utilise this opportunity and support change to improve support for those people affected by problematic substance use.

To do so the charity will continue to,

- Share best practice it has developed with others.
- Work in partnership with other providers and national bodies such as the Office of Health Improvement and Disparity (OHID)
- Continue to invest in its mission.

The Alcohol and Drug Service

Trustees' Report

Planning

The charity believes that comprehensive well informed planning is the corner stone of its continued success. All annual plans and strategy documents are approved by the Board and progress against all plans is reported at each meeting.

The planning framework has the common aim of furthering the charity's objectives and consists of the following.

A Strategic Plan.

Describes the overall direction of the charity for the coming 3 to 5 years.

An Annual Business Plan.

Describes the charity's activity over the coming year.

An Annual Workforce Development Plan

Describes the charity's support for its workforce over the coming year.

Quality and performance

A robust Quality Assurance framework is in place which contains a range of internal quality indicators for both human resources and service delivery. These are reported monthly to managers and quarterly to the Board.

Quality Management System (BS EN ISO 9001:2015)

An annual audit by external auditors assures the Management System has been implemented/maintained and is operating in accordance with the standards.

A good employer and a good place to work.

Holding the Investors in People award since 2016, the charity is proud to be a good employer and a good place to work but continues to seek improvement. In addition to the Investors reviews the charity collects data on key measures of performance.

Short Term Sickness		
Year	Result (%)	Target (%)
2023/24	3.46	4
2022/23	3.37	

Average Turnover		
Year	Result (%)	Target (%)
2023/24	1.66	3
2022/23	2.07	

Appraisals completed		
Year	Result (%)	Target (%)
2023/24	92.98	95
2022/23	91.74	

Current Training Plan		
Year	Result (%)	Target (%)
2023/24	100	95
2022/23	100	

Deliver high quality services.

For the year 2023/24 fourteen people per week left the charity's services free of the substance used problematically and did not return. (Ref: NDTMS https://www.ndtms.net/ data to 31 March 2024)

Workforce

ADS continue to develop its ability to recruit, retain and enhance its workforce. The performance in previous years is in line with and, in many areas ahead of, the recently published national workforce strategy. This evidences the effectiveness of the charity's workforce planning.

Investing in our mission

The ADS has effective financial controls in place which enable it to manage its internal finances and ensure it is able to deploy its funds to ensure best value for its beneficiaries.

Due to this continued good financial planning and management, the charity is in a healthy financial position including having free reserves. This has made it possible to continue investing in the mission and to plan for further investments in the years to come.

Examples of current and future investments include the following.

Career map

The career map provides a clear pathway for those who wish to progress their career with ADS. Training is identified as Mandatory and Career Progression.

- Progress on Current Year Investment:
  Career progression training has continued this year and the charity welcomed our first graduates of the Diploma in Social Care (Substance Misuse).
  Implementing our plan to introduce apprenticeships has progressed well with both administration and Social Work apprenticeships in place.
- Future Year Investment:
  Our career map currently focused on service delivery roles will be developed to include other roles and disciplines. A career map for Human Resource professionals will be created. As a part of this the provision of apprenticeships will be extended, and a Human Resource apprenticeship will be created in 2024/25.

Recruitment

The continuing development of the charity's ability to recruit the success of this year's achievements will be built on by further planned developments. Investment in a recruitment module in the previous year resulted in increased efficiency which was also supported by the development of a targeted approach to recruitment.

- Progress on Current Year Investment
  The on-boarding platform planned last year has gone live and a HR benefit site has been developed and launched. The site provides a platform to allow people to explore the possibility of a career in the field and what the charity has to offer.
- Future Year Investment:
  The high-quality material which promotes and explains the options for careers in the field will be developed and launched in the coming year.

Social Work

The role of social workers has been established in the charity for over a decade and even as the national strategy has encouraged others to recruit social workers, figures from the 2023 Workforce Census reveal ADS, with c20% of all social workers in the field, remain the leading employer. With the recruitment of a Principal Social Worker to its Board, ADS now has social work represented throughout its structure. With the introduction of the Social Work apprenticeship, ADS are now able to offer a pathway for social work from pre-qualified to qualified and beyond.

- Progress on Current Year Investment:
  ADS now employ a Principal Social Worker to ensure the continued development of the profession. In addition, our Apprenticeship Programme delivered through a partnership with the University of Hull offers a fantastic opportunity for employees to qualify whilst continuing their employment with ADS.
- Future Year Investment:
  Social work apprenticeships will be further developed and additional apprentices recruited.

Training

The charity has continued to invest in the creation of a training service, Generis, enabling the continued development and enhancement of the charity's capacity to deliver accredited and bespoke training across the charity and beyond.

This supports the charity's ability to design and deliver a robust career map underpinned by accredited training, assuring the quality of training employees receive.

A high quality learning platform supports on going developments and provides easy access to training for learners.

Generis continues to develop its links with commercial and statutory organisations supporting them to better understand and support people who may be developing a problem. This supports recovery without the need for specialist services, increases access to support and reduces stigma.

This year Generis developed what we believe to be the only specific substance misuse commissioning training. The development was supported by input from experienced commissioners and large national providers and others to ensure a high quality product.

The national strategy recognises that the role of commissioners is critical in the delivery of high quality services. This is a view shared by the charity, therefore, the training has been made available at no charge and is easily accessible through our on line platform.

- Progress on Current Year Investment:
  The learning platform has continued and been utilised to develop and deliver new training such as the substance misuse commissioners training.
- Future Year Investment:
  Phase 2 commissioners training will be developed.

Information Communication Technology (ICT)

The charity continues to invest and develop its ICT assets and has achieved and maintained the Cyber Essentials Plus quality mark for cyber security.

- Current Year Investment:
  The launching of a new main website and a micro-site focused on recruitment and retention have given the charity a good base to build on in the coming year.
- Future Year Investment
  in partnership with the charity's ICT provider an annual ICT planning cycle will be embedded in the annual business plan.

Central Governance

The charity is mindful that attention and investment in its central governance assets and structures are critical to its effectiveness and health.

- Current Year Investment:
  With the support of legal professionals, the charity's Articles were reviewed and updated and investment in a specialist recruitment company resulted in the recruitment of six new high quality Trustee/Directors.
- Future Year Investment
  A review of the charity's senior leadership capacity and skill mix will be conducted.

Stakeholders

The charity regularly consults with stakeholders utilising feedback to continue to improve services.

Commissioners are consulted in a number of formal and informal ways. In addition to formal monitoring meetings a partnership approach to developments and joint planning ensures the opinions of commissioners are embedded in the service development.

Service Users are regularly consulted throughout services, with some operating an on-going formal consultation and others using periodic surveys. Feedback is sought on an on-going basis from Service User Groups and mentors to ensure their ideas and thoughts are reflected and their involvement is included in the co-design and implementation of new developments.

Employee consultation is through team and other meetings, supervision and whole service events. An annual ADS conference offers the opportunity for all ADS employees and those of partnership organisations to be consulted and an employee forum provides a forum where employee representatives meet with the Chief Executive. The publication of annual plans continue to be made available on the charity's hub or intranet ensuring that all employees have access to information, policies and plans in an easy to access format.

Diversity

The charity has a formal diversity monitoring mechanism and the data from this is reviewed regularly by the Board. The recruitment and employment processes are monitored to enable the charity to ensure that the processes themselves do not discriminate and act as a barrier to employment with the charity. All indicators were positive.

The Alcohol and Drug Service

Trustees' Report

Service delivery

Based upon its stated focus, the Alcohol and Drug Service offers a confidential, professional, modern approach to alcohol and drug problems. At present our services cover the areas of the East Riding, Doncaster and Hull.

The ADS has maintained its commitment to its core focus under the following four headings.

- The full range of community based services
- Delivering services to both rural and urban areas
- Partnership working
- Supporting early intervention outside of specialist services

The charity continues to develop alliances and partnerships to provide service users with access to key wrap around support vital for sustaining recovery.

All the charity's services are delivered in partnerships and/or feature significant alliances including two partnerships with NHS Trusts.

Operations

Aspire (Doncaster)

The service was retendered at the end of the year and together with our partner the Rotherham, Doncaster and South Humber NHS Foundation Trust (RDaSH), we were successful in being awarded the contract for a further term. The coming year will see the mobilisation of an adjusted model designed to deliver on the national strategy key targets.

The creation of a new team, to ensure people get rapid access to the most appropriate service element for them, is an exciting development we look forward to mobilising in the coming year.

Recovery Games

The very popular annual Recovery Games which celebrated its tenth anniversary this year and continued to promote recovery, break stereotypes and make connections in communities. The new format trialled last year, with a central stage was again a roaring success and a good time was had by all, demonstrating to the world that recovery is possible and fun.

Hospital Liaison Service (Doncaster Royal Infirmary)

Embedded within a larger mental health team primarily based in Doncaster Royal Infirmary (DRI), the service aims to support people with substance use problems who end up in the hospital. Through close working with community services including the specialist drug and alcohol service, they support and guide people towards the help they need.

To ensure the service continues to improve it's accessibility, a successful trial of new shift patterns was agreed with the team. The pilot was a success, providing working patterns liked by the team and delivering better access for the people who needed it.

The Alcohol and Drug Service

Trustees' Report

The East Riding Partnership

The service was retendered this year and the tender sought to further develop the integrated health approach taken by commissioners and the team. Together with our partner The Humber Teaching NHS Foundation Trust, we were successful in being awarded the new contract. The service covers a large rural area of approximately 900 square miles continuing to deliver a high quality and ever improving service.

This year has been no different with the young people's service developing its own brand and the launch of a new domestic violence perpetrator service.

The Juice Bar, one of the few specialist IPED (Image and Performance Enhancing Drugs) services continues to go from strength to strength. The service has benefited from the inclusive health approach taken by the team engaging young people and other groups previously unengaged.

Optimise the prescription medication service, working with GPs to support people who have been on prescription medications for significant lengths of time, continues to deliver from both the people who need it and Primary Care.

Hull Primary Care Addiction Service

The service caters for a service user group who are long term users but who, due to a variety of protective factors, are unlikely to achieve abstinence in the foreseeable future. Last year a successful pilot of a service for people who have been on prescription medications for significant length of time produced an agreement to launch 'Enhance' a new service for Hull.

Further developments were agreed towards the end of the year and an increase in capacity and change in structure was agreed with commissioners.

Generis

Aimed at offering support through training and consultancy to non-specialist organisations, Generis has worked with a range of statutory and commercial organisations. At the same time, it has produced and delivered a wide range of accredited training internally which supports the ADS career map and the quality of the peer mentor and volunteer training.

The first graduates of the Diploma in Substance Misuse were seen this year and the development and launch of the, as far as we know, only specific substance misuse commissioners training in England.

Peer Mentors and volunteers

After a lull during the pandemic, this year has seen numbers increase to pre-pandemic levels and, in at least one service, the highest number ever completing the training.

Social media

Facebook, Instagram and X continue to be utilised by the charity and service user groups are encouraged to use their own Facebook pages to support their recovery network.

Website

A new website was launched this year alongside a microsite devoted to recruitment and retention.

The main site address is: www.ads-uk.org

The microsite address is: https://adsbenefits-uk.org/

Financial management

Introduction

The economic environment has been challenging over recent years. Along with the national strategy and associated additional funding, has come pressure to expand services quickly. At the end of a decade of significant cuts, providing the additional workforce required to deliver on the national targets is extremely challenging. In the absence of an available qualified workforce there is competition for those small number who are. In this challenging landscape the ADS has utilised its strong financial position to invest in training, skills and resources to provide a workforce capable of maintaining services of a high quality and that it continues to effectively deliver on its mission.

Income

There was a slight decrease in income (5%) this year with overall income at £4,971,313 (2022/23; £5,253,490).

Expenditure

The majority of the ADS's funding is Restricted, in that the income is required to be expended on specific services that are contracted. Expenditure in 2023/24 amounted to £5,099,851 (2022/23 £4,061,857). Whilst most of this is pay costs and there has been a growth in the establishment, there has been a continued investment in up skilling key posts and resourcing the organisation to meet the challenges of the current economic environment. The majority of these costs relate primarily to the operational staff and the ADS continue to minimise management and administration costs and demonstrate best value to commissioners. In order to ensure this is transparent to purchasers a direct charge of 10% is levied on all contracts.

Balance sheet

There has been no significant change in the fixed assets of the ADS.

The balance of cash held across all accounts at the year-end was £3,657,820 (2022/23 £3,823,923)

Corporate governance, risk management and reserves policy

The ADS Board of Trustees/Directors (the Board) have considered the major risks to which the Charity is exposed and to the systems designed to mitigate those risks. The ADS has an experienced Management Board, principally drawn from senior figures in commerce, health, and social care, which has ably supported its growth.

The Board oversees and approves the overall strategy and management of the ADS and meets four times a year, reviewing business developments and agreeing policy with the Executive Team.

The Chief Executive is responsible for day to day control of operations and the performance of the ADS. The Chief Executive has also set in place operational controls over service provision, to ensure that employees are trained and working to proper standards.

An annual Business and Finance Strategy review is carried out and from this an Action Plan is agreed by the Board. The plan sets out priorities for new service opportunities and funding. The ADS prepares detailed budgets and monthly management accounts. The performance of each cost centre is monitored against budget by the budget holder supported by a management accountant. The Board monitor performance against the global budget.

In order that the ADS is compliant with Charity Commission guidelines, and to enable it to deal with any issues arising from short-term fluctuations in funding and/or cash flow, the Board sets a minimum reserves target. This target has been achieved and maintained. The mechanism for calculating the minimum reserves target sits within a comprehensive reserves policy that is reviewed annually.

The overall finance strategy is delivered through a range of annual plans and policies ensuring the delivery of the charity's objectives. This balanced approach has enabled the investment in capacity and infrastructure alongside traditional investments and a business case approach through which additional income is generated while enhancing the charity's ability to deliver its objectives.

Outlook

The service is in a sound financial position and the recent investment has ensured that the structures, skills and resources are in place to control and manage expansion and development going forward.

The operational management structure and systems reflect this and are sufficiently robust to manage and sustain development in the future. Alongside this the charity has a robust planning structure which supports an ethos of continuous improvement and development to enable forward planning and ensure the Board is able to continue to govern the charity effectively.

The ADS is well placed to build on its core areas and further develop and expand its services in the region. It has a growing reputation locally for providing a quality service, with a pro-active and experienced management team, supported by an active, professionally focused Board.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Alcohol and Drug Service is an incorporated Charity governed by the Articles of Association adopted 18 April 2024. This ensures that the risk to Trustees is managed and that the charity is able to continue to attract and retain the calibre of Trustees necessary to maintain a Board of the highest quality, best suited to deliver sound governance to the charity.

The Articles of Association set out the rules regarding membership and all members shall be entitled to vote at all general meetings of the charity.

The governance of the charity is the responsibility of the Board of Trustees. Trustees are either elected at the annual general meeting or co-opted if necessary. The day to day management of the charity is devolved by the Board to an Executive Team. The principal office is situated at 82, Spring Bank, Hull.

In the event of a winding up of the charity any surplus funds must be granted to any such charitable organisation having objects similar to those of the charity.

The Alcohol and Drug Service

Trustees' Report

TRUSTEES' RESPONSIBILITY STATEMENT

The Trustees, who are also Directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31st March 2024. The Trustee/Directors have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in 2005 in preparing the annual report and financial statements of the charity.

The Trustee/Directors are responsible for preparing the Trustee' Annual 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 Trustee/Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustee/Directors 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.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustee/Directors 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.

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustee/Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustee/Directors have overall responsibility for ensuring that the charity has appropriate systems of internal controls, financial and otherwise. They are also responsible for keeping proper accounting records which 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 and detection of fraud and other irregularities.

An experienced Management Board oversees the charity, with the Executive Team reporting to the Board and being responsible for the day to day operational functioning of the charity.

Financial performance is monitored through the preparation of detailed budgets, forecasts, and monthly management accounts.

The charity has an overarching objective to allow its resources to be allocated by those closest to its services and service users, while maintaining robust financial control. To enable this, the charity has a detailed budget setting procedure and map describing a process which ensures local budget holders have a full input in setting their service budgets and accounts for organisational priorities and governance.

The process is reviewed annually with a primary indicator being the year end position of individual cost centres. The returning of a balanced position or better at the year end indicates initial budgets set were accurate and have been managed effectively throughout the year demonstrating the process is proving effective.

The charity continues to explore the most effective ways to invest its resources in furtherance of its objectives. A comprehensive investment strategy and attendant policy is in place which includes a definition of investment encompassing traditional investment which seeks a monetary return and a category outlining the use of resources to enhance the charities capacity to improve services for its service users, deliver on current contracts and better position it to increase its impact on its beneficiaries going forward.

The workforce development plan is based on an analysis of performance and supply and demand. The plan accounts for personal development; service and departmental development and succession planning.

All developments are linked with the charity's strategic, business and workforce development plans which are designed to further its objectives.

The charity publishes its annual and strategic plans on its intranet allowing all employees access and inviting Scrutiny.

Trustee policy and procedures

The ADS has robust systems in place for assuring the quality of its trustees, they include the following,

- Each role on the Board and its sub-groups has a specific Job Description and Person Specification.
- Trustee/Director recruitment policy and procedure.
- Trustee/Director induction policy and procedure.
- Trustee/Director training policy and procedure
- Trustee/Director registration of interests' policy and procedure

The Alcohol and Drug Service

Trustees' Report

Appointment of Trustee/Directors

To ensure the make up of the charity Board remains fit for purpose a 6 stage process is used.

(1) Recruitment is triggered by one of the following factors:

- An existing Board member resigns, and a replacement is sought.
- A review of the Board membership indicates a need for increased numbers, diversity or a specific skill/experience gap.

(2) A task and finish group, including members of the Board and Executive Team is appointed.

(3) Adverts are drawn up and posted and Board members are asked to utilise their networks.

(4) Applications are sorted and interviewed by the Task & Finish group.

(5) Decision confirmed by the full Board and noted at the next AGM.

(6) A Trustee induction programme is followed including, visits, documents and links to key documentation.

In extraordinary circumstances for instance, where multiple Trustee/Directors are to be recruited, the charity may use the services of a specialised recruitment organisation.

Trustee/Director Induction

Trustee induction has several elements including,

- A welcome book which includes,
  - The current Board members and biographies.
  - ADS Board meeting dates, times and venues.
  - What is substance misuse.
  - A short history of the charity.
  - An outline of the current National Drug & Alcohol Strategy.
  - Data on the level of need for ADS services.

- Information Reading which includes,
  - The ADS Articles of Association.
  - The Charity Commission booklet 'The Essential Trustee'.
  - The most recent ADS Annual Report.
  - The current National Drug and Alcohol Strategy.

- A programme including,
  - Board orientation. Delivered by the Chair of the Board.
  - Finance controls and structures. Delivered by the Finance Director.
  - History and culture. Delivered by the Chief Executive.
  - Central Departments and structure. Delivered by the Chief Executive and Finance Director
  - Visits to services

Executive Team performance related remuneration

The charity ensures decisions about levels of executive pay, and benefits follow a robust evidence-based process and are reasonable and defensible.

A Remuneration Committee is elected by the Board. The Committee has a critical role to play in balancing the interests of beneficiaries, funders, donors and other stakeholders with the need to attract senior leaders who will be effective in using the charity's resources to deliver the charity's stated purposes to those communities it is set up to serve.

The Executive Team's annual performance targets are agreed by the Committee and reflect the operating environment, the charity and the strategic objectives.

Any bonus award is a one-off lump sum and is non-pensionable.

The committee meet at least three times a year.

- A first meeting to agree the targets.
- At the mid-point to discuss progress.
- A final meeting to consider the recommendation which will be made the full Board.

Targets are SMART with clear baselines set where a target is to improve current performance.

The targets are grouped under the following headings.

Standard Areas (benchmark 5% salary)	**% of marks**
Growth	30
Quality	30
Workforce	20
Personal development	20
Achievements outside standard areas	20
Maximum available	6% of salary

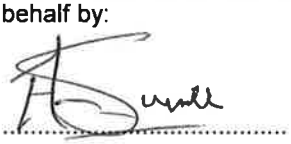
The section, '*achievements outside standard areas*', allows the remuneration committee to consider achievements outside the agreed targets. This does not form part of the standard calculation.

The committee will consider the affordability of any award and in the event, it is not affordable, will adjust the award accordingly.

AUDITORS

The auditors, Smailes Goldie, will be proposed for re-appointment at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on 24 July 2024 and signed on its behalf by:



Trustee

Independent Auditor's Report to the Members of The Alcohol and Drug Service

Opinion

We have audited the financial statements of The Alcohol and Drug Service (the 'charity') for the year ended 31 March 2024, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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 2024 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

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 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 original financial statements were 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.

Independent Auditor's Report to the Members of The Alcohol and Drug Service

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 that fact.

We have nothing to report in this regard.

Opinion on other matter 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the .

We have nothing to report in respect of the following matters where 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 not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the (set out on page), 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 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.

Independent Auditor's Report to the Members of The Alcohol and Drug Service

Auditor 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.

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

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 focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Charities Act 2011, the Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation. An understanding of these laws and regulations and the extent of compliance was obtained through discussion with management and inspecting legal and regulatory correspondence.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risks of fraud through management bias and override of 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
- were indicative of potential bias; and
- investigated 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 supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators and legal advisors.

Due to the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances 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.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

Independent Auditor's Report to the Members of The Alcohol and Drug Service

Use of our report

This report is made solely to the charitable company's trustees, 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 trustees 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 charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....

Stephen Bramall BSc., FCA (Senior Statutory Auditor)
For and on behalf of Smailes Goldie, Statutory Auditor

Regent's Court
Princess Street
Hull
HU2 8BA

24 July 2024

The Alcohol and Drug Service

Statement of Financial Activities for the Year Ended 31 March 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2024 £	Total 2023 £
Income and Endowments from:						
Donations and legacies	3	4,337	1,286	9,662	15,285	16,805
Charitable activities	4	568,945	1,953,911	2,374,895	4,897,751	5,216,846
Other trading activities	5	11,760	-	-	11,760	13,160
Investment income	6	46,518	-	-	46,518	6,679
Total income		631,560	1,955,197	2,384,557	4,971,314	5,253,490
Expenditure on:						
Raising funds		19,162	-	-	19,162	10,138
Charitable activities		498,300	1,763,004	2,762,868	5,024,172	4,035,414
Governance costs		49,162	-	7,355	56,517	16,305
Total expenditure	7	566,624	1,763,004	2,770,223	5,099,851	4,061,857
Net income/(expenditure)		64,936	192,193	(385,666)	(128,537)	1,191,633
Transfers between funds		219,064	(219,064)	-	-	-
Net movement in funds		284,000	(26,871)	(385,666)	(128,537)	1,191,633
Reconciliation of funds						
Total funds brought forward		1,402,897	242,726	2,017,830	3,663,453	2,471,820
Total funds carried forward	19	1,686,897	215,855	1,632,164	3,534,916	3,663,453

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2023 is shown in note 19.

The Alcohol and Drug Service

(Registration number: 05375809)
Balance Sheet as at 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	13	69,250	69,250
Current assets			
Debtors	14	131,108	120,331
Cash at bank and in hand		3,657,820	3,823,923
		3,788,928	3,944,254
Creditors: Amounts falling due within one year	15	(254,012)	(280,801)
Net current assets		3,534,916	3,663,453
Total assets less current liabilities		3,604,166	3,732,703
Creditors: Amounts falling due after more than one year	16	(69,250)	(69,250)
Net assets		3,534,916	3,663,453
Funds of the charity:			
Restricted income funds			
Restricted funds		1,632,164	2,017,830
Unrestricted income funds			
Designated Funds		215,855	242,726
General Funds		1,686,897	1,402,897
Total unrestricted funds		1,902,752	1,645,623
Total funds	19	3,534,916	3,663,453

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 20 to 34 were approved by the trustees, and authorised for issue on 24 July 2024 and signed on their behalf by:



Trustee

The Alcohol and Drug Service

Statement of Cash Flows for the Year Ended 31 March 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash (expenditure)/income		(128,537)	1,191,633
Adjustments for non-operating items			
Investment income	6	(46,518)	(6,679)
		(175,055)	1,184,954
Working capital adjustments			
Increase in debtors	14	(10,777)	(38,032)
(Decrease)/increase in creditors	15	(26,789)	131,349
Net cash flows from operating activities		(212,621)	1,278,271
Cash flows from investing activities			
Interest receivable and similar income	6	46,518	6,679
Net (decrease)/increase in cash and cash equivalents		(166,103)	1,284,950
Cash and cash equivalents at 1 April		3,823,923	2,538,973
Cash and cash equivalents at 31 March		3,657,820	3,823,923

All of the cash flows are derived from continuing operations during the above two periods.

1 Charity status

The charity is limited by guarantee, incorporated in England & Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
82 Spring Bank
Hull
HU3 1AB

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation
The Alcohol and Drug Service meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern
The trustees, having considered the available information & forecasts for the period to March 2026, have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for a period of 12 months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

Income
Income from donors and supporters

Grants and contract income is recognised when the charity has entitlement to the funds, after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably.

Voluntary income

Cash donations, gifts and legacies are included in full in the Statement of Financial Activities as they are received.

Other operating income

All other income is accounted for on an accruals basis.

Investment income

Bank interest and investment bond income is included in the Statement of Financial Activities on receipt.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Administration includes the cost of management of the charity's affairs.

Termination benefits

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Taxation

The Alcohol & Drug Service Limited is a UK registered charity, number 1108595. All the charity's income is applied to its charitable objectives and the charity is, therefore, exempt under current legislation from most forms of taxation.

Depreciation and amortisation

Depreciation is calculated on the straight line basis to write down the cost of all fixed assets, except freehold property, over expected useful lives.

The lives generally applicable are:

Asset class	Depreciation method and rate
Office equipment	5 - 6 years

Tangible fixed assets

The Charity only considers capitalising items over £1,000.

Fund structure
Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Designated funds are funds earmarked by the management committee for a particular purpose.

Restricted funds are to be used for a specific purpose as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs where applicable.

Hire purchase and finance leases
Rentals payable under operating leases are charged to the statement of financial activities over the period of the lease on a straight line basis.

Pensions and other post retirement obligations
The charity operates a defined contribution pension scheme. Contributions to defined contribution plans are recognised in the Statement of Financial Activities in the period to which they relate. The assets of the scheme are externally administered by trustees.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

3 Income from donations and legacies

	Total 2024 £	Total 2023 £
Donations and gifts	3,362	12,605
Sundry income	11,923	4,200
	15,285	16,805

4 Income from charitable activities

	2024 £	2023 £
Grants and contracts	4,817,375	5,166,377
Training	80,376	50,469
	4,897,751	5,216,846

Grants received, included in the above, are as follows:

	2024 £	2023 £
Doncaster Drug & Alcohol Service	2,618,777	3,044,501
East Riding Partnership	1,258,027	1,197,887
Hull Primary Care Addictions Service	287,557	340,398
Access and Liaison	267,679	225,256
Riverside	347,335	358,335
Camarus	38,000	-
	4,817,375	5,166,377

5 Income from other trading activities

	2024 £	2023 £
Placements and training	11,760	13,160

6 Investment income

	2024 £	2023 £
Bank interest	46,518	6,679

7 Expenditure

	Direct Costs £	Support Costs £	2024 £	2023 £
Raising funds	18,248	914	19,162	10,138
Charitable activities	4,797,098	227,074	5,024,172	4,035,414
Governance costs	48,916	7,601	56,517	16,305
	4,864,262	235,589	5,099,851	4,061,857

Costs directly allocated to activities are as follows:

	Raising funds £	Direct service activity £	Governance £	2024 £	2023 £
Client health supplies	408	393,966	-	394,374	356,965
Staff costs	16,112	3,859,672	-	3,875,784	3,151,207
Recruitment	-	8,917	39,795	48,712	20,644
Staff training	1,728	69,893	-	71,621	86,116
Equipment purchase	-	6,876	-	6,876	2,152
Administration costs	-	36,598	-	36,598	45,574
Audit of the financial statements	-	-	8,598	8,598	7,784
AGM and annual report	-	-	523	523	670
Premises - direct	-	409,998	-	409,998	175,138
Volunteer expenses	-	11,178	-	11,178	3,984
	18,248	4,797,098	48,916	4,864,262	3,850,234

8 Analysis of governance and support costs

	Raising funds £	Grants and contracts £	Governance costs £	2024 £	2023 £
Support costs					
General office and finance	8	17,804	246	18,058	15,717
Central premises	-	28,689	-	28,689	31,178
Communications	906	176,138	-	177,044	154,240
Bank charges	-	1,064	-	1,064	817
Professional fees	-	3,379	7,355	10,734	9,671
	914	227,074	7,601	235,589	211,623

9 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

	2024 £	2023 £
Operating leases - other assets	127,158	110,353
Audit fees	8,598	7,784

10 Trustees remuneration and expenses

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 nor for the year ended 31 March 2023.

Trustees were reimbursed £246 (2023: £339) during the year for travel and expenses.

11 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
Staff costs during the year were:		
Wages and salaries	3,004,740	2,593,178
Social security costs	276,305	244,363
Pension costs	183,066	163,552
Other staff costs and agency	411,673	150,114
	3,875,784	3,151,207

The monthly average number of persons (including executive team) employed by the charity during the year expressed as full time equivalents was as follows:

	2024 No	2023 No
Average number of employees	109	100
Average number of volunteers	16	13
	125	113

During the year, the charity made redundancy and/or termination payments which totalled £25,000 (2023 - £Nil).

The number of employees whose emoluments fell within the following bands was:

	2024 No	2023 No
£60,001 - £70,000	1	-
£80,001 - £90,000	1	1

12 Comparative SOFA

	Note	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2023 £
Income and Endowments from:					
Donations and legacies	3	6,250	-	10,555	16,805
Charitable activities	4	472,166	1,921,404	2,823,276	5,216,846
Other trading activities	5	13,160	-	-	13,160
Investment income	6	6,679	-	-	6,679
Total income		498,255	1,921,404	2,833,831	5,253,490
Expenditure on:					
Raising funds		10,138	-	-	10,138
Charitable activities		297,715	1,703,268	2,034,431	4,035,414
Governance costs		14,013	-	2,292	16,305
Total expenditure		321,866	1,703,268	2,036,723	4,061,857
Net income		176,389	218,136	797,108	1,191,633
Transfers between funds		211,424	(211,436)	12	-
Net movement in funds		387,813	6,700	797,120	1,191,633
Reconciliation of funds					
Total funds brought forward		1,015,084	236,026	1,220,710	2,471,820
Total funds carried forward	19	1,402,897	242,726	2,017,830	3,663,453

13 Tangible fixed assets

	Land and buildings £	Office equipment £	Total £
Cost			
At 1 April 2023	69,250	8,498	77,748
At 31 March 2024	69,250	8,498	77,748
Depreciation			
At 1 April 2023	-	8,498	8,498
At 31 March 2024	-	8,498	8,498
Net book value			
At 31 March 2024	69,250	-	69,250
At 31 March 2023	69,250	-	69,250

In 1991 a grant was received from the then Hull Health Authority which was used to make necessary improvements to the property. The total cost of these improvements amounted to £42,041 against which a grant of £42,000 was received. The freehold land and buildings themselves were donated by the Hull Health Authority subject to a legal charge in their favour which was set upon at the open market value as assessed by the District Valuer as £69,250.

In order to comply with the accounting requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" published in 2005, the trustees introduced the current value of the property into the charity's balance sheet, together with the accompanying legal charge of the same amount.

The trustees are of the opinion that the property occupied for the purposes of the charity is maintained to such a level that ensures that the estimated useful life of the property is of such a length as to make a depreciation charge immaterial and therefore one has not been provided in the year ended 31 March 2024.

The charity is not subject to taxation and therefore no liability would arise if the building were sold at its valuation.

14 Debtors

	2024 £	2023 £
Trade debtors	3,439	36,320
Prepayments & accrued income	107,296	75,757
Other debtors	20,373	8,254
	131,108	120,331

15 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	145,755	95,608
Other creditors	24,383	21,734
Accruals & deferred income	83,874	163,459
	254,012	280,801

16 Creditors: amounts falling due after one year

	2024 £	2023 £
East Riding & Hull Health Authority	69,250	69,250

The East Riding & Hull Health Authority holds a legal charge on the building donated to the charity. Should the building be sold or cease to be used for the charitable objects of the charity then £69,250 would be due to the Authority.

17 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2024 £	2023 £
Other		
Within one year	98,600	72,575
Between one and five years	40,500	14,333
	139,100	86,908

18 Employee Benefit Obligations

The charity operates a defined contribution scheme, the amount charged to the Statement of Financial Activities in the year to 31st March 2024 was £183,006 (2023: £163,552). There are also some employees in the NHS pension scheme which cannot be valued and is, therefore, disclosed on a contributions basis. Required payments to all of the schemes are up to date.

19 Funds

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
Unrestricted funds					
General					
General fund	1,402,897	631,560	(566,624)	219,064	1,686,897
Designated					
Central Marketing Development	222	-	(14,686)	14,993	529
Central Workforce Enhancement	(4,051)	-	(8,541)	12,499	(93)
Central I, M & T Development	-	1,286	(1,286)	-	-
Hull Drug & Alcohol Service	42,969	256,612	(246,437)	(42,969)	10,175
ERP	134,411	1,141,958	(1,001,914)	(134,412)	140,043
Access & Liaison	69,175	239,006	(173,805)	(69,175)	65,201
Riverside	-	316,335	(316,335)	-	-
	242,726	1,955,197	(1,763,004)	(219,064)	215,855
Restricted funds					
Doncaster Drug & Alcohol	2,006,443	2,374,895	(2,735,030)	(20,273)	1,626,035
Service User Group	11,387	3,362	(28,893)	20,273	6,129
ASYE	-	6,300	(6,300)	-	-
Total restricted funds	2,017,830	2,384,557	(2,770,223)	-	1,632,164
Total funds	3,663,453	4,971,314	(5,099,851)	-	3,534,916

The Alcohol and Drug Service

Notes to the Financial Statements for the Year Ended 31 March 2024

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Unrestricted funds					
General					
General fund	1,015,084	498,255	(321,866)	211,424	1,402,897
Designated					
Central Marketing Development	-	-	(14,468)	14,690	222
Central Workforce Enhancement	-	-	(13,951)	9,900	(4,051)
Hull Drug & Alcohol Service	15,231	309,453	(266,484)	(15,231)	42,969
ERP	122,565	1,088,033	(953,622)	(122,565)	134,411
Access & Liaison	98,230	196,583	(127,408)	(98,230)	69,175
Riverside	-	327,335	(327,335)	-	-
	236,026	1,921,404	(1,703,268)	(211,436)	242,726
Restricted					
Doncaster Drug & Alcohol	1,199,785	2,823,276	(2,016,618)	-	2,006,443
Service User Group	20,925	6,355	(15,905)	12	11,387
ASYE	-	4,200	(4,200)	-	-
Total restricted funds	1,220,710	2,833,831	(2,036,723)	12	2,017,830
Total funds	2,471,820	5,253,490	(4,061,857)	-	3,663,453

Restricted funds

The restricted funds of the charity comprise unexpended balances of grants to be applied for specific purposes.

Each project is subject to individual funding specifically for that project and as a result has a restriction on its use placed upon it by the grant provider. The balance will fund expenditure yet to be incurred.

20 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
Tangible fixed assets	-	-	69,250	69,250	69,250
Current assets	1,767,150	240,759	1,781,019	3,788,928	3,944,254
Current liabilities	(80,253)	(24,904)	(148,855)	(254,012)	(280,801)
Creditors over 1 year	-	-	(69,250)	(69,250)	(69,250)
Total net assets	1,686,897	215,855	1,632,164	3,534,916	3,663,453

21 Related party transactions

There were no related party transactions in the year.

THE ALCOHOL AND DRUG SERVICE

England & Wales - Charity number 1108595

Accounts

Smailes Goldie Group
CREATING ADVANTAGE

REGISTERED COMPANY NUMBER: 05375809
REGISTERED CHARITY NUMBER: 1108595

The Alcohol and Drug Service

Financial Statements

31st March 2023

SD-0210180-1-6

The Alcohol and Drug Service

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for the year ended 31st March 2023

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The Alcohol and Drug Service

Reference and Administrative Details
for the year ended 31st March 2023

TRUSTEES	J Boddy (resigned 27.10.2022) A Smith K J Yorath D White (resigned 17.2.2023) U Vickerton (resigned 21.2.2023) A Wilkinson (appointed 24.3.2023) I D Parsons (appointed 24.3.2023) J Watkinson (resigned 8.2.2023)
REGISTERED OFFICE	82 Spring Bank Hull East Yorkshire HU3 1AB
REGISTERED COMPANY NUMBER	05375809 (England and Wales)
REGISTERED CHARITY NUMBER	1108595
AUDITORS	Smailes Goldie Chartered Accountants Statutory Auditor Regent's Court Princess Street Hull East Yorkshire HU2 8BA

The senior staff to whom the day to day management of the charity is delegated are collectively known as the Executive Team. Its members are:

T Young - Chief Executive
S Grunnill - Finance Director

The Alcohol and Drug Service

Report of the Trustees
for the year ended 31st March 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2023. The trustees have adopted the provisions of 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).

Public Benefit
The ADS clearly sets out the benefit it aims to deliver in its mission statement which is the core aim that sits at the centre of all the charity's planning and performance management. The mission is:

"The ADS will work in partnership to support people affected by substance misuse to make positive change"

To further support the mission statement, as a part of the consultation process used to generate the current strategic plan, a set of values and a vision statement were agreed. The vision statement is;

"The ADS aspire to be an organisation where the services we offer are individually tailored, creative, innovative, of the highest quality and result in the optimum outcome for each service user"

Within this the ADS has a clear understanding of the areas which are critical to its success in achieving its mission. Three areas which are central to this are:
- Easy access to services
- Speed at which access can be gained
- Achieving positive change in service users

Our values are:
- Honesty
  We believe that honesty underpins all that we do. We seek to improve our services and to identify lessons we must be honest with ourselves regarding our performance.
  We believe that trust is the foundation of an effective partnership approach, and that partnership is the defining characteristic of our relationship with service users, employees and those who purchase services from us.

- Diversity
  We believe that there is strength in diversity and that through embracing diversity new solutions and innovations are born.
  We believe that to encourage diversity and fairness, a non-judgemental approach and transparency are vital.

- Service user and carer focused
  We believe that our sole raison d'être is to deliver effective services to service users and carers.
  We believe that no two people are the same. As a result, personalised solutions are required and to achieve this people must be treated as individuals and services must be flexible in meeting their needs.
  We believe that with the right support service users can identify and implement changes which will enhance their lives.

- Effective.
  We believe that evidence based services that are continuously developing in the light of experience produce the most effective outcomes for service users.
  We believe that the effective use of resources and a value for money approach will maximise the number of service users we are able to support.

- Caring.
  We believe that the best services are delivered by people who care about what they do.
  We believe that hope and belief are nurtured in others when they encounter people who care.

National strategy
The national strategy published in January 2021 and the associated funding and guidance, represents a once in a generation opportunity to enhance the sector and set the agenda for many years to come.

ADS are well placed to utilise this opportunity and support change to improve support for those people affected by problematic substance use.

To do so the charity will;
- Share best practice it has developed with others;
- Work in partnership with other providers and national bodies such as the Office of Health Improvement and Disparity (OHID);
- Continue to invest in its mission.

Planning
The charity believes that comprehensive and well informed planning forms the corner stone to the continued success. As part of the on-going planning for the agency all annual plans and strategy documents are approved by the Board. Progress against all plans is reported to the Board at each meeting.

The planning framework consists of the following.

Strategic Plan
This plan describes the overall direction of the charity for the coming 3 to 5 years.

Annual Business Plan
This plan describes how the ADS business activity over the coming year will support progress towards meeting its objectives.

Annual Workforce Development Plan
This plan describes how the ADS will support its workforce in its ability to continue to deliver and enhance its ability to continue to deliver quality services.

Quality and performance
A robust Quality Assurance framework is in place which contains a range of internal quality indicators for both human resources and service delivery. These are reported monthly to managers and on a quarterly basis to the Board.

Quality Management System (BS EN ISO 9001:2015)
An annual audit by external auditors assures the Management System has been implemented/maintained and is operating in accordance with the standards.

A good employer and a good place to work
Holding the Investors in People award since 2016 the charity is proud to be a good employer and a good place to work but continues to seek improvement. In addition to the Investors reviews the charity collects data on key measures of performance.

Short Term Sickness		
Year	Result (%)	Target (%)
2022/23	3.37	4
2021/22	2.19	

Average Turnover		
Year	Result (%)	Target (%)
2022/23	2.07	3
2021/22	1.64	

Appraisals completed		
Year	Result (%)	Target (%)
2022/23	91.74	95
2021/22	94.69	

Current Training Plan		
Year	Result (%)	Target (%)
2022/23	100	95
2021/22	100	

Deliver high quality services.
The charity's mission statement is "... to support people affected by substance misuse to make positive change". Using three domains for positive change of psychological health, quality of life and physical health measured using the national tool, Treatment Outcomes Measure (TOM), significant positive change can be demonstrated in people whether they leave services in a planned or unplanned way.

ALL DISCHARGES	
Psychological Health	+29.5%
Quality of Life	+28.1%
Physical Health	+19.7%

In terms of abstinence, for the year 2022/23 fourteen people per week left the charity's services free of the substance used problematically and did not return. (Ref: NDTMS https://www.ndtms.net/ data to 31 March 2023).

Workforce
ADS continue to offer the Assessed and Supported Year in Employment for newly qualified social workers and placements to social workers in training. Supporting the development of a professional workforce and ensuring that the next generation of qualified professionals understands substance misuse and may be attracted to work in the field.

Investing in our mission
The ADS has effective financial controls in place which enable it to manage its internal finances and provide timely information to commissioners in order to support the management of their budgets.

Due to this continued good financial planning and management, the charity is in a healthy financial position including having free reserves. This year has made it possible to continue investing in the mission whilst remaining within an annual budget and to invest outside that budget using free reserves and to plan for investing further in the years to come.

Examples of current and future investments include the following:

Career map
The career map provides a clear pathway for those who wish to progress their career with ADS. Training is identified as Mandatory and Career Progression.

- Current Year Investment:
  Career progression training is funded centrally allowing budget holders to focus on local priorities

- Future Year Investment:
  The provision of apprenticeships is being actively worked on to build the capacity of the charity and the field as a whole. In order to do so the use of free reserves may be used to create specific supernumerary apprentice roles.

Case study
"I really find the career map useful as it clearly defines the stages and training requirements."
"When I came into this job I said if I could get to a Band E by the end of my career, I will be happy, but I'm already past that. I didn't imagine that I would be band F within 4 years."

Recruitment
Investment in a recruitment module in the previous year resulted in increased efficiency which is also supported by the development of a targeted approach to recruitment.

- Current Year Investment:
  An on-boarding platform will go live.

- Future Year Investment:
  In the coming year investment will include a specific recruitment brand, a micro-site, and a graduate programme.

Social Work
The charity employs a Lead social worker who chairs the social work governance group and supports the development of a professional culture across the workforce.

The role of social workers has been established in the charity for over a decade and their role recognised in the current national strategy, putting ADS at the forefront of developments. In the coming year the career path for social workers will be codified and integrated with the existing service based map, building a comprehensive suite of documents for employees wishing to plan their career.

- Current Year Investment:
  The social work lead role will be developed into a strategic post.

- Future Year Investment:
  Social work apprenticeship will be developed and go live.

Training
The charity has continued to invest in the creation of a training department/service called Generis for the past 4 years. This has enabled the development and enhancement of the charity's ability to deliver accredited and bespoke training across the charity and beyond.

This accredited training is the bedrock of the charities career map and assures the quality of training employees receive.

Generis currently delivers the only active Diploma in substance use in England and operates a learning platform invested in two years ago.

The work Generis does with commercial and statutory organisations enables the early intervention with people who are beginning to develop problematic substance use. This early intervention supports people to recover without the need for specialist services and before they and their lives have sustained significant damage.

The training to other support and statutory organisations such as social work departments enable such departments to deliver more effective support to people with substance use problems and in doing so supports access and social justice.

This year in partnership with a mental health charity, Generis designed, developed, and delivered suicide training linking to substance misuse.

- Current Year Investment:
  The learning platform will continue.

- Future Year Investment:
  Additional posts will be recruited to manage future developments.

Information Communication Technology (ICT)
The charity has invested in ICT over the previous two years and continued to do so last year and has plans for further investments in the coming year. Investment in electronic and cloud-based applications in Human Resources, recruitment and on-boarding, a learning portal, data analysis software and finance applications have continued throughout the year.

- Current Year Investment:
  The Hub will be developed as a one stop shop for employees to access the charities assets

- Future Year Investment:
  A drive to adopt the principle of Enterprise Resource Planning (ERP) to ensure the integrated management of main business processes in real-time and mediated by software and technology.
  Cyber Essentials Plus certification for cyber security will be attained.
  A microsite will be mobilised to support recruitment and retention.

Central Governance
The coming year will include a review of the charity's governing documents (Articles) and central governance systems, with a view to investments to enhance the current systems and resources the following year.

Stakeholders
The charity regularly consults with stakeholders utilising feedback to continue to improve services.

Commissioners are consulted in a number of formal and informal ways. In addition to formal monitoring meetings a partnership approach to developments and joint planning ensures the opinions of commissioners are embedded in the service development.

Service Users are regularly consulted throughout services, with some operating an on-going formal consultation and others using periodic surveys. Feedback is sought on an on-going basis from Service User Groups and mentors to ensure their ideas and thoughts are reflected and their involvement is included in the co-design and implementation of new developments.

Employee consultation is through team and other meetings, supervision, and whole service events. An annual ADS conference offers the opportunity for all ADS employees and those of partnership organisations to be consulted and an employee forum provides a forum where employee representatives meet with the Chief Executive. News and the publication of annual plans continue to be made available on the charity's hub or intranet ensuring that all employees have access to information, policies and plans in an easy to access format.

Diversity
The charity has a formal diversity monitoring mechanism and the data from this is reviewed regularly by the Board. The recruitment and employment process is monitored to enable the charity to monitor and ensure that the processes themselves do not discriminate and act as a barrier to employment with the charity. All indicators were positive.

Service delivery
Based upon its stated focus, the Alcohol and Drug Service offers a confidential, professional, modern approach to alcohol and drug problems. At present our services cover the areas of the East Riding, Doncaster and Hull.
The ADS has maintained its commitment to its core focus under the following four headings.
- The full range of community based services.
- Delivering services to both rural and urban areas.
- Partnership working.
- Supporting early intervention outside of specialist services.

The charity continues to develop alliances and partnerships to provide service users with access to key wrap around support vital for sustaining recovery.
All the charity's services are delivered in partnerships and/or feature significant alliances including two partnerships with NHS Trusts.

Operations
Aspire (Doncaster)
Delivered with our partner the Rotherham, Doncaster and South Humber NHS Foundation Trust (RDaSH), the Aspire service is a unique community based recovery model based on our three community approach.

Criminal Justice Team
The team is charged with ensuring that people in the criminal justice system receive high quality support and good outcomes. This is no easy task where there are numerous parts to the system and people can move through them quickly and at short notice. A focus for the coming year will be to ensure that when people are released from prison they successfully engage with community services.

Parenting Service
The service aim is to support the children of parents struggling with substance use. Its success has made a real difference to those children and to their parents. For instance, the safeguarding status of 35% of the children reduced whilst involved with the service

Alcohol Early Intervention and Outreach Team
The team targets people who may be drinking more than usual and aims to intervene before the need for specialist services. The senior practitioner lead for the team said. "People tell us that the service has completely changed their life, improved their relationships, work ethic and opportunities".

Recovery Games
The very popular annual Recovery Games which celebrate recovery, seeks to break stereotypes and make connections in communities took place in person for the first time since the lockdown this year.
To celebrate and for the first time, a music stage was introduced with the music was provided by people in recovery, and led by Drywave, the UK's largest sober event promoters.

Next year is the tenth anniversary of the Games so expect more fun, mayhem, and celebration.

Access and Liaison Service
Embedded within a larger mental health team primarily based in Doncaster Royal Infirmary (DRI), the service aims to support people with substance use problems who end up in the hospital. Through close working with community services including the specialist drug and alcohol service, they support and guide people towards the help they need.

A wide range of people not usually seen by substance use services were seen and supported to make positive change, access wider 'wrap around' services, and into treatment with specialist services.

The East Riding Partnership
Delivered with our partner The Humber Teaching NHS Foundation Trust, the service covers a large rural area of approximately 900 square miles. During the pandemic the service has not stood still and has pushed on with a number of new developments and further establishing recent innovations.

Young People's Service
The service has grown and developed since last year becoming a team of 5. It now includes dedicated support for schools and colleges and intense targeted interventions for young people at risk of criminal/sexual exploitation. The introduction of the Parenting Under Pressure Programme (PuPs) has proved effective in helping both young people and their parents.

Optimize
Prescription medication service working with GPs to support people who have been on prescription medications for significant lengths of time. Working with the GP and pain clinics the services supports the reduction of medication and a more holistic approach to managing conditions.

Inclusion Health Service
The homelessness navigator work carried out by the team has continued in delivery of constructive interventions with homeless or newly settled service users. The service is developing well with over 1,000 interventions delivered in the year and collaboration with many other services, including, Hepatitis C Team, Emmaus, Conifer House and Hey MIND.

Within the broader East Riding Partnership the team has integrated with existing services and worked closely at events with the Young People's Service particularly

The Juice Bar
The Juice Bar continues to grow and develop. This year the introduction of three-way calls and meetings where a former IPED user is in the session with the service user and worker. this is one group for whom the use of remote meeting technology has proved a boon. Many IPED users are working with one commenting ""...the real bonus has been the flexibility, so that we have been able to have our sessions at really convenient times for all of us and I no longer need to travel from where I live, which is miles away, which makes it really easy." The live chat service continues to draw people from all over the globe providing expert advice on what is a very complex issue.

Hull Primary Care Addiction Service
The service caters for a service user group who are long term users but who, due to a variety of protective factors, are unlikely to achieve abstinence in the foreseeable future.
The service agreed a 6 month pilot based on the Optimise service. The pilot was effective and has been extended and the team reprofiled to include a nurse specialist.
At the other end of the scale due to a sudden and short notice withdrawal of a GP practice, the service moved quickly and safely to ensure there was no gap in support for those patients involved and transfers were smooth.

Generis
Aimed at offering support to employers to prevent substance use becoming a serious problem for their employees and business, Generis articulates the economic and employee welfare benefits to provide a clear business case for employers.

At the beginning of the year Generis achieved 'direct award' status for the awarding bodies.

This year Generis was awarded a contract with MIND to develop training on Mental Health, Substance misuse and suicide. The contract included delivery to 180 people. After the successful completion of the contracted work there was a clear demand from other areas so, a decision was taken to roll the training out to a larger audience. This is being done in partnership with a mental health charity Think Mental Health.

Peer Mentors and volunteers
A review of the competences and roles of mentors and volunteers took place through the year and as a result the Practice Forum has developed and authorised two new roles with associated training and competencies.

Social media
Facebook, Instagram and twitter continue to be utilized by the charity and service user groups are encouraged to use their own Facebook pages to support their recovery network.

Website
A comprehensive review of the website has taken place this year and a new site will be launched in the summer of 2023.

The address is: www.ads-uk.org

Financial management
Introduction
The economic environment has been challenging over recent years with competition growing, funding reducing and a commissioning approach increasingly characterised by the use of commercial tendering mechanisms. In this challenging landscape the ADS has utilised its strong financial position to invest in the skills and resources to ensure that its services remain of a high quality and that it continues to effectively deliver on its mission.

Income
There was an increase in income (17.5%) this year with overall income at £5,253,490 (2021/22; £4,472,461).

Expenditure
The majority of the ADS's funding is Restricted, in that the income is required to be expended on specific services that are contracted. Expenditure in 2022/23 amounted to £4,061,857 (2021/22 £3,358,476). Whilst most of this is pay costs and there has been a growth in the establishment, there has been a continued investment in up skilling key posts and resourcing the organisation to meet the challenges of the current economic environment. The majority of these costs relate primarily to the operational staff, and the ADS continue to minimise management and administration costs and demonstrate best value to commissioners. In order to ensure this is transparent to purchasers a direct charge of 10% is levied on all contracts.

Balance sheet
There has been no significant change in the fixed assets of the ADS.

The balance of cash held across all accounts at the year-end was £3,823,923 (2021/22 £2,538,973).

Corporate governance, risk management and reserves policy
The ADS Trustees have given consideration to the major risks to which the Charity is exposed and to the systems designed to mitigate those risks. The ADS has an experienced Management Board, principally drawn from senior figures in commerce, health and the criminal justice system, which has ably supported its growth.

The Management Board oversees and approves the overall strategy and management of the ADS and meets four times a year, reviewing business developments and agreeing policy with the Executive Team.

The Chief Executive is responsible for day to day control of operations and the performance of the ADS. The Chief Executive has also set in place operational controls over service provision, to ensure that employees are trained and working to proper standards.

An annual Business and Finance Strategy review is carried out, and from this an Action Plan is completed and agreed by the Board. The plan sets out priorities for new service opportunities and funding. The ADS prepares detailed budgets and monthly management accounts, and the performance of each cost centre is monitored against budget by the budget holder supported by a management accountant. The Management Board monitor performance against the global budget.

In order that the ADS is compliant with Charity Commission guidelines, and to enable it to deal with any issues arising from short-term fluctuations in funding and/or cash flow, the Board sets a minimum reserves target. This target has been achieved and maintained. The mechanism for calculating the minimum reserves target sits within a comprehensive reserves policy that is reviewed annually.

The overall finance strategy is delivered through a range of annual plans and policies ensuring the delivery of the charity's objectives. This balanced approach has enabled the investment in capacity and infrastructure alongside traditional investments and a business case approach through which additional income is generated while enhancing the charity's ability to deliver its objectives.

Outlook
The service is in a sound financial position and the recent investment has ensured that the structures, skills and resources are in place to control and manage expansion and development going forward.

The operational management structure and systems reflect this and are sufficiently robust to manage and sustain development in the future. Alongside this the charity has a robust planning structure which supports an ethos of continuous improvement and development to enable forward planning and ensure the Board is able to continue to govern the agency effectively.

The ADS is well placed to build on its core areas and further develop and expand its services in the region. It has a growing reputation locally for providing a quality service, with a pro-active and experienced management team, supported by an active, professionally focused Management Board.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Alcohol and Drug Service is an incorporated Charity governed by the Constitution and Memorandum and Articles of Association adopted 2nd February, 2005. This ensures that the risk to Trustees is managed and that the charity is able to continue to attract and retain the calibre of Trustees necessary to maintain a Board of the highest quality best suited to deliver sound governance to the charity.

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The Constitution and Memorandum and Articles of Association set out the rules regarding membership and all members shall be entitled to vote at all general meetings of the agency.

The governance of the agency is the responsibility of the Board Trustees. A list of the Trustees can be found on page 1. Trustees are either elected at the annual general meeting or co-opted if necessary. The day to day management of the charity is devolved by the Board to an Executive Team (ET). The list of the members of the ET can be found on page 1. The principal office is situated at 82, Spring Bank, Hull.

In the event of a winding up of the charity any surplus funds must be granted to any such charitable organisation having objects similar to those of the agency.

TRUSTEES' RESPONSIBILITY STATEMENT

The Trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31st March 2023. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in 2005 in preparing the annual report and financial statements of the charity.

The trustees (who are also directors of The Alcohol & Drug Service for the purposes of company law) are responsible for preparing the Trustees' Annual 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 charitable company and of the incoming resources and application of resources, including 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 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 charitable company 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 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.

- 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 have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Report of the Trustees
for the year ended 31st March 2023

The Trustees have overall responsibility for ensuring that the charity has appropriate systems of internal controls, financial and otherwise. They are also responsible for keeping proper accounting records which 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 and detection of fraud and other irregularities.

An experienced Management Board oversees the charity, with the Executive Team reporting to the Board and being responsible for the day to day operational functioning of the charity.

Financial performance is monitored through the preparation of detailed budgets, forecasts and monthly management accounts.

The charity has an overarching objective to allow its resources to be allocated by those closest to its services and service users, while maintaining robust financial control. In order to enable this, the charity has a detailed budget setting procedure and map describing a process which ensures that local budget holders have a full input in setting their service budgets and accounts for organisational priorities and governance.

The process is reviewed annually with a primary indicator being the year end position of individual cost centres. The returning of a balanced position or better at the year end indicates that the initial budgets set were accurate and have been managed effectively throughout the year demonstrating that the process is proving effective.

The organization continues to explore the most effective ways to invest its resources in furtherance of its objectives. A comprehensive investment strategy and attendant policy is in place which includes a definition of investment encompassing traditional investment which seeks a monetary return and a category outlining the use of resources to enhance the charities capacity to improve services for service users, deliver on current contracts and better position it to increase business going forward.

The workforce development plan is based on an analysis of performance and supply and demand. The plan accounts for personal development; service and departmental development and succession planning.

All developments are linked with the charity's strategic, business and workforce development plans.

The charity publishes its annual and strategic plans on its intranet allowing all employees access and inviting scrutiny

Trustee policy and procedures
The ADS has robust systems in place for assuring the quality of its trustees, they include the following;
- Each role in the Board and its sub-groups has a specific Job Description and Persons Specification
- Board member recruitment policy and procedure
- Board member induction policy and procedure
- Board member training policy and procedure
- Board member registration of interests policy and procedure

Appointment of Trustees
To ensure the make up of the charity Board remains fit for purpose a 6 stage process is used.
1. Recruitment is triggered by one of the following factors
   - An existing Board member resigns and a replacement is sought
   - A review of the Board membership indicates a need for increased numbers, diversity or a specific skill/experience gap
2. A task and finish group, including members of the Board and ET is appointed.
3. Adverts are drawn up and posted and Board members are asked to utilise their networks
4. Applications are sorted and interviewed by the Task & Finish group
5. Decision confirmed by the full Board and noted at the next AGM
6. A Trustee induction programme is followed including, visits, documents and links to key documentation

Trustee Induction
Trustee induction has a number of elements including

- A welcome book which includes
  - The current Board members and biographies
  - ADS Board meeting dates, times and venues
  - What is substance misuse
  - A short history of the charity
  - An outline of the current National Drug & Alcohol Strategy
  - Data on the level of need for ADS services

- Information Reading which includes
  - The ADS Articles
  - The Charity Commission booklet 'The Essential Trustee'
  - The most recent ADS Annual Report
  - The current National Drug and Alcohol Strategy

- A programme including
  - Board orientation. Delivered by the Chair of the Board
  - Finance controls and structures. Delivered by the Finance Director
  - History and structure (operational management and Governance). Delivered by the Chief Executive
  - Central Office structure. Delivered by the Chief Executive and Finance Director
  - Visits to services

Executive Team performance and salary
The Executive Team's performance targets and salary are agreed by a Remuneration Committee. All targets are agreed annually and reflect the operating environment, the charity and the strategic objectives.

The remuneration committee is elected by the Board. The committee meet at least three times a year.

- A first meeting to agree the targets
- At the mid-point to discuss progress.
- A final meeting to consider the recommendation which will be made the full Board.

Targets are SMART with clear baselines set where a target is to improve current performance.

The targets are grouped under the following headings.

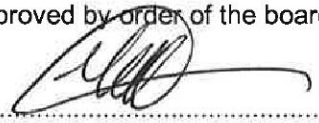
- Impact on beneficiaries
- Finance
- People (workforce)
- Performance against the Charity's Annual plans

Remuneration is set at two levels and is based on the annual uplift awarded to all employees

- Level 1 A one off payment equivalent to the annual uplift award
- Level 2 A one off payment equivalent to twice the annual uplift award

AUDITORS
The auditors, Smailes Goldie, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 20 July 2023 and signed on its behalf by:



.....
K J Yorath - Trustee

Report of the Independent Auditors to the Members of
The Alcohol and Drug Service

Opinion
We have audited the financial statements of The Alcohol and Drug Service (the 'charitable company') for the year ended 31st 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the charitable company's affairs as at 31st March 2023 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company'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 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 Report of the Independent Auditors 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 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.

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the 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 Report of the Trustees.

We have nothing to report in respect of the following matters where 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 not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees
As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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:

The extent to which the audit was considered capable of detecting irregularities including fraud
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 focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Charities Act 2011, the Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation. An understanding of these laws and regulations and the extent of compliance was obtained through discussion with management and inspecting legal and regulatory correspondence.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of 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 were indicative of potential bias; and
- investigated 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 supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators and legal advisors.

Due to the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances 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.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

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/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report
This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Stephen Bramall BSc FCA (Senior Statutory Auditor)
for and on behalf of Smailes Goldie
Chartered Accountants
Statutory Auditor
Regent's Court
Princess Street
Hull
East Yorkshire HU2 8BA

Date: 20 July 2023

The Alcohol and Drug Service

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the year ended 31st March 2023

	Notes	Unrestricted funds £	Designated Funds £	Restricted funds £	**2023 Total funds £**	2022 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and sundry income	2	**6,250**	**-**	**10,555**	**16,805**	8,706
Charitable activities	5					
Grants and contracts		**421,697**	**1,921,404**	**2,823,276**	**5,166,377**	4,423,556
Training		**50,469**	**-**	**-**	**50,469**	28,245
Other trading activities	3	**13,160**	**-**	**-**	**13,160**	11,920
Investment income	4	**6,679**	**-**	**-**	**6,679**	34
Total		**498,255**	**1,921,404**	**2,833,831**	**5,253,490**	4,472,461
EXPENDITURE ON						
Charitable activities	6					
Grants and contracts		**297,715**	**1,703,268**	**2,034,431**	**4,035,414**	3,332,849
Governance costs		**14,013**	**-**	**2,292**	**16,305**	11,035
Raising funds		**10,138**	**-**	**-**	**10,138**	14,592
Total		**321,866**	**1,703,268**	**2,036,723**	**4,061,857**	3,358,476
NET INCOME		**176,389**	**218,136**	**797,108**	**1,191,633**	1,113,985
Transfers between funds	18	**211,424**	**(211,436)**	**12**	**-**	-
Net movement in funds		**387,813**	**6,700**	**797,120**	**1,191,633**	1,113,985
RECONCILIATION OF FUNDS						
Total funds brought forward		**1,015,084**	**236,026**	**1,220,710**	**2,471,820**	1,357,835
TOTAL FUNDS CARRIED FORWARD		**1,402,897**	**242,726**	**2,017,830**	**3,663,453**	2,471,820

The notes form part of these financial statements

The Alcohol and Drug Service (Registered Number: 05375809)
Balance Sheet
31st March 2023

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	12	**69,250**	69,250
CURRENT ASSETS			
Debtors	13	**120,331**	82,299
Cash at bank		**3,823,923**	2,538,973
		3,944,254	2,621,272
CREDITORS			
Amounts falling due within one year	14	**(280,801)**	(149,452)
NET CURRENT ASSETS		**3,663,453**	2,471,820
TOTAL ASSETS LESS CURRENT LIABILITIES		**3,732,703**	2,541,070
CREDITORS			
Amounts falling due after more than one year	15	**(69,250)**	(69,250)
NET ASSETS		**3,663,453**	2,471,820
FUNDS	18		
Unrestricted funds:			
Unrestricted fund		**1,402,897**	1,015,084
Designated fund		**242,726**	236,026
		1,645,623	1,251,110
Restricted funds		**2,017,830**	1,220,710
TOTAL FUNDS		**3,663,453**	2,471,820

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 20 July 2023 and were signed on its behalf by:

.....
K J Yorath Trustee

The notes form part of these financial statements

The Alcohol and Drug Service

Cash Flow Statement
for the year ended 31st March 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	**1,278,271**	962,661
Net cash provided by operating activities		**1,278,271**	962,661
Cash flows from investing activities			
Interest received		**6,679**	32
Net cash provided by investing activities		**6,679**	32
Change in cash and cash equivalents in the reporting period		**1,284,950**	962,693
Cash and cash equivalents at the beginning of the reporting period	2	**2,538,973**	1,576,280
Cash and cash equivalents at the end of the reporting period	2	**3,823,923**	2,538,973

The notes form part of these financial statements

The Alcohol and Drug Service

Notes to the Cash Flow Statement
for the year ended 31st March 2023

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net income for the reporting period (as per the Statement of Financial Activities)	**1,191,633**	1,113,985
Adjustments for:		
Interest received	**(6,679)**	(32)
(Increase)/decrease in debtors	**(38,032)**	336,824
Increase/(decrease) in creditors	**131,349**	(488,116)
Net cash provided by operations	**1,278,271**	962,661

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/22 £	Cash flow £	**At 31/3/23 £**
Net cash			
Cash at bank	**2,538,973**	**1,284,950**	**3,823,923**
Total	**2,538,973**	**1,284,950**	**3,823,923**

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Income

- Income from donors and supporters

Grants and contract income is recognised when the charity has entitlement to the funds, after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably.

- Voluntary income

Cash donations, gifts and legacies are included in full in the Statement of Financial Activities as they are received.

- Other operating income

All other income is accounted for on an accruals basis.

- Investment income

Bank interest and investment bond income is included in the Statement of Financial Activities on receipt.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Administration includes the cost of management of the Charity's affairs.

Tangible fixed assets

Depreciation is calculated on the straight line basis to write down the cost of all fixed assets, except freehold property, over their expected useful lives.

The lives generally applicable are:

Office equipment	5 - 6 years

The Charity only considers capitalising items over £1,000.

Taxation

The Alcohol & Drug Service Limited is a U.K. registered Charity, number 1108595. All the Charity's income is applied to its charitable objectives and the Charity is, therefore, exempt under current legislation from most forms of taxation.

continued...

1. ACCOUNTING POLICIES - continued

Taxation
Value added tax is not recoverable by the Charity and is therefore charged to the Statement of Financial Activities or Balance Sheet as incurred.

Fund accounting
- Unrestricted funds
Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the Charity without further specified purpose and are available as general funds.

- Designated funds
Designated funds are funds earmarked by the management committee for a particular purpose.

- Restricted funds
Restricted funds are to be used for a specific purpose as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs where applicable..

Pension costs and other post-retirement benefits
The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the statement of financial activities in the period to which they relate. The assets of the scheme are externally administered by Trustees.

Hire purchase and leasing commitments
Rentals payable under operating leases are charged to the statement of financial activities over the period of the lease on a straight line basis.

Debtors and creditors receivable / payable within one year
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

2. DONATIONS AND SUNDRY INCOME

	2023	2022
	£	£
Sundry income	**4,200**	6,300
Donations and gifts	**12,605**	2,406
	16,805	8,706

3. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Placements and training	**13,160**	11,920

4. INVESTMENT INCOME

	2023	2022
	£	£
Bank interest	**6,679**	34

continued...

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	**2023**	2022
		£	£
Grants	Grants and contracts	**5,166,377**	4,423,558
Training	Training	**50,469**	28,245
		5,216,846	4,451,803

Grants received, included in the above, are as follows:

	2023	2022
	£	£
Doncaster Drug & Alcohol Service	**3,044,501**	2,521,805
East Riding Partnership	**1,197,887**	996,670
Hull Primary Care Addictions Service	**340,398**	340,398
Access and Liaison	**225,256**	279,823
Riverside	**358,335**	284,862
	5,166,377	4,423,558

6. EXPENDITURE

	Direct Costs	Support costs (see note 7)	Totals
	£	£	£
Grants and contracts	**3,831,650**	**203,764**	**4,035,414**
Governance costs	**8,454**	**7,851**	**16,305**
Raising funds	**10,130**	**8**	**10,138**
	3,850,234	**211,623**	**4,061,857**

Costs directly allocated to activities are as follows:

	Raising funds	Direct service activity	Governance	**2023**	2022
	£	£	£	**£**	£
Client health supplies	-	356,965	-	**356,965**	270,673
Staff costs	9,403	3,141,804	-	**3,151,207**	2,735,556
Recruitment	-	20,644	-	**20,644**	25,014
Staff training	727	85,389	-	**86,116**	26,048
Equipment purchase	-	2,152	-	**2,152**	-
Administration costs	-	45,574	-	**45,574**	22,807
Audit fees	-	-	7,784	**7,784**	7,367
AGM and annual report	-	-	670	**670**	1,008
Premises - direct	-	175,138	-	**175,138**	125,629
Volunteer expenses	-	3,984	-	**3,984**	1,833
	10,130	3,831,650	8,454	**3,850,234**	3,215,935

continued...

7. SUPPORT COSTS

	Management
	£
Raising fund	8
Grants and contracts	203,764
Governance costs	7,851
	211,623

Support costs, included in the above, are as follows:

	Raising funds	Grants and contracts	Governance costs	2023	2022
	£	£	£	£	£
General office and finance	8	15,370	339	15,717	12,744
Central premises	-	31,178	-	31,178	40,161
Communications	-	154,240	-	154,240	83,121
Bank charges	-	817	-	817	769
Professional fees	-	2,159	7,512	9,671	5,746
	8	203,764	7,851	211,623	142,541

8. NET INCOME

Net income is stated after charging:

	2023	2022
	£	£
Auditors' remuneration	7,784	7,367
Operating lease rentals	110,353	101,686

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2023 nor for the year ended 31st March 2022.

Trustees' expenses

Trustees were reimbursed £339 (2022: £nil) during the year for travel and expenses.

10. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	2,593,178	2,281,789
Social security costs	244,363	206,256
Pension	163,552	156,524
Other staff costs	150,114	84,966
	3,151,207	2,729,535

continued...

10. STAFF COSTS – continued

The average monthly number of employees during the year was as follows:

	2023	2022
Average number of employees	100	89
Average number of volunteers	13	17
	113	106

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	2022
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
	1	1

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and sundry income	9,370	-	(664)	8,706
Charitable activities				
Grants and contracts	358,382	1,722,844	2,342,330	4,423,556
Training	28,245	-	-	28,245
Other trading activities	11,920	-	-	11,920
Investment income	34	-	-	34
Total	407,951	1,722,844	2,341,666	4,472,461
EXPENDITURE ON				
Charitable activities				
Grants and contracts	209,418	1,512,186	1,611,245	3,332,849
Governance costs	8,388	-	2,647	11,035
Raising funds	14,592	-	-	14,592
Total	232,398	1,512,186	1,613,892	3,358,476
NET INCOME	175,553	210,658	727,774	1,113,985
Transfers between funds	90,550	20,870	(111,420)	-
Net movement in funds	266,103	231,528	616,354	1,113,985
RECONCILIATION OF FUNDS				
Total funds brought forward	748,981	4,498	604,356	1,357,835
TOTAL FUNDS CARRIED FORWARD	1,015,084	236,026	1,220,710	2,471,820

continued...

12. TANGIBLE FIXED ASSETS

	Freehold property £	Office equipment £	Totals £
COST			
At 1st April 2022 and 31st March 2023	**69,250**	**8,498**	**77,748**
DEPRECIATION			
At 1st April 2022 and 31st March 2023	**-**	**8,498**	**8,498**
NET BOOK VALUE			
At 31st March 2023	**69,250**	**-**	**69,250**
At 31st March 2022	69,250	-	69,250

In 1991 a grant was received from the then Hull Health Authority which was used to make necessary improvements to the property. The total cost of these improvements amounted to £42,041 against which a grant of £42,000 was received. The freehold land and buildings themselves were donated by the Hull Health Authority subject to a legal charge in their favour which was set at the open market value as assessed by the District Valuer as £69,250.

In order to comply with the accounting requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" published in 2005, the Trustees introduced the current value of the property into the Charity's balance sheet, together with the accompanying legal charge of the same amount.

The Trustees are of the opinion that the property occupied for the purposes of the Charity is maintained to such a level that ensures that the estimated useful life of the property is of such a length as to make a depreciation charge immaterial and therefore one has not been provided in the year ended 31st March 2023.

The Charity is not subject to taxation and therefore no liability would arise if the building were sold at its valuation.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	**36,320**	29,475
Other debtors	**8,254**	7,931
Prepayments and accrued income	**75,757**	44,893
	120,331	82,299

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	**95,608**	43,032
Other creditors	**21,735**	10,651
Accruals and deferred income	**163,459**	95,769
	280,802	149,452

continued...

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
East Riding & Hull Health Authority	**69,250**	69,250

The East Riding & Hull Health Authority holds a legal charge on the building donated to the Charity. Should the building be sold or cease to be used for the charitable objects of the Charity then £69,250 would be due to the Authority.

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023	2022
	£	£
Within one year	**72,575**	101,686
Between one and five years	**14,333**	72,409
	86,909	174,095

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Designated funds	Restricted funds	2023 Total funds	2022 Total funds
	£	£	£	£	£
Fixed assets	-	-	**69,250**	**69,250**	69,250
Current assets	**1,480,398**	**308,624**	**2,155,232**	**3,944,254**	2,621,272
Current liabilities	**(77,501)**	**(65,898)**	**(137,402)**	**(280,801)**	(149,452)
Long term liabilities	-	-	**(69,250)**	**(69,250)**	(69,250)
	1,402,897	**242,726**	**2,017,830**	**3,663,453**	2,471,820

18. MOVEMENT IN FUNDS

	At 1.4.22	Net movement in funds	Transfers between funds	At 31.3.23
	£	£	£	£
Unrestricted funds				
General fund	**1,015,084**	**176,389**	**211,424**	**1,402,897**
Designated funds				
Central Marketing Development	-	**(14,468)**	**14,690**	**222**
Central Workforce Enhancement	-	**(13,951)**	**9,900**	**(4,051)**
Hull Drug & Alcohol Service	**15,231**	**42,969**	**(15,231)**	**42,969**
ERP	**122,565**	**134,411**	**(122,565)**	**134,411**
Access & Liaison	**98,230**	**69,175**	**(98,230)**	**69,175**
	236,026	**218,136**	**(211,436)**	**242,726**
Restricted funds				
Doncaster Drug & Alcohol	**1,199,785**	**806,658**	-	**2,006,443**
Service User Group	**20,925**	**(9,550)**	**12**	**11,387**
	1,220,710	**797,108**	**12**	**2,017,830**
TOTAL FUNDS	**2,471,820**	**1,191,633**	-	**3,663,453**

continued...

18. MOVEMENT IN FUNDS – continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	**498,255**	**(321,866)**	**176,389**
Designated funds			
Central Marketing Development	**-**	**(14,468)**	**(14,468)**
Central Workforce Enhancement	**-**	**(13,951)**	**(13,951)**
Hull Drug & Alcohol Service	**309,453**	**(266,484)**	**42,969**
ERP	**1,088,033**	**(953,622)**	**134,411**
Access & Liaison	**196,583**	**(127,408)**	**69,175**
Riverside	**327,335**	**(327,335)**	**-**
	1,921,404	**(1,703,268)**	**218,136**
Restricted funds			
Doncaster Drug & Alcohol	**2,823,276**	**(2,016,618)**	**806,658**
Service User Group	**6,355**	**(15,905)**	**(9,550)**
ASYE	**4,200**	**(4,200)**	**-**
	2,833,831	**(2,036,723)**	**797,108**
TOTAL FUNDS	**5,253,490**	**(4,061,857)**	**1,191,633**

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	748,981	175,553	90,550	1,015,084
Designated funds				
Designated fund	4,498	(25,368)	20,870	-
Hull Drug & Alcohol Service	-	15,231	-	15,231
ERP	-	122,565	-	122,565
Access & Liaison	-	98,230	-	98,230
Riverside	-	-	-	-
	4,498	210,658	20,870	236,026
Restricted funds				
Hull Drug & Alcohol Service	19,842	-	(19,842)	-
ERP	34,713	-	(34,713)	-
Access & Liaison	56,865	-	(56,865)	-
Doncaster Drug & Alcohol	458,110	741,675	-	1,199,785
Restricted – Service user group restricted donations	34,826	(13,901)	-	20,925
	604,356	727,774	(111,420)	1,220,710
TOTAL FUNDS	1,357,835	1,113,985	-	2,471,820

continued...

18. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted fund	407,951	(232,398)	175,553
Designated funds			
Designated fund	-	(25,368)	(25,368)
Hull Drug & Alcohol Service	309,453	(294,222)	15,231
ERP	904,283	(781,718)	122,565
Access & Liaison	250,079	(151,849)	98,230
Riverside	259,029	(259,029)	-
	1,722,844	(1,512,186)	210,658
Restricted funds			
Doncaster Drug & Alcohol	2,342,330	(1,600,655)	741,675
Restricted - Service user group restricted donations	(6,964)	(6,937)	(13,901)
ASYE	6,300	(6,300)	-
	2,341,666	(1,613,892)	727,774
TOTAL FUNDS	4,472,461	(3,358,476)	1,113,985

Restricted funds

The restricted funds of the Charity comprise unexpended balances of grants to be applied for specific purposes.

Each project is subject to individual funding specifically for that project and as a result has a restriction on its use placed upon it by the grant provider. The balance will fund expenditure yet to be incurred.

19. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution scheme, the amount charged to the Statement of Financial Activities in the year to 31st March 2023 was £163,552 (2022: £156,524). There are also some employees in the NHS pension scheme which cannot be valued and is, therefore, disclosed on a contributions basis. Required payments to all of the schemes are up to date.

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st March 2023.

THE ALCOHOL AND DRUG SERVICE

England & Wales - Charity number 1108595

Accounts

Smailes Goldie Group
CREATING ADVANTAGE

REGISTERED COMPANY NUMBER: 05375809 (England and Wales)
REGISTERED CHARITY NUMBER: 1108595

The Alcohol and Drug Service

Financial Statements

31st March 2022

SD-0206378-1-6

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The Alcohol and Drug Service

Reference and Administrative Details
for the year ended 31st March 2022

TRUSTEES	J Boddy A Smith K J Yorath D White M Garlick (resigned 21.10.2021) U Vickerton J Watkinson (appointed 16.04.2021)
REGISTERED OFFICE	82 Spring Bank Hull East Yorkshire HU3 1AB
REGISTERED COMPANY NUMBER	05375809 (England and Wales)
REGISTERED CHARITY NUMBER	1108595
AUDITORS	Smailes Goldie Chartered Accountants Statutory Auditor Regent's Court Princess Street Hull East Yorkshire HU2 8BA

The senior staff to whom the day to day management of the charity is delegated are collectively known as the Executive Team. Its members are:

T Young - Chief Executive
S Grunnill - Finance Director

The Alcohol and Drug Service

Report of the Trustees
for the year ended 31st March 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2022. The trustees have adopted the provisions of 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).

Appointment of Trustees
To ensure the make up of the charity Board remains fit for purpose a 6 stage process is used.

1. Recruitment is triggered by one of the following factors
    - An existing Board member resigns and a replacement is sought
    - A review of the Board membership indicates a need for increased numbers, diversity or a specific skill/experience gap
2. A task and finish group, including members of the Board and ET is appointed.
3. Adverts are drawn up and posted and Board members are asked to utilise their networks
4. Applications are sorted and interviewed by the Task & Finish group
5. Decision confirmed by the full Board and noted at the next AGM
6. A Trustee induction programme is followed including, visits, documents and links to key documentation

Public Benefit

The ADS clearly sets out the benefit it aims to deliver in its mission statement which is the core aim that sits at the centre of all the charity's planning and performance management. The mission is:

"The ADS will work in partnership to support people affected by substance misuse to make positive change"

To further support the mission statement, as a part of the consultation process used to generate the current strategic plan, a set of values and a vision statement were agreed. The vision statement is;

"The ADS aspire to be an organisation where the services we offer are individually tailored, creative, innovative, of the highest quality and result in the optimum outcome for each service user"

Within this the ADS has a clear understanding of the areas which are critical to its success in achieving its mission. Three areas which are central to this are:

- Easy access to services
- Speed at which access can be gained
- chieving positive change in service users

To further support the mission statement, as a part of a consultation process a set of values and a vision statement were agreed. The vision statement is;

"The ADS aspire to be an organisation where the services we offer are individually tailored, creative, innovative, of the highest quality and result in the optimum outcome for each service user"

Our values are;

- Honesty.
  We believe that honesty underpins all that we do. We seek to improve our services and in order to identify lessons we must be honest with ourselves regarding our performance.

  We believe that trust is the foundation of an effective partnership approach and that partnership is the defining characteristic of our relationship with service users, employees and those who purchase services from us.

- Diversity
  We believe that there is strength in diversity and that through embracing diversity new solutions and innovations are born.

  We believe that in order to encourage diversity fairness, a non-judgemental approach and transparency are vital.

- Service user and carer focused
  We believe that our sole raison d'être is to deliver effective services to service users and carers.

  We believe that no two people are the same. As a result personalised solutions are required and to achieve this people must be treated as individuals and services must be flexible in meeting their needs.

  We believe that with the right support service users are able to identify and implement changes which will enhance their lives

- Effective.
  We believe that evidence based services that are continuously developing in the light of experience produce the most effective outcomes for service users.

  We believe that the effective use of resources and a value for money approach will maximise the number of service users we are able to support.

- Caring.
  We believe that the best services are delivered by people who care about what they do
  We believe that hope and belief are nurtured in others when they encounter people who care.

Access to services (Maximising the number of beneficiaries)

The ADS believes that the initial step to achieving the mission is to ensure that there is access to its services. For without easy public access, no matter how high the quality of a service is, the number of beneficiaries would be limited.

Although local solutions are sought in each service there are common standards across the organisation. For instance,

- All ADS services are DDA compliant and have access to interpreters if required
- A hub and spoke model has been rolled out which in rural areas or larger urban conurbations supports access for service users by taking services into the community.

Access

There is often a short window during which substance misusers are motivated to engage with positive change. The charity therefore also focuses on the speed at which the public can access its services, and the ADS Board sets targets for waiting times.

Initial advice and support is offered through Direct Access facilities. Service users can self refer directly to services. Lessons learned throughout the pandemic have resulted in an expansion of the 'Live Chat' facility providing direct access to advice and support and an on-line screening and referral option.

The year has seen several innovations aimed at reaching people who do not ordinarily access services. These include;

- In Doncaster
  - Parenting support
  - Alcohol Early Intervention and Outreach Team
- In the East riding
  - Inclusion health services
  - Young Peoples service

Quality and performance

A robust Quality Assurance framework is in place which contains a range of internal quality indicators for both human resources and service delivery. These are reported monthly to managers and on a quarterly basis to the Board.

A good employer and a good place to work

The ADS is proud to be a good employer and a good place to work but continues to seek improvement. During the pandemic the charity developed ways to continue to support employees. The covid-19 bulletins continued to be issued offering advice, guidance, and information in a rapidly changing world. As did the light hearted monthly 'News from around the ADS' newsletter. The annual conference focused on employees' experience of working through the pandemic. There were some very powerful and moving stories which really demonstrated the care for both service users and each other delivered across the organisation.

Key measures such as average staff turnover and appraisals completed continue to be within targets set by the Board.

Short Term Sickness		
Year	Result (%)	Target (%)
2021/22	2.19	4
2020/21	1.53	

Short term sickness has increased slightly since last year but remains within the target set by the Board.

Average Turnover		
Year	Result (%)	Target (%)
2020/22	1.14	3
2020/21	0.80	

Turnover has increased slightly since last year but remains within the target set by the Board

The charity offers a supportive environment for employees, encouraging personal development. 94.69% of appraisals were completed within 28 days of the due date. This is a slight decrease in performance since last year missing the target of 95% by 0.31%. All employees had a personal training plan in place and with the roll out of the ADS Career Map people are able to plan their careers and access the training required.

With all Health and Safety targets met, the charity can demonstrate its commitment to assuring the health and safety of its employees at work.

Appraisals		
Year	Result (%)	Target (%)
2021/22	94.69	95
2020/21	98.89	

External audit

ADS is keen to ensure that its performance is subject to independent scrutiny and advice. In the area of workforce the charity uses Investors in People to fulfill this role. First recognised as an Investors in People organisation in July 2016, the most recent re-accreditation inspection took place in June 2022. The inspection noted the following,

- Your people say they are most proud of the service ADS delivers and the impact this has on individuals and society.
- Your people find their work interesting and rewarding.
- Your people have confidence and trust in the capabilities of the leadership to effectively lead the organisation and continue to secure sustainable success.
- Your people value the access to learning and development and the progression opportunities.
- Your people believe the benefits offered are good, in particular the generous holiday entitlement, Simplyhealth and enhanced sick pay.
- Your people appreciate how supportive managers are with both personal and professional issues.
- Your people spoke of feeling well supported throughout the pandemic.
- Your people believe the appraisal and supervision process is really useful for feedback and development.
- Your people feel listened to.

Financially sound

The ADS has effective financial controls in place which enable it to manage its internal finances and provide timely information to commissioners in order to support the management of their budgets.

Due to continued good financial planning and management, this year it has been possible to continue investing in the workforce in the short, medium and long term. This includes continuing to support Generis which has developed the only active accredited Diploma in Substance Misuse in England. The acquisition of a comprehensive e-learning platform has ensured that although geographically spread, all ADS employees have easy access to training provided.

Having been working towards the professionalizing of the workforce for a number of years it was gratifying to see this feature in both the Dame Carol Black Report and the subsequent National Drug (and Alcohol) Strategy published in January.

Offer value for money

The ADS has been able to support commissioners in a difficult financial climate by returning services which are value for money. In many instances the agency has been able to deliver contracts under the contracted price thus ensuring that the benefit from public money is maximized. The charity has been able to enhance services through making bids to grant making bodies and other sources outside of the statutory commissioning system.

Through fundraising, the ADS can support recovery beyond contract specifications including enhancements and activities such as service users and family events. This year more than many others the ability to purchase additional resources was critical in ensuring service users continued to receive support.

Deliver high quality services

The ADS collects evidence which monitors that its services are effective in supporting positive change in people affected by substance misuse. Data is submitted to the National Drug Treatment Monitoring System (NDTMS). The performance figures demonstrate that ADS services successfully promoted and delivered positive outcomes for service users

Approximately 13 (12.9) people per week leave services free of the substance used problematically and do not return. (Ref: NDTMS https://www.ndtms.net/ data to 31 March 2022)

Mission statement

The charity's mission statement is "... to support people affected by substance misuse to make positive change". The charity strives to ensure that all service users it has contact with benefit from that contact including those who do not exit drug or alcohol free or in a planned way. In order to measure the wider impact of services the charity continues to measure its performance for all those who enter its services, whether they complete their stay through a planned discharge or not.

The data below shows that, in line with our mission, all those who engage with services see a benefit to all those we see.

Domain	Percentage improvement		
	All Discharges	Unsuccessful Discharges	Successful Discharges
Psychological Health	29.5	24.3	29.6
Quality of Life	28.1	22.9	25.5
Physical Health	19.7	16.8	17.6

Regularly seek the opinions of its stakeholders
Commissioners are consulted in a number of formal and informal ways. In addition to formal monitoring meetings a partnership approach to developments and joint planning ensures the opinions of commissioners are embedded in the service development.

Service Users are regularly consulted throughout the ADS services, with some services operating an on-going formal consultation and others using periodic surveys. Feedback is sought on an on-going basis from Service User Groups and mentors to ensure their ideas and thoughts are reflected and their involvement is included in the co-design and implementation of new developments.

In the East Riding the new Young People's service in partnership with 'Healthwatch' and the East Riding College undertook a consultation exercise seeking feedback on how to develop the service. This has now moved forward to establish an inter agency forum with Young People at the heart of service development.

For employees, consultation is through team and other meetings, supervision, and whole service events. An annual ADS conference offers the opportunity for all ADS employees and those of partnership organisations to be consulted. An employee forum is in place through which employee representatives meet with the Chief Executive. News and the publication of annual plans continue to be made available ensuring that all employees have access to information, policies and plans in an easy to access format.

Diversity
The charity has a formal diversity monitoring mechanism and the data from this is reviewed regularly by the Board. The recruitment and employment process is monitored to enable the charity to monitor and ensure that the processes themselves do not discriminate and act as a barrier to employment with the charity. All indicators were positive.

The Agency
Based upon its stated focus, the Alcohol and Drug Service offers a confidential, professional, modern approach to alcohol and drug problems. At present our services cover the areas of the East Riding, Doncaster and Hull.
The ADS has maintained its commitment to its core focus under the following four headings.

- The full range of community based services
- Delivering services to both rural and urban areas
- Partnership working.
- Supporting early intervention outside of specialist services

Service delivery

The charity continues to develop alliances and partnerships to provide service users with access to key wrap around support vital for sustaining recovery. A sub-contract with a supported accommodation provider was agreed at the beginning of the year supported by commissioners. This was to run a pilot with the aim of identifying the best way to support service users into stable accommodation. The pilot has been a success and the final recommendations have been presented to commissioners for consideration.

The charity also recognises the need to continue enhancing the skills of its employees and to seek to retain these skills. The career map has been rolled out in 2021/22 which describes the academic qualifications for each role in the service and operational structure offering assurance of quality, while at the same time allowing employees to plan a career with ADS. To support this a central training fund has been created and accredited training developed and made available to employees. Several new posts have been created using the principles of 'traineeships', this provides people without experience a way into the field and to gain academic qualifications.

ADS have continue to offer the Assessed and Supported Year in Employment for newly qualified social workers and placements to social workers in training. Thus, further supporting the development of a professional workforce and ensuring that the next generation of qualified professionals understands substance misuse.

Objectives and activities
The overarching aim of the ADS is:
"To identify and help prevent, as well as actively promote the means of preventing, alcohol-related problems and other addictive behaviours such as drug and substance misuse. Also to provide counselling help and care management for clients with the above problems, and to provide advice, support and help for the families of persons with alcohol problems and other addictive behaviours, as outlined above" (ADS constitution and articles of memorandum)

This is clearly articulated in the agency's published mission statement:
"The ADS will work in partnership to support people affected by substance misuse to make positive change"

Within this the agency has set clear business and service objectives within a robust planning and monitoring framework that include a strategic plan, an annual workforce development plan and an annual business plan. Within these plans long term and annual objectives are set and monitored through a reporting framework.

Business and finance

A 'contribution' charge is levied on each contract as a vehicle for demonstrating and ensuring that the maximum amount of income is spent on direct service provision. The target of 10% set by the Board has been met again this year.

Service and Human Resources
A Human Resource performance framework is in place and progress against the annual workforce development plan is reported directly to the Board, which sets and reviews performance targets annually. A robust service performance framework is in place. The performance targets are set and reviewed annually by the Board. All national and contractual targets have been met.

Through a systematic and flexible approach to planning and management, the development of the charity has been achieved in a sustainable manner.

Operations
Aspire (Doncaster)
Delivered with our partner the Rotherham, Doncaster and South Humber NHS Foundation Trust (RDaSH), the Aspire service is a unique community based recovery model based on our three community approach.

Criminal Justice Team
With additional money provided through the Universal Criminal Justice grant the team has grown significantly during the year. Mobilisation was approached as a partnership with regular meetings including both the Probation Service, Local prisons and commissioners. The environment was dynamic with each of the organisations involved going through significant change. The success of the mobilisation reflects the working relationships developed by the team and their managers.

Parenting Service
It's the first time a family friendly service of this kind has operated in Doncaster and is open to over 18's living in the borough who have caring responsibilities for children.
The service is based away from the main adult services and offers appointments at the base, in peoples homes and at Family Hubs. The aim of the service is to improve the lives of children whose parents are struggling with substance misuse.

Alcohol Early Intervention and Outreach Team
The team targets people who may be drinking more than usual, perhaps triggered by the isolation of the pandemic, but who find it difficult to access traditional services.

The very popular annual Recovery Games celebrating recovery could not take place as a face to face event this year due to the on-going pandemic restrictions. However, a virtual Games was delivered with teams from across the UK and Europe taking part. The feedback was very positive and included that as a virtual event it enabled many who wouldn't otherwise have been able to, to take part.

Access and Liaison Service
Embedded within a larger mental health team primarily based in Doncaster Royal Infirmary (DRI), the service found itself at the sharp end of the pandemic. The staff team rose to the challenge and further developed and integrated into the wider DRI.

A wide range of people not usually seen by substance misuse services were seen and supported to make positive change, access wider 'wrap around services, and into treatment with specialist services.

The East Riding Partnership
Delivered with our partner The Humber Teaching NHS Foundation Trust, the service covers a large rural area of approximately 900 square miles. During the pandemic the service has not stood still and has pushed on with a number of new developments and further establishing recent innovations.

In January the service was recognised for its work and won the Greatix award for excellence in patient safety.

Young People's Service
The work completed during the last quarter with 'Healthwatch' (YP) and the East Riding College has now moved forward to establish an inter agency forum with Young People at the heart of service development.

Optimize
Prescription medication service working with GP's to support people who have been on prescription medications for significant lengths of time. Working with the GP and pain clinics the services supports the reduction of medication and a more holistic approach to managing conditions

Inclusion Health Service
The homelessness navigator work carried out by the team has continued in delivery of constructive interventions with homeless or newly settled service users. The service has developed and improved its links and is working with other services to provide a holistic service.
Inclusion health van provides a mobile clinic and ensures that the service is easily accessible across the area and is beginning to be known and recognised in the community and by other services.

The Juice Bar
The Juice Bar continues to grow and develop. This year the main routes of contact for service users have been by telephone, email and the live chat service. The live chat service especially, has seen a large increase in usage in the last half of the year. The service is becoming more visible both locally and nationally, and is still being contacted via the Live Chat service from international locations, the latest being located in USA.

The service has both increased its reach and gained a positive reputation as evidenced by contact from a service user in Scotland who was given the contact details from his GP when he went for support with anabolic steroid use.

Hull Primary Care Addiction Service
The service caters for a service user group who are long term users but who, due to a variety of protected factors, are unlikely to achieve abstinence in the foreseeable future.
Working with service users and commissioners the service has developed over the previous year and expanded provision by including an additional 2 further GP practices. The development of a Trainee Case Manager has also enhanced the skill mix and internal career pathway.

Generis
Aimed at offering support to employees to prevent substance use becoming a serious problem for their employees and business, Generis articulates the economic and employee welfare benefits to provide a clear business case for employers. At the beginning of the year Generis achieved 'direct award' status for the awarding bodies.

The developments this year have included the development of the only active Diploma in Substance use in England and a successful partnership with Mind which produced a tailored substances misuse and suicide training course. At the time of writing all 180 places on the course have been taken.

The procurement of an e-learning platform has enabled Generis to offer courses in a much more accessible way to learners and companies alike. The team has expanded in order to manage the increase in demand and the service continues to develop new innovative training and ways of reaching people.

Peer Mentors and volunteers
A review of the competences and roles of mentors and volunteers took place through the year and as a result the Practice Forum has developed and authorised two new roles with associated training and competencies.

Digital and social media
The charity has made a significant investment in two platforms enabling a more efficient and effective delivery of services. A recruitment module to enhance the electronic Human Resources system has been purchased and will be mobilised during the first two quarters of 2022/23; In addition a world class e-learning platform has been purchased and the mobilisation began in the final quarter of this year.
The live chat facilities continue to enable direct access to expert support and advice.

A review of the ICT strategy took place and will be rolled out during 2022/23

Social media
Facebook, Instagram and twitter continue to be utilized by the charity and service user groups are encouraged to use their own Facebook pages to support their recovery network.

Website
The website is continuously developed in response to changing need and the environment and was crucial to both provide live chat access and to enabling Generis to deliver services.

The address is: www.ads-uk.org

Financial management
Introduction
The economic environment has been challenging over recent years with competition growing, funding reducing and a commissioning approach increasingly characterised by the use of commercial tendering mechanisms. In this challenging landscape the ADS has utilised its strong financial position to invest in the skills and resources to ensure that its services remain of a high quality and that it continues to effectively deliver on its mission.

Income
There was an increase in income (49.49) this year with overall income at £4,472,461 (2020/21; £2,991,754).

Expenditure
Expenditure in 2021/22 amounted to £3,358,476 (2020/21 £2,768,446). Whilst most of this is pay costs and there has been a growth in the establishment, there has been a continued investment in up skilling key posts and resourcing the organisation to meet the challenges of the current economic environment. The majority of these costs relate primarily to the operational staff, and the ADS continue to minimise management and administration costs and demonstrate best value to commissioners. In order to ensure this is transparent to purchasers a direct charge of 10% is levied on all contracts.

Balance sheet
There has been no significant change in the fixed assets of the ADS.

The balance of cash held across all accounts at the year-end was £2,538,973 (2020/21 £1,576,280)

Corporate governance, risk management and reserves policy
The ADS Trustees have given consideration to the major risks to which the Charity is exposed and to the systems designed to mitigate those risks. The ADS has an experienced Management Board, principally drawn from senior figures in commerce, health and the criminal justice system, which has ably supported its growth.

The Management Board oversees and approves the overall strategy and management of the ADS and meets four times a year, reviewing business developments and agreeing policy with the Executive Team.

The Chief Executive is responsible for day to day control of operations and the performance of the ADS. The Chief Executive has also set in place operational controls over service provision, to ensure that employees are trained and working to proper standards.

An annual Business and Finance Strategy review is carried out, and from this an Action Plan is completed and agreed by the Board. The plan sets out priorities for new service opportunities and funding. The ADS prepares detailed budgets and monthly management accounts, and the performance of each cost centre is monitored against budget by the budget holder supported by a management accountant. The Management Board monitor performance against the global budget.

In order that the ADS is compliant with Charity Commission guidelines, and to enable it to deal with any issues arising from short-term fluctuations in funding and/or cash flow, the Board sets a minimum reserves target. This target has been achieved and maintained. The mechanism for calculating the minimum reserves target sits within a comprehensive reserves policy that is reviewed annually.

The overall finance strategy is delivered through a range of annual plans and policies ensuring the delivery of the charity's objectives. This balanced approach has enabled the investment in capacity and infrastructure alongside traditional investments and a business case approach through which additional income is generated while enhancing the charity's ability to deliver its objectives.

Outlook
The service is in a sound financial position and the recent investment has ensured that the structures, skills and resources are in place to control and manage expansion and development going forward.

The operational management structure and systems reflect this and are sufficiently robust to manage and sustain development in the future. Alongside this the charity has a robust planning structure which supports an ethos of continuous improvement and development to enable forward planning and ensure the Board is able to continue to govern the agency effectively.

The ADS is well placed to build on its core areas and further develop and expand its services in the region. It has a growing reputation locally for providing a quality service, with a pro-active and experienced management team, supported by an active, professionally focused Management Board.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Alcohol and Drug Service is an incorporated Charity governed by the Constitution and Memorandum and Articles of Association adopted 2nd February, 2005. This ensures that the risk to Trustees is managed and that the charity is able to continue to attract and retain the calibre of Trustees necessary to maintain a Board of the highest quality best suited to deliver sound governance to the charity.

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The Constitution and Memorandum and Articles of Association set out the rules regarding membership and all members shall be entitled to vote at all general meetings of the agency.

The governance of the agency is the responsibility of the Board Trustees. A list of the Trustees can be found on page 1. Trustees are either elected at the annual general meeting or co-opted if necessary. The day to day management of the charity is devolved by the Board to an Executive Team (ET). The list of the members of the ET can be found on page 1. The principal office is situated at 82, Spring Bank, Hull.

In the event of a winding up of the charity any surplus funds must be granted to any such charitable organisation having objects similar to those of the agency.

TRUSTEES' RESPONSIBILITY STATEMENT

The Trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31st March 2022. The Trustees have adopted the provisions of 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) in preparing the annual report and financial statements of the charity.

The trustees (who are also directors of The Alcohol & Drug Service for the purposes of company law) are responsible for preparing the Trustees' Annual 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 charitable company and of the incoming resources and application of resources, including 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 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 charitable company 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 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.

- 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 have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees have overall responsibility for ensuring that the charity has appropriate systems of internal controls, financial and otherwise. They are also responsible for keeping proper accounting records which 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 and detection of fraud and other irregularities.

An experienced Management Board oversees the charity, with the Executive Team reporting to the Board and being responsible for the day to day operational functioning of the charity.

Financial performance is monitored through the preparation of detailed budgets, forecasts and monthly management accounts.

The charity has an overarching objective to allow its resources to be allocated by those closest to its services and service users, while maintaining robust financial control. In order to enable this, the charity has a detailed budget setting procedure and map describing a process which ensures that local budget holders have a full input in setting their service budgets and accounts for organisational priorities and governance.

The process is reviewed annually with a primary indicator being the year end position of individual cost centres. The returning of a balanced position or better at the year end indicates that the initial budgets set were accurate and have been managed effectively throughout the year demonstrating that the process is proving effective.

The organization continues to explore the most effective ways to invest its resources in furtherance of its objectives. A comprehensive investment strategy and attendant policy is in place which includes a definition of investment encompassing traditional investment which seeks a monetary return and a category outlining the use of resources to enhance the charities capacity to improve services for service users, deliver on current contracts and better position it to increase business going forward.

The workforce development plan is based on an analysis of performance and supply and demand. The plan accounts for personal development; service and departmental development and succession planning.

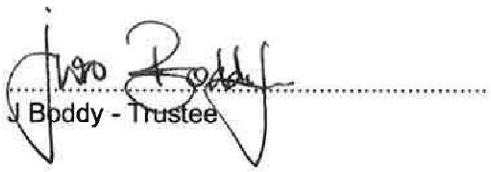
All developments are linked with the charity's strategic, business and workforce development plans.

The charity publishes its annual and strategic plans on its intranet allowing all employees access and inviting Scrutiny

Trustee policy and procedures
The ADS has robust systems in place for assuring the quality of its trustees, they include the following;
- Each role in the Board and its sub-groups has a specific Job Description and Persons Specification
- Board member recruitment policy and procedure
- Board member induction policy and procedure
- Board member training policy and procedure
- Board member registration of interests policy and procedure

Chief Executive performance and salary
The Chief Executive's performance targets and salary are agreed by a Remuneration Committee
- comprising 3 trustees.

AUDITORS
The auditors, Smailes Goldie, will be proposed for re-appointment at the forthcoming Annual General Meeting.
Approved by order of the board of trustees on 27 October 2022 and signed on its behalf by:



J Boddy - Trustee

Report of the Independent Auditors to the Members of The Alcohol and Drug Service

Opinion
We have audited the financial statements of The Alcohol and Drug Service (the 'charitable company') for the year ended 31st 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the charitable company's affairs as at 31st March 2022 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company'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 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 Report of the Independent Auditors 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 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.

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of
The Alcohol and Drug Service

Matters on which we are required to report by exception
In the light of the 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 Report of the Trustees.

We have nothing to report in respect of the following matters where 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 not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees
As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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:

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 focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, tax legislation, data protection, anti-bribery, employment, environmental and health and safety legislation. An understanding of these laws and regulations and the extent of compliance was obtained through discussion with management and inspecting legal and regulatory correspondence.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of 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 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

Report of the Independent Auditors to the Members of
The Alcohol and Drug Service

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 supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators and the company's legal advisors.

Due to the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances 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.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

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/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report
This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Stephen Bramall BSc FCA (Senior Statutory Auditor)
for and on behalf of Smailes Goldie
Chartered Accountants
Statutory Auditor
Regent's Court
Princess Street
Hull
East Yorkshire HU2 8BA

Date: 27 October 2022

The Alcohol and Drug Service

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the year ended 31st March 2022

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and sundry income	2	9,370	-	(664)	8,706	32,008
Charitable activities	5					
Grants and contracts		358,382	1,722,844	2,342,330	4,423,556	2,945,501
Training		28,245	-	-	28,245	3,299
Other trading activities	3	11,920	-	-	11,920	10,810
Investment income	4	34	-	-	34	136
Total		407,951	1,722,844	2,341,666	4,472,461	2,991,754
EXPENDITURE ON						
Charitable activities	6					
Grants and contracts		209,418	1,512,186	1,611,245	3,332,849	2,737,487
Governance costs		8,388	-	2,647	11,035	9,450
Raising funds		14,592	-	-	14,592	21,509
Total		232,398	1,512,186	1,613,892	3,358,476	2,768,446
NET INCOME/(EXPENDITURE)		175,553	210,658	727,774	1,113,985	223,308
Transfers between funds	18	90,550	20,870	(111,420)	-	-
Net movement in funds		266,103	231,528	616,354	1,113,985	223,308
RECONCILIATION OF FUNDS						
Total funds brought forward		748,981	4,498	604,356	1,357,835	1,134,527
TOTAL FUNDS CARRIED FORWARD		1,015,084	236,026	1,220,710	2,471,820	1,357,835

The notes form part of these financial statements

The Alcohol and Drug Service (Registered Company Number: 05375809)

Balance Sheet
31st March 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible assets	12	69,250	69,250
CURRENT ASSETS			
Debtors	13	82,299	419,123
Cash at bank		2,538,973	1,576,280
		2,621,272	1,995,403
CREDITORS			
Amounts falling due within one year	14	(149,452)	(637,568)
NET CURRENT ASSETS		2,471,820	1,357,835
TOTAL ASSETS LESS CURRENT LIABILITIES		2,541,070	1,427,085
CREDITORS			
Amounts falling due after more than one year	15	(69,250)	(69,250)
NET ASSETS		2,471,820	1,357,835
FUNDS	18		
Unrestricted funds:			
General fund		1,015,084	748,981
Designated fund		236,026	4,498
		1,251,110	753,479
Restricted funds		1,220,710	604,356
TOTAL FUNDS		2,471,820	1,357,835

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 27 October 2022 and were signed on its behalf by:

U Vickerton - Trustee

The notes form part of these financial statements

The Alcohol and Drug Service

Cash Flow Statement
for the year ended 31st March 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	962,661	421,824
Net cash provided by operating activities		962,661	421,824
Cash flows from investing activities			
Interest received		32	136
Net cash provided by investing activities		32	136
Change in cash and cash equivalents in the reporting period		962,693	421,960
Cash and cash equivalents at the beginning of the reporting period	2	1,576,280	1,154,320
Cash and cash equivalents at the end of the reporting period	2	2,538,973	1,576,280

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the year ended 31st March 2022

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income for the reporting period (as per the Statement of Financial Activities)	1,113,985	223,308
Adjustments for:		
Interest received	(32)	(136)
Decrease/(increase) in debtors	336,824	(188,696)
(Decrease)/increase in creditors	(488,116)	387,348
Net cash provided by operations	962,661	421,824

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.21 £	Cash flow £	At 31.3.22 £
Net cash			
Cash at bank	1,576,280	962,693	2,538,973
	1,576,280	962,693	2,538,973
Total	1,576,280	962,693	2,538,973

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Income

- Grant and contract income

Grant and contract income is recognised when the charity has entitlement to the funds, after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably.

- Voluntary income

Cash donations, gifts and legacies are included in full in the Statement of Financial Activities as they are received.

- Other operating income

All other income is accounted for on an accruals basis.

- Investment income

Bank interest and investment bond income is included in the Statement of Financial Activities on receipt.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Administration includes the cost of management of the Charity's affairs.

Tangible fixed assets

Depreciation is calculated on the straight line basis to write down the cost of all fixed assets, except buildings, over their expected useful lives.

The lives generally applicable are:

Office equipment	5 - 6 years

The Charity only considers capitalising items over £1,000.

Taxation

The Alcohol & Drug Service Limited is a U.K. registered Charity, number 1108595. All the Charity's income is applied to its charitable objectives and the Charity is, therefore, exempt under current legislation from most forms of taxation.

continued...

1. ACCOUNTING POLICIES - continued

Taxation

Value added tax is not recoverable by the Charity and is therefore charged to the Statement of Financial Activities or Balance Sheet as incurred.

Fund accounting

- Unrestricted funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the Charity without further specified purpose and are available as general funds.

- Designated funds

Designated funds are funds earmarked by the management committee for a particular purpose.

- Restricted funds

Restricted funds are to be used for a specific purpose as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs where applicable.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the statement of financial activities in the period to which they relate. The assets of the scheme are externally administered by Trustees.

Hire purchase and leasing commitments

Rentals payable under operating leases are charged to the statement of financial activities over the period of the lease on a straight line basis.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

2. DONATIONS AND SUNDRY INCOME

	2022	2021
	£	£
Sundry income	6,300	10
Donations and gifts	2,406	31,998
	8,706	32,008

3. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Placements and training	11,920	10,810

continued...

4. INVESTMENT INCOME

	2022	2021
	£	£
Bank interest	32	136

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2022	2021
		£	£
Grants	Grants and contracts	4,423,558	2,945,501
Training	Training	28,245	3,299
		4,451,803	2,948,800

Grants received, included in the above, are as follows:

	2022	2021
	£	£
Doncaster Drug & Alcohol Service	2,521,805	1,634,869
East Riding Partnership	996,670	778,574
Hull Primary Care Addictions Service	340,398	340,398
Access and Liaison	279,823	191,660
Riverside	284,862	-
	4,423,558	2,945,501

6. EXPENDITURE

Costs directly allocated to activities are as follows:

	Raising funds	Direct service activity	Governance	2022	2021
	£	£	£	£	£
Client health supplies	-	270,673	-	270,673	1,696
Staff costs	14,071	2,721,485	-	2,735,556	2,463,716
Recruitment	-	25,014	-	25,014	3,960
Staff training	809	25,239	-	26,048	10,678
Equipment purchase	-	-	-	-	88
Administration costs	492	22,315	-	22,807	22,816
Audit fees	-	-	7,367	7,367	6,070
AGM and annual report	-	-	1,008	1,008	708
Premises - direct	-	125,629	-	125,629	161,159
Support costs (note 7)	(780)	140,661	2,660	142,541	97,525
Volunteer expenses	-	1,833	-	1,833	28
	14,592	3,332,849	11,035	3,358,476	2,768,444

continued...

7. SUPPORT COSTS

	Management
	£
Raising funds	(780)
Grants and contracts	140,661
Governance costs	2,660
	142,541

Support costs, included in the above, are as follows:

	Raising funds	Grants and contracts	Governance costs	2022	2021
	£	£	£	£	£
General office and finance	20	12,711	13	12,744	11,201
Central premises	-	40,161	-	40,161	15,514
Communications	(800)	83,921	-	83,121	65,079
Bank charges	-	769	-	769	633
Professional fees	-	3,099	2,647	5,746	5,098
	(780)	140,661	2,660	142,541	97,525

8. NET INCOME

Net income is stated after charging:

	2022	2021
	£	£
Auditors' remuneration	7,367	6,070
Operating lease rentals	101,686	101,686

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2022 nor for the year ended 31st March 2021.

Trustees' expenses

Trustees were reimbursed £nil (2021: £nil) during the year for travel and expenses.

continued...

10. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	**2,281,789**	2,064,080
Social security costs	**206,256**	184,848
Pension	**156,524**	153,300
Healthcare & other non-payroll costs	**84,966**	61,488
	2,729,535	2,463,716

The average monthly number of employees during the year was as follows:

	2022	2021
Average number of employees	89	83
Average number of volunteers	17	21
	106	104

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022	2021
£70,001 - £80,000	1	1

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Designated funds	Restricted funds	Total funds
	£	£	£	£
INCOME AND ENDOWMENTS FROM				
Donations and sundry income	12,318	-	19,690	32,008
Charitable activities				
Grants and contracts	277,546	-	2,667,955	2,945,501
Training	3,299	-	-	3,299
Other trading activities	10,810	-	-	10,810
Investment income	136	-	-	136
Total	304,109	-	2,687,645	2,991,754
EXPENDITURE ON				
Charitable activities				
Grants and contracts	275,647	11,591	2,450,249	2,737,487
Governance costs	6,850	-	2,600	9,450
Raising funds	21,509	-	-	21,509
Total	304,006	11,591	2,452,849	2,768,446
NET INCOME/(EXPENDITURE)	103	(11,591)	234,796	223,308

continued...

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds £
Transfers between funds	45,809	16,089	(61,898)	-
Net movement in funds	45,912	4,498	172,898	223,308
RECONCILIATION OF FUNDS				
Total funds brought forward	703,069	-	431,458	1,134,527
TOTAL FUNDS CARRIED FORWARD	748,981	4,498	604,356	1,357,835

12. TANGIBLE FIXED ASSETS

	Freehold property £	Office equipment £	Totals £
COST			
At 1st April 2021 and 31st March 2022	69,250	8,498	77,748
DEPRECIATION			
At 1st April 2021 and 31st March 2022	-	8,498	8,498
NET BOOK VALUE			
At 31st March 2022	69,250	-	69,250
At 31st March 2021	69,250	-	69,250

In 1991 a grant was received from the then Hull Health Authority which was used to make necessary improvements to the property. The total cost of these improvements amounted to £42,041 against which a grant of £42,000 was received. The freehold land and buildings themselves were donated by the Hull Health Authority subject to a legal charge in their favour which was set at the open market value as assessed by the District Valuer as £69,250.

In order to comply with the accounting requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" published in 2005, the Trustees introduced the current value of the property into the Charity's balance sheet.

The Trustees are of the opinion that the property occupied for the purposes of the Charity is maintained to such a level that ensures that the estimated useful life of the property is of such a length as to make a depreciation charge immaterial and therefore one has not been provided in the year ended 31st March, 2022.

The Charity is not subject to taxation and therefore no liability would arise if the building were sold at its valuation.

continued...

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	29,475	360,774
Other debtors	7,931	7,785
Prepayments and accrued income	44,893	50,564
	82,299	419,123

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	43,032	20,259
Other creditors	10,651	486,959
Accruals and deferred income	95,769	130,350
	149,452	637,568

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
East Riding & Hull Health Authority	69,250	69,250

The East Riding & Hull Health Authority holds a legal charge on the building donated to the Charity. Should the building be sold or cease to be used for the charitable objects of the Charity then £69,250 would be due to the Authority.

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022	2021
	£	£
Within one year	101,686	101,686
Between one and five years	187,075	98,542
	288,761	200,228

continued...

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Designated funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
Fixed assets	-	-	69,250	69,250	69,250
Current assets	1,071,319	255,892	1,294,061	2,621,272	1,995,403
Current liabilities	(56,235)	(19,866)	(73,351)	(149,452)	(637,568)
Long term liabilities	-	-	(69,250)	(69,250)	(69,250)
	1,015,084	236,026	1,220,710	2,471,820	1,357,835

18. MOVEMENT IN FUNDS

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	748,981	175,553	90,550	1,015,084
Designated funds				
Designated fund	4,498	(25,368)	20,870	-
Hull Drug & Alcohol Service	-	15,231	-	15,231
ERP	-	122,565	-	122,565
Access & Liaison	-	98,230	-	98,230
Riverside	-	-	-	-
	4,498	210,658	20,870	236,026
Restricted funds				
Hull Drug & Alcohol Service	19,842	-	(19,842)	-
ERP	34,713	-	(34,713)	-
Access & Liaison	56,865	-	(56,865)	-
Doncaster Drug & Alcohol	458,110	741,675	-	1,199,785
Restricted – Service user group restricted donations	34,826	(13,901)	-	20,925
	604,356	727,774	(111,420)	1,220,710
TOTAL FUNDS	1,357,835	1,113,985	-	2,471,820

Income and expenditure arisings from Hull Drug & Alcohol Service, ERP and Access & Liaison contracts have historically been shown as restricted funds and any balance at the year end transferred into unrestricted funds. On review, the income is not restricted, however, the trustees have designated the income on each contract to a separate fund. The funds have, therefore, now been recognised within designated funds rather than restricted funds.

continued...

18. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted fund	407,951	(232,398)	175,553
Designated funds			
Designated fund	-	(25,368)	(25,368)
Hull Drug & Alcohol Service	309,453	(294,222)	15,231
ERP	904,283	(781,718)	122,565
Access & Liaison	250,079	(151,849)	98,230
Riverside	259,029	(259,029)	-
	1,722,844	(1,512,186)	210,658
Restricted funds			
Doncaster Drug & Alcohol	2,342,330	(1,600,655)	741,675
Restricted - Service user group restricted donations	(6,964)	(6,937)	(13,901)
ASYE	6,300	(6,300)	-
	2,341,666	(1,613,892)	727,774
TOTAL FUNDS	4,472,461	(3,358,476)	1,113,985

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
Unrestricted fund	703,069	103	45,809	748,981
Designated fund	-	(11,591)	16,089	4,498
	703,069	(11,488)	61,898	753,479
Restricted funds				
Hull Primary Care Addictions Service	21,231	19,842	(21,231)	19,842
East Riding Partnership	40,670	34,711	(40,668)	34,713
Service user group restricted donations	15,270	19,556	-	34,826
Doncaster Drug & Alcohol Service	344,511	113,599	-	458,110
Access & Liaison	9,776	47,089	-	56,865
	431,458	234,797	(61,899)	604,356
TOTAL FUNDS	1,134,527	223,308	-	1,357,835

continued...

18. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted fund	304,109	(304,006)	103
Designated fund	-	(11,591)	(11,591)
	304,109	(315,597)	(11,488)
Restricted funds			
Hull Primary Care Addictions Service	309,453	(289,611)	19,842
East Riding Partnership	706,141	(671,430)	34,711
Service user group restricted donations	19,690	(134)	19,556
Doncaster Drug & Alcohol Service	1,486,245	(1,372,646)	113,599
Access & Liaison	166,116	(119,027)	47,089
	2,687,645	(2,452,848)	234,797
TOTAL FUNDS	2,991,754	(2,768,446)	223,308

Restricted funds

The income funds of the Charity include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purposes:

Each project is subject to individual funding specifically for that project and as a result has a restriction on its use placed upon it by the donor. The balance will fund expenditure yet to be incurred.

19. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution scheme, the amount charged to the Statement of Financial Activities in the year to 31st March 2022 was £156,524 (2021: £153,300). There are also some employees in the NHS pension scheme which cannot be valued and is, therefore, disclosed on a contributions basis.

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st March 2022.

THE ALCOHOL AND DRUG SERVICE

England & Wales - Charity number 1108595

Accounts

Smailes Goldie Group
CREATING ADVANTAGE

Charities Commission

REGISTERED COMPANY NUMBER: 05375809 (England and Wales)
REGISTERED CHARITY NUMBER: 1108595

The Alcohol and Drug Service

Financial Statements

31st March 2021

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Reference and Administrative Details
for the year ended 31st March 2021

TRUSTEES	A Wilkinson (resigned 15.10.2020) J Boddy A Smith K J Yorath D White M Garlick U Vickerton J Watkinson (appointed 15.04.2021)
REGISTERED OFFICE	82 Spring Bank Hull East Yorkshire HU3 1AB
REGISTERED COMPANY NUMBER	05375809 (England and Wales)
REGISTERED CHARITY NUMBER	1108595
AUDITORS	Smailes Goldie Chartered Accountants Statutory Auditor Regent's Court Princess Street Hull East Yorkshire HU2 8BA

The senior staff to whom the day to day management of the charity is delegated are collectively known as the Executive Team. Its members are:

T Young - Chief Executive
S Grunnill - Finance Director

Report of the Trustees
for the year ended 31st March 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2021. The trustees have adopted the provisions of 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).

Public Benefit

The ADS clearly sets out the benefit it aims to deliver in its mission statement which is the core aim that sits at the centre of all the charity's planning and performance management. The mission is:

"The ADS will work in partnership to support people affected by substance misuse to make positive change"

To further support the mission statement, as a part of the consultation process used to generate the current strategic plan, a set of values and a vision statement were agreed. The vision statement is;

"The ADS aspire to be an organisation where the services we offer are individually tailored, creative, innovative, of the highest quality and result in the optimum outcome for each service user"

Within this the ADS has a clear understanding of the areas which are critical to its success in achieving its mission. Three areas which are central to this are:
- Easy access to services
- Speed at which access can be gained
- Achieving positive change in service users

Access to services (Maximising the number of beneficiaries)

The ADS believe that the initial step to achieving the mission is to ensure that there is access to its services. For without easy public access, no matter how high the quality of a service is, the number of beneficiaries would be limited.

Although local solutions are sought in each service there are common standards across the organisation. For instance,
- All ADS services are DDA compliant and have access to interpreters if required
- A hub and spoke model has been rolled out which in rural areas or larger urban conurbations supports access for service users by taking services into the community
- All ADS services provide interpreters where necessary. Such services are provided within a framework of sound governance underpinned by a comprehensive interpreter policy which has been sanctioned by the charities insurance providers
- During the pandemic the rapid increase in development of the use of technology was underpinned by a parallel development of standard operational procedures and standards. This ensured the governance systems in place were able to work effectively. This is supported by comprehensive, GDPR compliant, data protection policies.
- Where possible services are taken into communities through service 'hubs'

Access

There is often a short window during which substance misusers are motivated to engage with positive change. The charity therefore also focuses on the speed at which the public can access its services, and the ADS Board sets targets for waiting times.

Initial advice and support is ordinarily offered through 'walk in' or Direct Access facilities. However, during the pandemic the service was delivered virtually over the phone. This ensured that service users and carers continued to be able to access this element of the service immediately continuing a zero-waiting time for this service element.

Barriers to accessing service can include geography and transport difficulties. During the pandemic the charity further developed its virtual offer to enable people to access services and support. This includes Live Chat, a Facebook based Recovery Network and on-line screening and referral.

For structured and care planned interventions waiting times have been maintained within the 3 week target set by the Board and in line with national standards. This was maintained using welcome groups delivered virtually. Thereafter, one to one interventions were delivered virtually for the majority of service users. Where clinical assessments required face to face contact, the services developed standard operating procedures informed by covid-19 risk assessments. PPE was provided to service users where necessary.

The use of virtual clinical appointments was informed and supported by results of the first known randomly controlled trial (RCT) of Telemedicine versus Face-to-Face consultations for patients with opioid dependence attending prescriber review, approved by the Health Research Authority. The research was completed within the East Riding service and the results presented at the June 2021 Royal College of Psychiatrists international congress and published in the BJPsych open journal.

Quality and performance

A robust Quality Assurance framework is in place which contains a range of internal quality indicators for both human resources and service delivery. These are reported monthly to managers and on a quarterly basis to the Board.

The charity holds the ISO9001:2015 Quality Management accreditation and the Investors in People award. These assure the quality of the organization and provide external scrutiny.

An internal quality dashboard is tabled at each Board meeting which includes a range of indicators agreed by the Board.

A good employer and a good place to work

The ADS is proud to be a good employer and a good place to work but continues to seek improvement. During the pandemic the charity developed ways to continue to support employees. These ranged from policy development and review, including the agile working policy and other new initiatives such as the introduction of welfare checks for those working remotely which supplemented the existing supervision system. Regular covid-19 bulletins were issued offering advice, guidance, and information in a rapidly changing world. To ensure connections across the charity a light hearted monthly 'News from around the ADS' newsletter was produced.

Key measures such as average staff turnover and appraisals completed within the target time continue to improve.

Short Term Sickness		
Result		
Year	%	
2020/21	1.53	Improved
2019/20	3.05	

Short term sickness has improved since last year and remains within the target set by the Board of 4%.

Turnover		
Result		
Year	%	
2020/21	0.80	Improved
2019/20	1.24	

Turnover has improved since last year to 0.80% and remains within the target set by the Board of 3%.

Report of the Trustees
for the year ended 31st March 2021

The charity offers a supportive environment for employees, encouraging personal development. 98.89% of appraisals were completed within 28 days of the due date. This is an improvement in performance since last year. All employees had a personal training plan in place. With all Health and Safety targets met, the charity can demonstrate its commitment to assuring the health and safety of its employees at work.

Appraisals		
Result		
Year	%	
2020/21	98.89	Improved
2019/20	91.51	

Financially sound
The ADS has effective financial controls in place which enable it to manage its internal finances and provide timely information to commissioners in order to support the management of their budgets.

Due to continued good financial planning and management, this year it has been possible to plan for and implement a number of new initiatives. These include investing in Generis an exciting new service aiming to extend support beyond traditional services to employees and employers and the continued provision of the service user funds to all services.

Towards the end of the year this enabled the charity to provide significant resources to support its response to the covid-19 pandemic and subsequent lock down including the purchase of equipment to allow virtual groups and the design and production of short 20 second films giving vital information to service users and the wider drug and alcohol using population.

Offer value for money
The ADS has been able to support commissioners in a difficult financial climate by returning services which are value for money. In many instances the agency has been able to deliver contracts under the contracted price thus ensuring that the benefit from public money is maximized. The charity has been able to enhance services through making bids to grant making bodies and other sources outside of the statutory commissioning system.

Through fundraising, the ADS can support recovery beyond contract specifications including enhancements and activities such as service users and family events. This year more than many others the ability to purchase additional resources was critical in ensuring service users continued to receive support. for example, the live chat facility was extended and staffed using a rota drawn from across all the charities services.

Deliver high quality services
The ADS collect evidence which monitors that its services are effective in supporting positive change in people affected by substance misuse. Data is submitted to the National Drug Treatment Monitoring System (NDTMS). The performance figures demonstrate that ADS services successfully promoted and delivered positive outcomes for service users

Approximately 9(8.8) people per week leave services free of the substance used problematically and do not return. (Ref: NDTMS https://www.ndtms.net/ data to 31 March 2020)1)

Mission statement
The charities mission statement is "... to support people affected by substance misuse to make positive change". The charity strives to ensure that all service users it has contact with benefit from that contact including those who do not exit drug or alcohol free or in a planned way. In order to measure the wider impact of services the charity has invested in software which enabled the collection and analysis of changes in wellbeing domains. The data is collected using the Treatment Outcome Profile (TOP's) a validated tool of measurement.

The data below shows the percentage improvement for all service users with whom the charity has contact, indicating that there is a benefit to those we see.

Domain	Percentage improvement across all discharges	
	East Riding	Doncaster
Psychological Health	27.0%	30.7%
Quality of Life	20.2%	30.0%
Physical Health	17.0%	22.6%

Regularly seek the opinions of its stakeholders
Commissioners are consulted in a number of formal and informal ways. In addition to formal monitoring meetings a partnership approach to developments and joint planning ensures the opinions of commissioners are embedded in the service development.

Service Users are regularly consulted throughout the ADS services, with some services operating an on-going formal consultation and others using periodic surveys. Feedback is sought on an on-going basis from Service User Groups and mentors to ensure their ideas and thoughts are reflected and their involvement is included, in the co-design and implementation of new developments.

For employees, consultation is through team and other meetings, supervision, and whole service events. An annual ADS conference offers the opportunity for all ADS employees and those of partnership organisations to be consulted. An employee forum is in place through which employee representatives meet with the Chief Executive. News and the publication of annual plans continue to be posted on the ADS intranet ensuring that all employees have access to information, policies and plans in an easy to access format.

Diversity
The charity has a formal diversity monitoring mechanism and the data from this is reviewed regularly by the Board. The recruitment and employment process is monitored to enable the charity to monitor and ensure that the processes themselves do not discriminate and act as a barrier to employment with the charity. All indicators were positive.

The Agency

Based upon its stated focus, the Alcohol and Drug Service offers a confidential, professional, modern approach to alcohol and drug problems. At present our services cover the areas of the East Riding, Doncaster and Hull.

The ADS has maintained its commitment to its core focus under the following four headings.

- The full range of community based services
- Delivering services to both rural and urban areas
- Partnership working.
- Supporting early intervention outside of specialist services

Service delivery

All service delivery has continued throughout the pandemic and the associated restrictions using a mix of innovative solutions, new technology and expertise.

The charity continues to develop alliances and partnerships to provide service users with access to key wrap around support vital for sustaining recovery. Talks to bring a supported accommodation provider into the fold have resulted in a verbal agreement to proceed. The formal agreement and contracts are expected to be signed early in the 2021/22 financial year.

The charity also recognises the need to continue enhancing the skills of its employees and to seek to retain these skills. A career map has been agreed and will be rolled out in 2021/22. The map describes the academic qualifications for each role in the service and operational structure offering assurance of quality, while at the same time allowing employees to plan a career with ADS.

Despite the pandemic ADS have continued to offer the Assessed and Supported Year in Employment for newly qualified social workers and placements to social workers in training. Thus, further supporting the development of a professional workforce and ensuring that the next generation of qualified professionals understands substance misuse.

Recognising that the whole community has a role in promoting positive change in those with problematic substance use and those who may be beginning to develop a problem, the charity created a project to support employers to do so. Generis is aimed at supporting employers to develop approaches to benefit both their employees and employers.

Objectives and activities

The overarching aim of the ADS is:
"To identify and help prevent, as well as actively promote the means of preventing, alcohol-related problems and other addictive behaviours such as drug and substance misuse. Also to provide counselling help and care management for clients with the above problems, and to provide advice, support and help for the families of persons with alcohol problems and other addictive behaviours, as outlined above" (ADS constitution and articles of memorandum)

This is clearly articulated in the agency's published mission statement:
"The ADS will work in partnership to support people affected by substance misuse to make positive change"

Within this the agency has set clear business and service objectives within a robust planning and monitoring framework that include a strategic plan, an annual workforce development plan and an annual business plan. Within these plans long term and annual objectives are set and monitored through a reporting framework.

Business and finance

A 'contribution' charge is levied on each contract as a vehicle for demonstrating and ensuring that the maximum amount of income is spent on direct service provision. The target of 10% set by the Board has been met again this year.

Service and Human Resources

A Human Resource performance framework is in place and progress against the annual workforce development plan is reported directly to the Board, which sets and reviews performance targets annually.

A robust service performance framework is in place. The performance targets are set and reviewed annually by the Board. All national and contractual targets have been met.

Through a systematic and flexible approach to planning and management, the development of the charity has been achieved in a sustainable manner.

Operations

Aspire (Doncaster)
Delivered with our partner the Rotherham, Doncaster and South Humber NHS Foundation Trust (RDaSH), the Aspire service is a unique community based recovery model based on our three community approach. With a large caseload, a significant group work element and being part way through a change in delivery model, the pandemic was a challenge. However, the service response using a mix of innovation and technology ensured that all service users received one to one support and where appropriate virtual group work.

The very popular annual Recovery Games celebrating recovery was unfortunately not able to take part due to the pandemic restrictions, but the time was spent planning for the next and ensuring the profile of the games remained high.

Access and Liaison Service
Embedded within a larger mental health team primarily based in Doncaster Royal Infirmary (DRI), the service found itself at the sharp end of the pandemic. The staff team rose to the challenge and further developed and integrated into the wider DRI.

A wide range of people not usually seen by substance misuse services were seen and supported to make positive change, access wider 'wrap around services, and into treatment with specialist services.

The East Riding Partnership
Delivered with our partner The Humber Teaching NHS Foundation Trust, the service covers a large rural area of approximately 900 square miles. The hub-based service structure provided a framework for continued delivery in the pandemic. Adopting an approach which saw each hub become a 'bubble' enabled the maximum number of staff to continue to work on site.

Local research was undertaken to monitor the impact of the change in delivery throughout the pandemic enabling the service to effectively manage the situation and maintain service outcomes.

Hull Primary Care Addiction Service
The service caters for a service user group who are long term users but who, due to a variety of protected factors, are unlikely to achieve abstinence in the foreseeable future. The service is delivered mainly in Primary Care GP practices, so service delivery was initially a challenge. The response was swift and effective and service users continued to receive one to one support virtually. A review of the skill mix in the team resulted in the recruitment of an additional qualified social worker.

Generis
Aimed at offering support to employees to prevent substance use becoming a serious problem for their employees and business, Generis articulates the economic and employee welfare benefits to provide a clear business case for employers.

As the business model was centred on on-site delivery Generis was initially affected by the pandemic and associated lockdowns. However, the service responded by using the time of lockdowns to develop an on-line portal through which to deliver training. The portal is operational, and accreditation has been received from the qualification awarding bodies. It has also been confirmed that Generis has achieved 'direct award' status for the awarding bodies.

Whilst the pandemic initially resulted in a pause in the development of the service a review of the approach and marketing resulted in significant recovery over the final two quarters if the year. with enquiries and more companies buying in, the future looks bright.

Digital and social media
The pandemic response was heavily reliant on technology with both internal and external virtual meetings along with service delivery. The ability to get messages out quickly was crucial and enabled quick and accurate information to be made available. The further development of the live chat facilities enabled direct access to expert support and advice.

A review of the ICT strategy will take place in the coming year and lessons learned implemented.

Social media
Facebook, Instagram and twitter continue to be utilized by the charity and service user groups are encouraged to use their own Facebook pages to support their recovery network.

Website
The website is continuously developed in response to changing need and the environment and was crucial to both provide live chat access and to enabling Generis to deliver services.

The address is: www.ads-uk.org

Report of the Trustees
for the year ended 31st March 2021

Financial management

Introduction

The economic environment has been challenging over recent years with competition growing, funding reducing and a commissioning approach increasingly characterised by the use of commercial tendering mechanisms. In this challenging landscape the ADS has utilised its strong financial position to invest in the skills and resources to ensure that its services remain of a high quality and that it continues to effectively deliver on its mission.

Income

There was a slight increase in income (1.89%) this year with overall income at £2,991,754 (2019/20 £2,936,290).

Expenditure

The majority of the ADS's funding is Restricted, in that the income is required to be expended on specific services that are contracted. Expenditure in 2020/21 amounted to £2,768,446 (2019/20 £2,728,344)). Whilst most of this is pay costs there has been a continued investment in up skilling key posts and resourcing the organisation to meet the challenges of the current economic environment. The great majority of these costs relate primarily to the operational staff, and the ADS continue to minimise management and administration costs and demonstrate best value to commissioners. In order to ensure this is transparent to purchasers a direct charge of 10% is levied on all contracts.

Balance sheet

There has been no significant change in the fixed assets of the ADS.

The balance of cash held across all accounts at the year-end was £1,576,280 (2019/20 £1,154,320)

Corporate governance, risk management and reserves policy

The ADS Trustees have given consideration to the major risks to which the Charity is exposed and to the systems designed to mitigate those risks. The ADS has an experienced Management Board, principally drawn from senior figures in commerce, health and the criminal justice system, which has ably supported its growth.

The Management Board oversees and approves the overall strategy and management of the ADS and meets four times a year, reviewing business developments and agreeing policy with the Executive Team.

The Chief Executive is responsible for day to day control of operations and the performance of the ADS. The Chief Executive has also set in place operational controls over service provision, to ensure that employees are trained and working to proper standards.

An annual Business and Finance Strategy review is carried out, and from this an Action Plan is completed and agreed by the Board. The plan sets out priorities for new service opportunities and funding. The ADS prepares detailed budgets and monthly management accounts, and the performance of each cost centre is monitored against budget by the budget holder supported by a management accountant. The Management Board monitor performance against the global budget.

In order that the ADS is compliant with Charity Commission guidelines, and to enable it to deal with any issues arising from short-term fluctuations in funding and/or cash flow, the Board sets a minimum reserves target. This target has been achieved and maintained. The mechanism for calculating the minimum reserves target sits within a comprehensive reserves policy that is reviewed annually.

Report of the Trustees
for the year ended 31st March 2021

The overall finance strategy is delivered through a range of annual plans and policies ensuring the delivery of the charity's objectives. This balanced approach has enabled the investment in capacity and infrastructure alongside traditional investments and a business case approach through which additional income is generated while enhancing the charity's ability to deliver its objectives.

Outlook

The service is in a sound financial position and the recent investment has ensured that the structures, skills and resources are in place to control and manage expansion and development going forward.

The operational management structure and systems reflect this and are sufficiently robust to manage and sustain development in the future. Alongside this the charity has a robust planning structure which supports an ethos of continuous improvement and development to enable forward planning and ensure the Board is able to continue to govern the agency effectively.

The ADS is well placed to build on its core areas and further develop and expand its services in the region. It has a growing reputation locally for providing a quality service, with a pro-active and experienced management team, supported by an active, professionally focused Management Board.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Alcohol and Drug Service is an incorporated Charity governed by the Constitution and Memorandum and Articles of Association adopted 2nd February, 2005. This ensures that the risk to Trustees is managed and that the charity is able to continue to attract and retain the calibre of Trustees necessary to maintain a Board of the highest quality best suited to deliver sound governance to the charity.

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The Constitution and Memorandum and Articles of Association set out the rules regarding membership and all members shall be entitled to vote at all general meetings of the agency.

The governance of the agency is the responsibility of the Board Trustees. A list of the Trustees can be found on page 1. Trustees are either elected at the annual general meeting or co-opted if necessary. The day to day management of the charity is devolved by the Board to an Executive Team (ET). The list of the members of the ET can be found on page 1. The principal office is situated at 82, Spring Bank, Hull.

In the event of a winding up of the charity any surplus funds must be granted to any such charitable organisation having objects similar to those of the agency.

Report of the Trustees
for the year ended 31st March 2021

TRUSTEES' RESPONSIBILITY STATEMENT

The Trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31st March 2021. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in 2005 in preparing the annual report and financial statements of the charity.

The trustees (who are also directors of The Alcohol & Drug Service for the purposes of company law) are responsible for preparing the Trustees' Annual 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 charitable company and of the incoming resources and application of resources, including 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 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 charitable company 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 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.

- 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 have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees have overall responsibility for ensuring that the charity has appropriate systems of internal controls, financial and otherwise. They are also responsible for keeping proper accounting records which 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 and detection of fraud and other irregularities.

An experienced Management Board oversees the charity, with the Executive Team reporting to the Board and being responsible for the day to day operational functioning of the charity.

Financial performance is monitored through the preparation of detailed budgets, forecasts and monthly management accounts.

The charity has an overarching objective to allow its resources to be allocated by those closest to its services and service users, while maintaining robust financial control. In order to enable this, the charity has a detailed budget setting procedure and map describing a process which ensures that local budget holders have a full input in setting their service budgets and accounts for organisational priorities and governance.

The process is reviewed annually with a primary indicator being the year end position of individual cost centers. The returning of a balanced position or better at the year end indicates that the initial budgets set were accurate and have been managed effectively throughout the year demonstrating that the process is proving effective.

Report of the Trustees
for the year ended 31st March 2021

The organization continues to explore the most effective ways to invest its resources in furtherance of its objectives. A comprehensive investment strategy and attendant policy is in place which includes a definition of investment encompassing traditional investment which seeks a monetary return and a category outlining the use of resources to enhance the charities capacity to improve services for service users, deliver on current contracts and better position it to increase business going forward.

The workforce development plan is based on an analysis of performance and supply and demand. The plan accounts for personal development; service and departmental development and succession planning.

All developments are linked with the charity's strategic, business and workforce development plans.

The charity publishes its annual and strategic plans on its intranet allowing all employees access and inviting scrutiny

Trustee policy and procedures

The ADS has robust systems in place for assuring the quality of its trustees, they include the following;
- Each role in the Board and its sub-groups has a specific Job Description and Persons Specification
- Board member recruitment policy and procedure
- Board member induction policy and procedure
- Board member training policy and procedure
- Board member registration of interests policy and procedure

Chief Executive performance and salary

- The Chief Executive's performance targets and salary are agreed by a Remuneration Committee comprising 3 trustees.

AUDITORS
The auditors, Smailes Goldie, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on ...1st October 2021... and signed on its behalf by:

.....
J Boddy - Trustee

Report of the Independent Auditors to the Members of
The Alcohol and Drug Service

Opinion
We have audited the financial statements of The Alcohol and Drug Service (the 'charitable company') for the year ended 31st 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the charitable company's affairs as at 31st March 2021 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company'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 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 Report of the Independent Auditors 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 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.

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of
The Alcohol and Drug Service

Matters on which we are required to report by exception
In the light of the 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 Report of the Trustees.

We have nothing to report in respect of the following matters where 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 not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees
As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud
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 focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation. An understanding of these laws and regulations and the extent of compliance was obtained through discussion with management and inspecting legal and regulatory correspondence.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of 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 were indicative of potential bias; and
- investigated 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 supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators and legal advisors.

Due to the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances 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.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

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/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Members of
The Alcohol and Drug Service

Use of our report

This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



James Sharpley FCA (Senior Statutory Auditor)
for and on behalf of Smailes Goldie
Chartered Accountants
Statutory Auditor
Regent's Court
Princess Street
Hull
East Yorkshire HU2 8BA

1st October 2021

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the year ended 31st March 2021

	Notes	Unrestricted funds £	Designated Funds £	Restricted fund £	**2021 Total funds £**	2020 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and sundry income	2	**12,318**	-	**19,690**	**32,008**	30,453
Charitable activities	5					
Grants and contracts		**277,546**	-	**2,667,955**	**2,945,501**	2,877,448
Training		**3,299**	-	-	**3,299**	13,805
Other trading activities	3	**10,810**	-	-	**10,810**	12,259
Investment income	4	**136**	-	-	**136**	2,325
Total		**304,109**	-	**2,687,645**	**2,991,754**	2,936,290
EXPENDITURE ON						
Charitable activities	6					
Grants and contracts		**275,647**	**11,591**	**2,450,249**	**2,737,487**	2,699,381
Governance costs		**6,850**	-	**2,600**	**9,450**	12,600
Raising funds		**21,509**	-	-	**21,509**	16,363
Total		**304,006**	**11,591**	**2,452,849**	**2,768,446**	2,728,344
NET INCOME/(EXPENDITURE)		**103**	**(11,591)**	**234,796**	**223,308**	207,946
Transfers between funds	18	**45,809**	**16,089**	**(61,898)**	-	-
Net movement in funds		**45,912**	**4,498**	**172,898**	**223,308**	207,946
RECONCILIATION OF FUNDS						
Total funds brought forward		**703,069**	-	**431,458**	**1,134,527**	926,581
TOTAL FUNDS CARRIED FORWARD		**748,981**	**4,498**	**604,356**	**1,357,835**	1,134,527

The notes form part of these financial statements

Balance Sheet
31st March 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	12	**69,250**	69,250
CURRENT ASSETS			
Debtors	13	**419,123**	230,427
Cash at bank		**1,576,280**	1,154,320
		1,995,403	1,384,747
CREDITORS			
Amounts falling due within one year	14	**(637,568)**	(250,220)
NET CURRENT ASSETS		**1,357,835**	1,134,527
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,427,085**	1,203,777
CREDITORS			
Amounts falling due after more than one year	15	**(69,250)**	(69,250)
NET ASSETS		**1,357,835**	1,134,527
FUNDS	18		
Unrestricted funds:			
Unrestricted fund		**748,981**	703,069
Designated fund		**4,498**	-
		753,479	703,069
Restricted funds		**604,356**	431,458
TOTAL FUNDS		**1,357,835**	1,134,527

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 1st October 2021 and were signed on its behalf by:

U M Vickerton

U Vickerton - Trustee

The notes form part of these financial statements

Cash Flow Statement
for the year ended 31st March 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	**421,824**	368,384
Net cash provided by operating activities		**421,824**	368,384
Cash flows from investing activities			
Interest received		**136**	2,325
Net cash provided by investing activities		**136**	2,325
Change in cash and cash equivalents in the reporting period		**421,960**	370,709
Cash and cash equivalents at the beginning of the reporting period		**1,154,320**	783,611
Cash and cash equivalents at the end of the reporting period		**1,576,280**	1,154,320

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the year ended 31st March 2021

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for the reporting period (as per the Statement of Financial Activities)	**223,308**	207,946
Adjustments for:		
Interest received	**(136)**	(2,325)
(Increase)/decrease in debtors	**(188,696)**	96,424
Increase in creditors	**387,348**	66,339
Net cash provided by operations	**421,824**	368,384

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20 £	Cash flow £	**At 31.3.21 £**
Net cash			
Cash at bank	**1,154,320**	**421,960**	**1,576,280**
	1,154,320	**421,960**	**1,576,280**
Total	**1,154,320**	**421,960**	**1,576,280**

The notes form part of these financial statements

Notes to the Financial Statements
for the year ended 31st March 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Income
- Income from donors and supporters
Grants are included in the Statement of Financial Activities under the accruals concept. Cash donations and gifts are included in full in the Statement of Financial Activities as they are received. Cash collected at special fund raising events is included in the Statement of Financial Activities after deducting the expenditure incurred directly in staging the event. When incoming resources are received in advance or services have not been provided the incoming resources should be deferred. Deferred income is not recognised in the Statement of Financial Activities until the charity is entitled to the incoming resource and instead is disclosed as a liability in the balance sheet.

- Voluntary income
Cash donations, gifts and legacies are included in full in the Statement of Financial Activities as they are received.

- Other operating income
All other income is accounted for on an accruals basis.

- Investment income
Bank interest and investment bond income is included in the Statement of Financial Activities on receipt.

Expenditure
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Administration includes the cost of management of the Charity's affairs.

Tangible fixed assets
Depreciation is calculated on the straight line basis to write down the cost of all fixed assets, except buildings, over their expected useful lives.

The lives generally applicable are:

Office equipment	5 - 6 years
Fixtures and fittings	4 years

The Charity only considers capitalising items over £1,000.

continued...

Notes to the Financial Statements - continued
for the year ended 31st March 2021

1. ACCOUNTING POLICIES - continued

Taxation
The Alcohol & Drug Service Limited is a U.K. registered Charity, number 1108595. All the Charity's income is applied to its charitable objectives and the Charity is, therefore, exempt under current legislation from most forms of taxation.

Value added tax is not recoverable by the Charity and is therefore charged to the Statement of Financial Activities or Balance Sheet as incurred.

Fund accounting
- Unrestricted funds
Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the Charity without further specified purpose and are available as general funds.

- Designated funds
Designated funds are funds earmarked by the management committee for a particular purpose.

- Restricted funds
Restricted funds are to be used for a specific purpose as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs where applicable..

Hire purchase and leasing commitments
Rentals payable under operating leases are charged to the statement of financial activities over the period of the lease on a straight line basis.

Debtors and creditors receivable / payable within one year
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

2. DONATIONS AND SUNDRY INCOME

	2021	2020
	£	£
Sundry income	10	8,836
Donations and gifts	31,998	21,617
	32,008	30,453

3. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Placements and training	10,810	12,259

continued...

Notes to the Financial Statements - continued
for the year ended 31st March 2021

4. INVESTMENT INCOME

	2021	2020
	£	£
Bank interest	**136**	2,325

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2021	2020
		£	£
Grants	Grants and contracts	**2,945,501**	2,877,448
Training	Training	**3,299**	13,805
		2,948,800	2,891,253

Grants were received from the following bodies during the year:

	2021	2020
	£	£
Hull	**340,398**	340,398
Doncaster Drug & Alcohol Service	**1,634,869**	1,701,561
East Riding Partnership	**778,574**	790,982
Access & Liaison	**191,660**	44,507
	2,945,501	2,877,448

6. CHARITABLE ACTIVITIES COSTS

Costs directly allocated to activities are as follows:

	Raising funds	Direct service activity	Governance	2021	2020
	£	£	£	£	£
Client health supplies	**-**	**1,696**	**-**	**1,696**	20,334
Staff costs	**19,967**	**2,443,749**	**-**	**2,463,716**	2,351,236
Recruitment	**-**	**3,960**	**-**	**3,960**	11,122
Staff training	**252**	**10,426**	**-**	**10,678**	28,798
Equipment purchase	**-**	**88**	**-**	**88**	1,664
Administration costs	**471**	**22,345**	**-**	**22,816**	24,425
Audit fees	**-**	**-**	**6,070**	**6,070**	6,706
AGM and annual report	**-**	**-**	**708**	**708**	840
Premises - direct	**-**	**161,159**	**-**	**161,159**	162,419
Support costs (note 7)	**819**	**94,034**	**2,672**	**97,525**	113,887
Volunteer expenses	**-**	**28**	**-**	**28**	6,913
	21,509	**2,737,485**	**9,450**	**2,768,444**	2,728,344

continued...

Notes to the Financial Statements - continued
for the year ended 31st March 2021

7. SUPPORT COSTS

	Managemen t
	£
Raising funds	819
Grants and contracts	94,034
Governance costs	2,672
	97,525

Support costs, included in the above, are as follows:

	Raising funds	Grants and contracts	Governance costs	2021	2020
	£	£	£	£	£
General office and finance	19	11,110	72	11,201	13,478
Central premises	-	15,514	-	15,514	20,121
Communications	800	64,279	-	65,079	74,607
Bank charges	-	633	-	633	769
Professional fees	-	2,498	2,600	5,098	4,912
	819	94,034	2,672	97,525	113,887

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Auditors' remuneration	6,070	6,706
Operating lease rentals	101,686	70,939

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2021 nor for the year ended 31st March 2020.

continued...

Notes to the Financial Statements - continued
for the year ended 31st March 2021

9. TRUSTEES' REMUNERATION AND BENEFITS - continued

Trustees' expenses

Trustees were reimbursed £nil (2020: £73) during the year for travel and expenses.

10. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	**2,064,080**	1,932,442
Social security costs	**184,848**	169,236
Pension	**153,300**	149,498
Healthcare	**4,999**	4,301
	2,407,227	2,255,477

The average monthly number of employees during the year was as follows:

	2021	2020
Average number of employees	**83**	80
Average number of volunteers	**21**	19
	104	99

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021	2020
£70,001 - £80,000	**1**	1

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Designated Funds	Restricted fund	Total funds
	£	£	£	£
INCOME AND ENDOWMENTS FROM				
Donations and sundry income	8,824	-	21,629	30,453
Charitable activities				
Grants and contracts	264,790	-	2,612,658	2,877,448
Training	13,805	-	-	13,805
Other trading activities	12,259	-	-	12,259
Investment income	2,325	-	-	2,325
Total	302,003	-	2,634,287	2,936,290
EXPENDITURE ON				
Charitable activities				
Grants and contracts	219,398	16,053	2,463,930	2,699,381
Governance costs	12,600	-	-	12,600
Raising funds	16,363	-	-	16,363

continued...

Notes to the Financial Statements - continued
for the year ended 31st March 2021

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Designated Funds £	Restricted fund £	Total funds £
Total	248,361	16,053	2,463,930	2,728,344
NET INCOME/(EXPENDITURE)	53,642	(16,053)	170,357	207,946
Transfers between funds	96,244	7,867	(104,111)	-
Net movement in funds	149,886	(8,186)	66,246	207,946
RECONCILIATION OF FUNDS				
Total funds brought forward	553,183	8,186	365,212	926,581
TOTAL FUNDS CARRIED FORWARD	703,069	-	431,458	1,134,527

12. TANGIBLE FIXED ASSETS

	Freehold property £	Office equipment £	Totals £
COST			
At 1st April 2020 and 31st March 2021	**69,250**	**8,498**	**77,748**
DEPRECIATION			
At 1st April 2020 and 31st March 2021	-	**8,498**	**8,498**
NET BOOK VALUE			
At 31st March 2021	**69,250**	-	**69,250**
At 31st March 2020	69,250	-	69,250

In 1991 a grant was received from the then Hull Health Authority which was used to make necessary improvements to the property. The total cost of these improvements amounted to £42,041 against which a grant of £42,000 was received. The freehold land and buildings themselves were donated by the Hull Health Authority subject to a legal charge in their favour which was set at the open market value as assessed by the District Valuer as £69,250.

In order to comply with the accounting requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" published in 2005, the Trustees introduced the current value of the property into the Charity's balance sheet, together with the accompanying legal charge of the same amount.

The Trustees are of the opinion that the property occupied for the purposes of the Charity is maintained to such a level that ensures that the estimated useful life of the property is of such a length as to make a depreciation charge immaterial and therefore one has not been provided in the year ended 31st March, 2021.

The Charity is not subject to taxation and therefore no liability would arise if the building were sold at its valuation.

continued...

Notes to the Financial Statements - continued
for the year ended 31st March 2021

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	**360,774**	144,515
Other debtors	**7,785**	31,515
Prepayments and accrued income	**50,564**	54,397
	419,123	230,427

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	**20,259**	57,580
Other creditors	**486,959**	110,626
Accruals and deferred income	**130,350**	82,014
	637,568	250,220

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
East Riding & Hull Health Authority	**69,250**	69,250

The East Riding & Hull Health Authority holds a legal charge on the building donated to the Charity. Should the building be sold or cease to be used for the charitable objects of the Charity then £69,250 would be due to the Authority.

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£	£
Within one year	**101,686**	70,939
Between one and five years	**98,542**	51,686
	200,228	122,625

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Designated Funds	Restricted fund	2021 Total funds	2020 Total funds
	£	£	£	£	£
Fixed assets	**-**	**-**	**69,250**	**69,250**	69,250
Current assets	**788,911**	**5,448**	**1,201,044**	**1,995,403**	1,384,747
Current liabilities	**(39,930)**	**(950)**	**(596,688)**	**(637,568)**	(250,220)
Long term liabilities	**-**	**-**	**(69,250)**	**(69,250)**	(69,250)
	748,981	**4,498**	**604,356**	**1,357,835**	1,134,527

continued...

Notes to the Financial Statements - continued
for the year ended 31st March 2021

18. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
Unrestricted fund	**703,069**	**103**	**45,809**	**748,981**
Designated fund	**-**	**(11,591)**	**16,089**	**4,498**
	703,069	**(11,488)**	**61,898**	**753,479**
Restricted funds				
Restricted fund	**431,458**	**234,796**	**(61,898)**	**604,356**
TOTAL FUNDS	**1,134,527**	**223,308**	**-**	**1,357,835**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted fund	**304,109**	**(304,006)**	**103**
Designated fund	**-**	**(11,591)**	**(11,591)**
	304,109	**(315,597)**	**(11,488)**
Restricted funds			
Restricted fund	**2,687,645**	**(2,452,849)**	**234,796**
TOTAL FUNDS	**2,991,754**	**(2,768,446)**	**223,308**

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
Unrestricted funds				
Unrestricted fund	553,183	53,642	96,244	703,069
Designated fund	8,186	(16,053)	7,867	-
	561,369	37,589	104,111	703,069
Restricted funds				
Restricted fund	365,212	170,357	(104,111)	431,458
TOTAL FUNDS	926,581	207,946	-	1,134,527

continued...

Notes to the Financial Statements - continued
for the year ended 31st March 2021

18. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted fund	302,003	(248,361)	53,642
Designated fund	-	(16,053)	(16,053)
	302,003	(264,414)	37,589
Restricted funds			
Restricted fund	2,634,287	(2,463,930)	170,357
TOTAL FUNDS	2,936,290	(2,728,344)	207,946

Restricted funds

The income funds of the Charity include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purposes:

	Fund at 1st April 2020 £	Incoming resources £	Resources expended £	Transfer from unrestricted fund £	Fund at 31st March 2021 £
Hull Primary Care Addictions Service	**21,231**	**309,453**	**(289,611)**	**(21,231)**	**19,842**
East Riding Partnership	**40,670**	**706,141**	**(671,430)**	**(40,668)**	**34,713**
Service user group restricted donations	**15,270**	**19,690**	**(134)**	**-**	**34,826**
Doncaster Drug & Alcohol Service	**344,511**	**1,486,245**	**(1,372,646)**	**-**	**458,110**
Access & Liaison	**9,776**	**166,116**	**(119,027)**	**-**	**56,865**
	431,458	**2,687,645**	**(2,452,848)**	**(61,899)**	**604,356**

Each project is subject to individual funding specifically for that project and as a result has a restriction on its use placed upon it by the donor. The balance will fund expenditure yet to be incurred.

Designated Funds

	Fund at 1st April 2020 £	Incoming resources £	Resources expended £	Transfer from unrestricted fund £	Fund at 31st March 2021 £
Central marketing development	**-**	**-**	**(11,591)**	**11,689**	**98**
Central workforce enhancement	**-**	**-**	**-**	**4,400**	**4,400**
	-	**-**	**(11,591)**	**16,089**	**4,498**

continued...

Notes to the Financial Statements - continued
for the year ended 31st March 2021

19. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution scheme, the amount charged to the Statement of Financial Activities in the year to 31st March 2021 was £153,300 (2020: £149,498). There are also some employees in the NHS pension scheme which cannot be valued and is, therefore, disclosed on a contributions basis. Required payments to all of the schemes are up to date.

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st March 2021.