

# **The Alcohol and Drug Service**

## **Financial Statements**

**31st March 2022**





## **The Alcohol and Drug Service**

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## **The Alcohol and Drug Service**

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

<b>TRUSTEES</b>	J Boddy A Smith K J Yorath D White M Garlick (resigned 21.10.2021) U Vickerton J Watkinson (appointed 16.04.2021)
<b>REGISTERED OFFICE</b>	82 Spring Bank Hull East Yorkshire HU3 1AB
<b>REGISTERED COMPANY NUMBER</b>	05375809 (England and Wales)
<b>REGISTERED CHARITY NUMBER</b>	1108595
<b>AUDITORS</b>	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
- Achieving 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.

## The Alcohol and Drug Service

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

- **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

## The Alcohol and Drug Service

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

#### 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	

## **The Alcohol and Drug Service**

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

#### 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

## The Alcohol and Drug Service

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

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 Alcohol and Drug Service**

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

#### **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.



## **The Alcohol and Drug Service**

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

#### 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.

## **The Alcohol and Drug Service**

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

#### *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.



## **The Alcohol and Drug Service**

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

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](http://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.

## **The Alcohol and Drug Service**

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

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).

## **The Alcohol and Drug Service**

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

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.

## **The Alcohol and Drug Service**

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

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

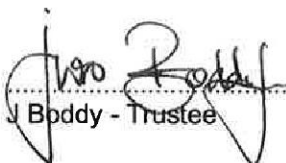
The Chief Executive's performance targets and salary are agreed by a Remuneration Committee

- 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](http://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 £
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations and sundry income	2	9,370	-	(664)	8,706	32,008
<b>Charitable activities</b>	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
<b>Total</b>		<b>407,951</b>	<b>1,722,844</b>	<b>2,341,666</b>	<b>4,472,461</b>	<b>2,991,754</b>
<b>EXPENDITURE ON</b>						
<b>Charitable activities</b>	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
<b>Total</b>		<b>232,398</b>	<b>1,512,186</b>	<b>1,613,892</b>	<b>3,358,476</b>	<b>2,768,446</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>175,553</b>	<b>210,658</b>	<b>727,774</b>	<b>1,113,985</b>	<b>223,308</b>
<b>Transfers between funds</b>	18	<b>90,550</b>	<b>20,870</b>	<b>(111,420)</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>266,103</b>	<b>231,528</b>	<b>616,354</b>	<b>1,113,985</b>	<b>223,308</b>
<b>RECONCILIATION OF FUNDS</b>						
<b>Total funds brought forward</b>		<b>748,981</b>	<b>4,498</b>	<b>604,356</b>	<b>1,357,835</b>	<b>1,134,527</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>1,015,084</b>	<b>236,026</b>	<b>1,220,710</b>	<b>2,471,820</b>	<b>1,357,835</b>

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

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 Alcohol and Drug Service**

## **Cash Flow Statement for the year ended 31st March 2022**

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

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 2022

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

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

### 2. ANALYSIS OF CHANGES IN NET FUNDS

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

## **The Alcohol and Drug Service**

### **Notes to the Financial Statements for the year ended 31st March 2022**

#### **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.

**Notes to the Financial Statements - continued  
for the year ended 31st March 2022**

**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	<u>2,406</u>	<u>31,998</u>
	<u>8,706</u>	<u>32,008</u>

**3. OTHER TRADING ACTIVITIES**

	2022	2021
	£	£
Placements and training	<u>11,920</u>	<u>10,810</u>

## The Alcohol and Drug Service

### Notes to the Financial Statements - continued for the year ended 31st March 2022

#### 4. INVESTMENT INCOME

	2022 £	2021 £
Bank interest	<u>32</u>	<u>136</u>

#### 5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2022 £	2021 £
Grants	Grants and contracts	4,423,558	2,945,501
Training	Training	<u>28,245</u>	<u>3,299</u>
		<u>4,451,803</u>	<u>2,948,800</u>

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	<u>284,862</u>	<u>-</u>
	<u>4,423,558</u>	<u>2,945,501</u>

#### 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	-	<u>1,833</u>	<u>28</u>
	<u>14,592</u>	<u>3,332,849</u>	<u>11,035</u>	<u>3,358,476</u>	<u>2,768,444</u>

## The Alcohol and Drug Service

### Notes to the Financial Statements - continued for the year ended 31st March 2022

#### 7. SUPPORT COSTS

	Management £
Raising funds	(780)
Grants and contracts	140,661
Governance costs	2,660
	<u>142,541</u>

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
	<u>(780)</u>	<u>140,661</u>	<u>2,660</u>	<u>142,541</u>	<u>97,525</u>

#### 8. NET INCOME

Net income is stated after charging:

	2022 £	2021 £
Auditors' remuneration	7,367	6,070
Operating lease rentals	<u>101,686</u>	<u>101,686</u>

#### 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.

## The Alcohol and Drug Service

### Notes to the Financial Statements - continued for the year ended 31st March 2022

#### 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
	<u>2,729,535</u>	<u>2,463,716</u>

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

	2022	2021
Average number of employees	89	83
Average number of volunteers	<u>17</u>	<u>21</u>
	<u>106</u>	<u>104</u>

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

	2022	2021
£70,001 - £80,000	<u>1</u>	<u>1</u>

#### 11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and sundry income	12,318	-	19,690	32,008
<b>Charitable activities</b>				
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	<u>136</u>	<u>-</u>	<u>-</u>	<u>136</u>
<b>Total</b>	304,109	-	2,687,645	2,991,754
<b>EXPENDITURE ON</b>				
<b>Charitable activities</b>				
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
	<u>304,006</u>	<u>11,591</u>	<u>2,452,849</u>	<u>2,768,446</u>
<b>NET INCOME/(EXPENDITURE)</b>	103	(11,591)	234,796	223,308



Notes to the Financial Statements - continued  
for the year ended 31st March 2022

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds £
Transfers between funds	<u>45,809</u>	<u>16,089</u>	<u>(61,898)</u>	<u>-</u>
Net movement in funds	45,912	4,498	172,898	223,308

RECONCILIATION OF FUNDS

Total funds brought forward	<u>703,069</u>	<u>-</u>	<u>431,458</u>	<u>1,134,527</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><b>748,981</b></u>	<u><b>4,498</b></u>	<u><b>604,356</b></u>	<u><b>1,357,835</b></u>

12. TANGIBLE FIXED ASSETS

	Freehold property £	Office equipment £	Totals £
<b>COST</b>			
At 1st April 2021 and 31st March 2022	<u>69,250</u>	<u>8,498</u>	<u>77,748</u>
<b>DEPRECIATION</b>			
At 1st April 2021 and 31st March 2022	<u>-</u>	<u>8,498</u>	<u>8,498</u>
<b>NET BOOK VALUE</b>			
At 31st March 2022	<u>69,250</u>	<u>-</u>	<u>69,250</u>
At 31st March 2021	<u>69,250</u>	<u>-</u>	<u>69,250</u>

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.

## The Alcohol and Drug Service

### Notes to the Financial Statements - continued for the year ended 31st March 2022

#### 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	<u>44,893</u>	<u>50,564</u>
	<u>82,299</u>	<u>419,123</u>

#### 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	<u>95,769</u>	<u>130,350</u>
	<u>149,452</u>	<u>637,568</u>

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

	2022	2021
	£	£
East Riding & Hull Health Authority	<u>69,250</u>	<u>69,250</u>

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	<u>187,075</u>	<u>98,542</u>
	<u>288,761</u>	<u>200,228</u>

## The Alcohol and Drug Service

### Notes to the Financial Statements - continued for the year ended 31st March 2022

#### 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)
	<u>1,015,084</u>	<u>236,026</u>	<u>1,220,710</u>	<u>2,471,820</u>	<u>1,357,835</u>

#### 18. MOVEMENT IN FUNDS

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
<b>Unrestricted funds</b>				
General fund	748,981	175,553	90,550	1,015,084
<b>Designated funds</b>				
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	-	-	-	-
	<u>4,498</u>	<u>210,658</u>	<u>20,870</u>	<u>236,026</u>
<b>Restricted funds</b>				
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	34,826	(13,901)	-	20,925
restricted donations	-	-	-	-
	<u>604,356</u>	<u>727,774</u>	<u>(111,420)</u>	<u>1,220,710</u>
<b>TOTAL FUNDS</b>	<u>1,357,835</u>	<u>1,113,985</u>	<u>-</u>	<u>2,471,820</u>

Income and expenditure arising 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.

## The Alcohol and Drug Service

### Notes to the Financial Statements - continued for the year ended 31st March 2022

#### 18. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
Unrestricted fund	407,951	(232,398)	175,553
<b>Designated funds</b>			
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
<b>Restricted funds</b>			
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
<b>TOTAL FUNDS</b>	<u>4,472,461</u>	<u>(3,358,476)</u>	<u>1,113,985</u>

#### Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
<b>Unrestricted funds</b>				
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
<b>Restricted funds</b>				
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
<b>TOTAL FUNDS</b>	<u>1,134,527</u>	<u>223,308</u>	<u>-</u>	<u>1,357,835</u>

## The Alcohol and Drug Service

### Notes to the Financial Statements - continued for the year ended 31st March 2022

#### 18. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
Unrestricted fund	304,109	(304,006)	103
Designated fund	-	(11,591)	(11,591)
	304,109	(315,597)	(11,488)
<b>Restricted funds</b>			
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
	<u>2,687,645</u>	<u>(2,452,848)</u>	<u>234,797</u>
<b>TOTAL FUNDS</b>	<u>2,991,754</u>	<u>(2,768,446)</u>	<u>223,308</u>

#### 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.

