



**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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## **The Alcohol and Drug Service**

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

<b>TRUSTEES</b>	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)
<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 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.

## The Alcohol and Drug Service

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

#### 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	

## The Alcohol and Drug Service

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

#### 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.

## **The Alcohol and Drug Service**

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

#### 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.

## **The Alcohol and Drug Service**

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

#### 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.



## **The Alcohol and Drug Service**

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

#### *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 Alcohol and Drug Service**

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

#### *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](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.

## **The Alcohol and Drug Service**

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

#### 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.



## **The Alcohol and Drug Service**

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

#### **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.

## **The Alcohol and Drug Service**

### **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
  - o An existing Board member resigns and a replacement is sought
  - o 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

## **The Alcohol and Drug Service**

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

#### **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.

## **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:

### **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.



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

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](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: 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 £
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations and sundry income	2	6,250	-	10,555	16,805	8,706
<b>Charitable activities</b>						
Grants and contracts	5	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
<b>Total</b>		<b>498,255</b>	<b>1,921,404</b>	<b>2,833,831</b>	<b>5,253,490</b>	<b>4,472,461</b>
<b>EXPENDITURE ON</b>						
<b>Charitable activities</b>						
Grants and contracts	6	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
<b>Total</b>		<b>321,866</b>	<b>1,703,268</b>	<b>2,036,723</b>	<b>4,061,857</b>	<b>3,358,476</b>
<b>NET INCOME</b>						
Transfers between funds	18	176,389	218,136	797,108	1,191,633	1,113,985
		211,424	(211,436)	12	-	-
<b>Net movement in funds</b>		<b>387,813</b>	<b>6,700</b>	<b>797,120</b>	<b>1,191,633</b>	<b>1,113,985</b>
<b>RECONCILIATION OF FUNDS</b>						
Total funds brought forward		1,015,084	236,026	1,220,710	2,471,820	1,357,835
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>1,402,897</b>	<b>242,726</b>	<b>2,017,830</b>	<b>3,663,453</b>	<b>2,471,820</b>

The notes form part of these financial statements

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

	Notes	2023 £	2022 £
<b>FIXED ASSETS</b>			
Tangible assets	12	69,250	69,250
<b>CURRENT ASSETS</b>			
Debtors	13	120,331	82,299
Cash at bank		<u>3,823,923</u>	<u>2,538,973</u>
		<b>3,944,254</b>	<b>2,621,272</b>
<b>CREDITORS</b>			
Amounts falling due within one year	14	<u>(280,801)</u>	<u>(149,452)</u>
<b>NET CURRENT ASSETS</b>		<u><b>3,663,453</b></u>	<u><b>2,471,820</b></u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>3,732,703</b>	<b>2,541,070</b>
<b>CREDITORS</b>			
Amounts falling due after more than one year	15	<u>(69,250)</u>	<u>(69,250)</u>
<b>NET ASSETS</b>		<u><b>3,663,453</b></u>	<u><b>2,471,820</b></u>
<b>FUNDS</b>	18		
Unrestricted funds:			
Unrestricted fund		1,402,897	1,015,084
Designated fund		<u>242,726</u>	<u>236,026</u>
		<u><b>1,645,623</b></u>	<u><b>1,251,110</b></u>
Restricted funds		<u><b>2,017,830</b></u>	<u><b>1,220,710</b></u>
<b>TOTAL FUNDS</b>		<u><b>3,663,453</b></u>	<u><b>2,471,820</b></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 20 July 2023 and were signed on its behalf by:

  
 .....  
 K J Yorath Trustee



# The Alcohol and Drug Service

## Cash Flow Statement for the year ended 31st March 2023

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

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

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

### 2. ANALYSIS OF CHANGES IN NET FUNDS

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

## **The Alcohol and Drug Service**

### **Notes to the Financial Statements for the year ended 31st March 2023**

#### **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.

## The Alcohol and Drug Service

### Notes to the Financial Statements - continued for the year ended 31st March 2023

#### 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	<u>12,605</u>	<u>2,406</u>
	<u>16,805</u>	<u>8,706</u>

#### 3. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Placements and training	<u>13,160</u>	<u>11,920</u>

#### 4. INVESTMENT INCOME

	2023	2022
	£	£
Bank interest	<u>6,679</u>	<u>34</u>

## The Alcohol and Drug Service

### Notes to the Financial Statements - continued for the year ended 31st March 2023

#### 5. INCOME FROM CHARITABLE ACTIVITIES

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

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
	<u>5,166,377</u>	<u>4,423,558</u>

#### 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
	<u>3,850,234</u>	<u>211,623</u>	<u>4,061,857</u>

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
	<u>10,130</u>	<u>3,831,650</u>	<u>8,454</u>	<u>3,850,234</u>	<u>3,215,935</u>

## The Alcohol and Drug Service

### Notes to the Financial Statements - continued for the year ended 31st March 2023

#### 7. SUPPORT COSTS

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

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
	<u>8</u>	<u>203,764</u>	<u>7,851</u>	<u>211,623</u>	<u>142,541</u>

#### 8. NET INCOME

Net income is stated after charging:

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

#### 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	<u>150,114</u>	<u>84,966</u>
	<u>3,151,207</u>	<u>2,729,535</u>

## The Alcohol and Drug Service

### Notes to the Financial Statements - continued for the year ended 31st March 2023

#### 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
	<u>113</u>	<u>106</u>

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	-
	<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	9,370	-	(664)	8,706
<b>Charitable activities</b>				
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
<b>Total</b>	<u>407,951</u>	<u>1,722,844</u>	<u>2,341,666</u>	<u>4,472,461</u>
<b>EXPENDITURE ON</b>				
<b>Charitable activities</b>				
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
<b>Total</b>	<u>232,398</u>	<u>1,512,186</u>	<u>1,613,892</u>	<u>3,358,476</u>
<b>NET INCOME</b>	175,553	210,658	727,774	1,113,985
Transfers between funds	90,550	20,870	(111,420)	-
<b>Net movement in funds</b>	266,103	231,528	616,354	1,113,985
<b>RECONCILIATION OF FUNDS</b>				
Total funds brought forward	748,981	4,498	604,356	1,357,835
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>1,015,084</u>	<u>236,026</u>	<u>1,220,710</u>	<u>2,471,820</u>

## The Alcohol and Drug Service

### Notes to the Financial Statements - continued for the year ended 31st March 2023

#### 12. TANGIBLE FIXED ASSETS

	Freehold property £	Office equipment £	Totals £
<b>COST</b>			
At 1st April 2022 and 31st March 2023	<u>69,250</u>	<u>8,498</u>	<u>77,748</u>
<b>DEPRECIATION</b>			
At 1st April 2022 and 31st March 2023	<u>-</u>	<u>8,498</u>	<u>8,498</u>
<b>NET BOOK VALUE</b>			
At 31st March 2023	<u>69,250</u>	<u>-</u>	<u>69,250</u>
At 31st March 2022	<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, 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	<u>75,757</u>	<u>44,893</u>
	<u>120,331</u>	<u>82,299</u>

#### 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	<u>163,459</u>	<u>95,769</u>
	<u>280,802</u>	<u>149,452</u>



## The Alcohol and Drug Service

### Notes to the Financial Statements - continued for the year ended 31st March 2023

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

	2023 £	2022 £
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:

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

#### 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)
	<u>1,402,897</u>	<u>242,726</u>	<u>2,017,830</u>	<u>3,663,453</u>	<u>2,471,820</u>

#### 18. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
<b>Unrestricted funds</b>				
General fund	1,015,084	176,389	211,424	1,402,897
<b>Designated funds</b>				
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
	<u>236,026</u>	<u>218,136</u>	<u>(211,436)</u>	<u>242,726</u>
<b>Restricted funds</b>				
Doncaster Drug & Alcohol	1,199,785	806,658	-	2,006,443
Service User Group	20,925	(9,550)	12	11,387
	<u>1,220,710</u>	<u>797,108</u>	<u>12</u>	<u>2,017,830</u>
<b>TOTAL FUNDS</b>	<u>2,471,820</u>	<u>1,191,633</u>	<u>-</u>	<u>3,663,453</u>

## The Alcohol and Drug Service

### Notes to the Financial Statements - continued for the year ended 31st March 2023

#### 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>			
General fund	498,255	(321,866)	176,389
<b>Designated funds</b>			
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
<b>Restricted funds</b>			
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
<b>TOTAL FUNDS</b>	<b>5,253,490</b>	<b>(4,061,857)</b>	<b>1,191,633</b>

#### Comparatives for 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	-	-	-	-
	4,498	210,658	20,870	236,026
<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	-	-	-	-
	604,356	727,774	(111,420)	1,220,710
<b>TOTAL FUNDS</b>	<b>1,357,835</b>	<b>1,113,985</b>	<b>-</b>	<b>2,471,820</b>

## The Alcohol and Drug Service

### Notes to the Financial Statements - continued for the year ended 31st March 2023

#### 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	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>

#### 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.

