

The Alcohol and Drug Service

Financial Statements

31 March 2024



SD-0214629-1-6

The Alcohol and Drug Service

Contents

| | |
|--------------------------------------|----------|
| Reference and Administrative Details | 1 |
| Trustees' Report | 2 to 15 |
| Independent Auditors' Report | 16 to 19 |
| Statement of Financial Activities | 20 |
| Balance Sheet | 21 |
| Statement of Cash Flows | 22 |
| Notes to the Financial Statements | 23 to 34 |

The Alcohol and Drug Service

Reference and Administrative Details

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

The Alcohol and Drug Service

Trustees' Report

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Trustees and officers

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

| | |
|-----------|---|
| Trustees: | A Smith |
| | K Yorath |
| | A Wilkinson (resigned 26 June 2023) |
| | I D Parsons |
| | E Tatterton (appointed 20 July 2023) |
| | N Dodds (appointed 20 July 2023) |
| | J Cooper (appointed 20 July 2023) |
| | F Ashton (appointed 27 July 2023) |
| | H Shay (appointed 20 July 2023 and resigned 5 March 2024) |

| | |
|-----------------|------------------------------|
| Executive Team: | T Young, Chief Executive |
| | S Grunnill, Finance Director |

Public Benefit

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

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

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

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

The Alcohol and Drug Service

Trustees' Report

The charity's values are.

Honesty. We believe that,

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

Diversity. We believe that,

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

Service user and carer focused. We believe that,

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

Effective. We believe that,

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

Caring. We believe that,

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

National strategy

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

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

To do so the charity will continue to,

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

The Alcohol and Drug Service

Trustees' Report

Planning

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

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

A Strategic Plan.

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

An Annual Business Plan.

Describes the charity's activity over the coming year.

An Annual Workforce Development Plan

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

Quality and performance

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

Quality Management System (BS EN ISO 9001:2015)

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

A good employer and a good place to work.

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

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

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

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

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

Deliver high quality services.

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

The Alcohol and Drug Service

Trustees' Report

Workforce

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

Investing in our mission

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

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

Examples of current and future investments include the following.

Career map

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

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

Recruitment

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

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

The Alcohol and Drug Service

Trustees' Report

Social Work

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

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

Training

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

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

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

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

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

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

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

The Alcohol and Drug Service

Trustees' Report

Information Communication Technology (ICT)

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

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

Central Governance

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

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

Stakeholders

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

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

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

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

Diversity

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

The Alcohol and Drug Service

Trustees' Report

Service delivery

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

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

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

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

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

Operations

Aspire (Doncaster)

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

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

Recovery Games

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

Hospital Liaison Service (Doncaster Royal Infirmary)

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

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

The Alcohol and Drug Service

Trustees' Report

The East Riding Partnership

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

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

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

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

Hull Primary Care Addiction Service

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

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

Generis

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

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

Peer Mentors and volunteers

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

Social media

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

The Alcohol and Drug Service

Trustees' Report

Website

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

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

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

Financial management

Introduction

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

Income

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

Expenditure

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

Balance sheet

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

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

Corporate governance, risk management and reserves policy

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

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

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

The Alcohol and Drug Service

Trustees' Report

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

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

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

Outlook

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

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

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

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

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

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

The Alcohol and Drug Service

Trustees' Report

TRUSTEES' RESPONSIBILITY STATEMENT

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

The Trustee/Directors are responsible for preparing the Trustee' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustee/Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustee/Directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

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

The Trustee/Directors have overall responsibility for ensuring that the charity has appropriate systems of internal controls, financial and otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Alcohol and Drug Service

Trustees' Report

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

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

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

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

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

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

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

Trustee policy and procedures

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

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

The Alcohol and Drug Service

Trustees' Report

Appointment of Trustee/Directors

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

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

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

Trustee/Director Induction

Trustee induction has several elements including,

- A welcome book which includes,
 - The current Board members and biographies.
 - ADS Board meeting dates, times and venues.
 - What is substance misuse.
 - A short history of the charity.
 - An outline of the current National Drug & Alcohol Strategy.
 - Data on the level of need for ADS services.
- Information Reading which includes,
 - The ADS Articles of Association.
 - The Charity Commission booklet 'The Essential Trustee'.
 - The most recent ADS Annual Report.
 - The current National Drug and Alcohol Strategy.
- A programme including,
 - Board orientation. Delivered by the Chair of the Board.
 - Finance controls and structures. Delivered by the Finance Director.
 - History and culture. Delivered by the Chief Executive.
 - Central Departments and structure. Delivered by the Chief Executive and Finance Director
 - Visits to services

The Alcohol and Drug Service

Trustees' Report

Executive Team performance related remuneration

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

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

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

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

The committee meet at least three times a year.

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

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

The targets are grouped under the following headings.

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

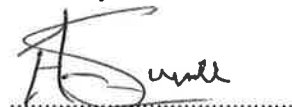
The section, '*achievements outside standard areas*', allows the remuneration committee to consider achievements outside the agreed targets. This does not form part of the standard calculation.

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

AUDITORS

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

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



Trustee

The Alcohol and Drug Service

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

Opinion

We have audited the financial statements of The Alcohol and Drug Service (the 'charity') for the year ended 31 March 2024, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

The Alcohol and Drug Service

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the (set out on page), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The Alcohol and Drug Service

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

Auditor responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

To address the risks of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators and legal advisors.

Due to the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

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

The Alcohol and Drug Service

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

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

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

Regent's Court
Princess Street
Hull
HU2 8BA

24 July 2024

The Alcohol and Drug Service

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

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

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

The funds breakdown for 2023 is shown in note 19.

The notes on pages 23 to 34 form an integral part of these financial statements.

The Alcohol and Drug Service
(Registration number: 05375809)
Balance Sheet as at 31 March 2024

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

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

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



Trustee

The notes on pages 23 to 34 form an integral part of these financial statements.

The Alcohol and Drug Service

Statement of Cash Flows for the Year Ended 31 March 2024

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

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

The notes on pages 23 to 34 form an integral part of these financial statements.

The Alcohol and Drug Service

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

1 Charity status

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

The address of its registered office is:

82 Spring Bank

Hull

HU3 1AB

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

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

Going concern

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

Income

Income from donors and supporters

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

The Alcohol and Drug Service

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

Voluntary income

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

Other operating income

All other income is accounted for on an accruals basis.

Investment income

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

Expenditure

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

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

Termination benefits

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

Taxation

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

Depreciation and amortisation

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

The lives generally applicable are:

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

Tangible fixed assets

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

The Alcohol and Drug Service

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

Fund structure

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

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

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

Hire purchase and finance leases

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

Pensions and other post retirement obligations

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

Debtors and creditors receivable / payable within one year

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

3 Income from donations and legacies

| | Total 2024 £ | Total 2023 £ |
|---------------------|-----------------------------|-----------------------------|
| Donations and gifts | 3,362 | 12,605 |
| Sundry income | 11,923 | 4,200 |
| | <u>15,285</u> | <u>16,805</u> |

4 Income from charitable activities

| | 2024 £ | 2023 £ |
|----------------------|-------------------|-------------------|
| Grants and contracts | 4,817,375 | 5,166,377 |
| Training | 80,376 | 50,469 |
| | <u>4,897,751</u> | <u>5,216,846</u> |

The Alcohol and Drug Service

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

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

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

5 Income from other trading activities

| | 2024 £ | 2023 £ |
|-------------------------|---------------|---------------|
| Placements and training | <u>11,760</u> | <u>13,160</u> |

6 Investment income

| | 2024 £ | 2023 £ |
|---------------|---------------|--------------|
| Bank interest | <u>46,518</u> | <u>6,679</u> |

7 Expenditure

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

The Alcohol and Drug Service

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

Costs directly allocated to activities are as follows:

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

8 Analysis of governance and support costs

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

9 Net incoming/outgoing resources

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

| | 2024 £ | 2023 £ |
|---------------------------------|--------------|--------------|
| Operating leases - other assets | 127,158 | 110,353 |
| Audit fees | <u>8,598</u> | <u>7,784</u> |

The Alcohol and Drug Service

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

10 Trustees remuneration and expenses

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

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

11 Staff costs

The aggregate payroll costs were as follows:

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

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

| | 2024 No | 2023 No |
|------------------------------|------------|------------|
| Average number of employees | 109 | 100 |
| Average number of volunteers | 16 | 13 |
| | <u>125</u> | <u>113</u> |

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

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

| | 2024 No | 2023 No |
|-------------------|------------|------------|
| £60,001 - £70,000 | 1 | - |
| £80,001 - £90,000 | <u>1</u> | <u>1</u> |

The Alcohol and Drug Service

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

12 Comparative SOFA

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

The Alcohol and Drug Service

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

13 Tangible fixed assets

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

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

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

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

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

14 Debtors

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

The Alcohol and Drug Service

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

15 Creditors: amounts falling due within one year

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

16 Creditors: amounts falling due after one year

| | 2024 £ | 2023 £ |
|-------------------------------------|---------------|---------------|
| 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.

17 Obligations under leases and hire purchase contracts

Operating lease commitments

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

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

18 Employee Benefit Obligations

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

The Alcohol and Drug Service

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

19 Funds

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

The Alcohol and Drug Service

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

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

The Alcohol and Drug Service

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

20 Analysis of net assets between funds

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

21 Related party transactions

There were no related party transactions in the year.