

STREETSCENE ADDICTION RECOVERY
COMPANY LIMITED BY GUARANTEE

REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

STREETSCENE ADDICTION RECOVERY
COMPANY LIMITED BY GUARANTEE

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For the Year Ended 30 June 2022

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STREETSCENE ADDICTION RECOVERY
COMPANY LIMITED BY GUARANTEE

COMPANY INFORMATION
For the Year Ended 30 June 2022

DIRECTORS:	M Venter (resigned 13 January 2023) D Phillips A Rodgers H Corner J Dorrington
SECRETARY:	Lord T Howson-Green
CHIEF EXECUTIVE:	T Corner
REGISTERED OFFICE:	108 Cobham Road Ferndown Dorset BH21 7PQ
REGISTERED NUMBER:	05841338 (England and Wales)
CHARITY NO:	1118773
SENIOR STATUTORY AUDITOR:	Chris Osmond
AUDITORS:	Stone Osmond Limited Accountants and Registered Auditors 75 Bournemouth Road Chandlers Ford Eastleigh Hampshire SO53 3AP
SOLICITORS:	Laceys 3 Poole Road Bournemouth BH2 5QL
PRINCIPAL BANKERS:	HSBC 165-176 High Street Poole BH15 1AV CAF 25 Kinghill Avenue Kings Hill West Malling ME19 4JQ

STREETSCENE ADDICTION RECOVERY
COMPANY LIMITED BY GUARANTEE

REPORT OF THE DIRECTORS
For the Year Ended 30 June 2022

The directors present their report with the financial statements of the company for the year ended 30 June 2022.

GOVERNANCE

StreetScene Addiction Recovery is a charitable company governed by Memorandum and Articles of Association incorporated on 8 June 2006. It represents the incorporation of the earlier charitable trust, StreetScene, originally declared in 1989, registration number 802521. It has two objectives:

To relieve and rehabilitate persons who are suffering or have suffered from past or present drug addiction or other forms of addiction.

To advance public educations particularly, amongst young people, about all matter relating to drug abuse.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The principal activity of the company in the period under review was to relieve and rehabilitate those who are suffering or have suffered from past or present drug addiction or other forms of addiction, together with the advancement of public education, particularly amongst young people, about all matters relating to drug abuse. The directors confirm that they have complied with the duty in Section 4 of the 2011 Charities Act having due regard to the guidance published by the Charity Commission, including public benefit guidance.

The company carried out its activities at the following addresses:

Allington House, 46 Dean Park Road, Bournemouth, Dorset, BH1 1QA – primary and secondary care unit.

Cornerways, 20 Braidley Road, Bournemouth, Dorset, BH2 6JX – primary and secondary care unit.

Francis House, 2 Hulse Road, Southampton, Hants, SO15 2WG – primary and secondary care unit.

Unity House, 77-79 West Hill Road, West Cliff, Bournemouth, BH2 5PQ – supported accommodation

108 Cobham Road, Ferndown, Dorset, BH21 7PQ – Administration offices

51 Churchfield Road, Poole, Dorset, BH15 2QL – Development office

DIRECTORS AND TRUSTEES

The directors of the charitable company are its trustees for the purposes of Charity Law and throughout this report are collectively referred to as the directors.

The directors who have held office during the year of review and to the date of this report were:

H Corner
M Venter (resigned 13 January 2023)
D Phillips
A Rogers
J Dorrington

The company provides Directors Indemnity Insurance, this is provided free of charge under the current policy.

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REPORT OF THE DIRECTORS
For the Year Ended 30 June 2022

Any member of the above body of directors is able to nominate further directors to the board. If the person is willing to be considered, after various checks have been undertaken, including CRB checks, the board can vote a new member onto the board by means of a majority vote.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with the Companies Act 2006 relating to Small Companies, with the Financial Reporting Standard for Smaller Entities and the Charities Act 2011. The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.
- observe the method and principles in The Charities Statement of Recommended Practice SORP 2015 (FRS102).
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities Act 2011, the Charity (Accounts and Reports) Regulations. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that ought to have been taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

DIRECTORS' REVIEW

STRUCTURE

The company has a structure based on five tiers.

Tier 1: The Board of Directors, who have overall control of the charity and meet at least 3 times each year to discuss the performance to date and future plans. A rotation of directors aims to visit every unit each month to observe the work first hand and speak to clients and staff about their experiences with StreetScene Addiction Recovery. Their report is presented at the next Directors meeting.

Tier 2: The operational responsibility is delegated to the five chiefs of staff, who make up a team of people who work together with particular areas of responsibility, which are:

- CEO – Developments, statistics, client advocacy, political and strategic developments.
- COM – The upkeep and occupancy of units, relations with purchasers, expanding client base.
- CFO – Finance and legal matters.
- CHR – Ensuring adherence to legislation, policy and procedure within the units regarding HR.
- COT – Ensuring the treatment provided to clients is both consistent and of the highest standard.

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REPORT OF THE DIRECTORS
For the Year Ended 30 June 2022

Tier 2 meet on a regular basis to discuss the overall strategic planning for the organisation.

Tier 3: The Managers of each unit, the treatment units being Allington House, Cornerways, Francis House and the Resettlement unit, based at Unity.

The Administration Managers providing support to all units are: Finance, IT, Purchasing and Maintenance.

Tier 2 and 3 representatives comprise the Steering Committee, which, depending on input required works on immediate issues such as amending policies and procedures, training events, staff recruitment, refurbishment needs.

Tier 4: The staff with external responsibilities, including the finance team, DSS Liaison, the in-house purchaser, the counsellors and project staff who have external responsibilities to our service purchasers.

Tier 5: The staff are those who work within the units but whose external responsibilities are generally through the unit manager, this includes weekend project staff, night staff, maintenance staff and volunteers.

Each staff member has their own role within the charity, covered by job descriptions, generally the roles are:

- Manager
- Team leader
- Counsellor/key worker
- Project worker
- Night care officer
- Administrator
- Maintenance

These staff members also have a voice in weekly meetings held in each unit, line management meetings, supervision and regular training events.

Assets

All the fixed assets have all been utilised for the work of the charitable company. All deeds are retained by the Solicitors, Lacey's. The company retains the reserves from the operations of the company, operating profits and prepaid accounts in the reserves account.

Operating during 2021-2022

The ongoing Covid-19 pandemic has made this a challenging year to operate in. Like most charitable organisations at this time we had no clear idea of what was to come and planning a strategy was difficult. Covid appeared to have been in decline only to mutate and cause further chaos for a second year. As an organisation with around 60 staff and 30 volunteers we are of a sufficiently small size to make rapid changes as Covid guidelines changed and yet of large enough to ride out many challenges that would be difficult for smaller organisation to stand..

With the release of the Dame Carol Black report more funds appeared to become available for addiction treatment, to be disbursed during the coming five years, including funding for residential treatment.. We were also able to use the furlough scheme to help when occupancy was down, and grants for all the extra PPE we required was provided.

One of the down sides of this being included as part of the NHS in order to receive grants. This has always been a grey area for drug treatment, we do not carry out any personal care (bathing, feeding etc), we cannot prescribe drugs, we do not carry any medication not prescribed by a doctor, we do not have a licence to destroy drugs, we do not carry out any medical procedure beyond that suitable for a first aider, and yet as 'part of the NHS' we are now expected to conform to things that are not relevant, one being medical malpractice insurance. During this current year it has been established that although we are part of the NHS this form of insurance is not applicable to use as we have no direct exposure to risk.

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REPORT OF THE DIRECTORS
For the Year Ended 30 June 2022

We continue to work in the LGBTQ++ clients, especially working with Chemsex clients and this has continued to grow. Notably many of the Chemsex clients enter treatment with good life skills unlike those who have been using substances for years.

Once again we have had more assisted withdrawal clients' and this has helped increased business and helped those clients who cannot afford to go to a detoxification centre.

During this year, up until the lifting of all Covid restrictions, we have had to replace outside self-help meetings with Zoom meetings all shopping for clients have been undertaken by staff, visits have needed to be cancelled, outings drastically altered. We did experience hostility when going out for a walk as a group. We faced challenges when each lockdown began to ease, especially in Bournemouth as so many people from outside the area flooded into the town centre. For our sector there was little specific guidance or specific support with regard to Covid-19 and the continually changing restrictions. We continually monitored case numbers, hospital numbers and death rates along with vaccination rates in order to try and estimate what was coming next. We have had outbreaks in all our houses early in the past year, however no one died or even required hospitalisation from any of our facilities, for which we are very grateful. We have now drastically reduced our Covid security, although all new clients are still tested before becoming part of the group, masks are optional although at this time staff still regularly self-test. We are aware that the next challenge with Covid is likely to be in the Autumn.

Plans for 2021-2022

- Introduce the computerised HR package – this is being restarted as the original package did not meet out needs.
- Introduce the computerised medication package – this has been a great success, medication errors are now significantly decreased and staff find the new system easy to follow.
- Introduce the computerised Care planning package – this is in hand. The package purchased turned out to need much more input than had been expected, however, we had the expertise on site and so the system was completed and now needs to be rolled out to the staff.
- Review everyone's role within the organisation post Covid – this is in hand at the moment, we now have access to the Quality Compliance System (QCS) for all our policy needs, this is a system which once policies have been agreed and uploaded will ensure all our policies are current with new government guidelines. This includes in the area of HR.

Statistics 2021-2022

Client Numbers 2021-2022

House	No of clients	No of days	Percentage Occupancy	Previous year % occupancy
Allington	96	5,538	96	92
Cornerways	110	6,029	83	80
Francis	91	4,961	76	71

As can be seen, all three houses improved their occupancy rate this year giving an overall occupancy rate of 85%, this is an increase of 4% from last year.

This year we had a total of 266 clients compared with 250 in the previous year. We provided 137 detoxes, including dual detoxes for combined alcohol and drugs providing £119,670, of which £60,300 was paid to prescribing services, this left a surplus of £59,370 for us for administration and monitoring services, an increase

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of £22,992 on the previous year. This has covered costs of increased training on medication and overnight monitoring for people on detox.

Private Clients

Private clients varied from £775 to £1,650 (mean average being £1,504.67 – the mean average last year being £1,391.30 an increase of 8%), the minimum spend was £942.86 the maximum spend was £19,360.00 with the mean average spend on rehab being £8,583.23 (excluding detox expenses). We had 38 clients this year, a significant drop on last year where we had 51 (a drop of 25.49%). The actual retention and average spend was greatly improved. The drop may have several causes: our website was offline for twelve weeks as it was being renewed, the new funding money came online and we were suddenly overrun with statutory clients and we were reluctant to turn them down, the recession began to bite, including the professional classes where the majority of our private clients come from. We do need to find a way to increase the number of private clients if at all possible in the current financial climate – bearing in mind the current financial squeeze is hitting our target private group the hardest.

Statutory Clients

Local authorities who place more than five clients with us per annum need to be paying between £820.00 and £850.00 per week. We do need to stop taking clients on at £795.00 as this price is no longer cost effective in these times. Comparing clients who pay the previous £795.00 per week with clients who complete treatment and whose fees are £850.00, there is a £660 increase in the price paid for their treatment. If we have increased all our prices to £850.00 per client we could increase our income by £81,000 over the year which could help cover the massive increase in fuel and food costs, food being presently £144,043, gas being £38,877 and electricity being £22,148 for 2021 to 2022. Without help the gas price could rise to £116,631 and the electricity to £66,444, a total of £183,075 this being an actual increase of £122,050 therefore the increase by local authorities of £81,000 would help massively.

Bursary Beds

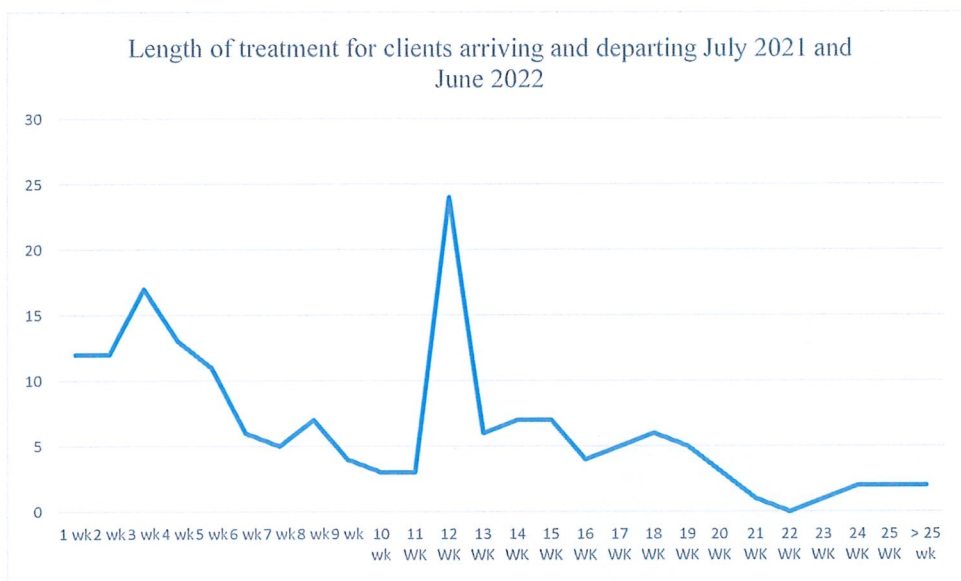
This year we provided 288 bursary days and 2 free detoxes. This provided free treatment for four people and supported treatment for a further three whereby they contributed to their detox costs.

Length of treatment

The chart below shows the length of time clients remained in treatment if their entire treatment journey was during our financial year, this being 175, all the remaining clients (90) were either admitted before the beginning of this financial year or still resident at the end.

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There are two main times of departure on this chart, these being around the 4 week mark, often a time period selected by private clients as it is deemed to be the maximum many of them can withdraw from their lives without being noticed as absent, the biggest spike is around the 3 month mark, a more traditional time for a completed treatment program. There are quite a number who leave in the first week to 10 days, these are always those who have underestimated detox or the amount of work required in recovering from addiction. Although addiction is eminently treatable and long term recovery is achievable for anyone wanting it, it isn't easy and to begin with can seem impossible.

Finances

Income for the year, fees and donations was £2,734,704 reflecting an increase of £40,118 from the income of 2021 of £2,694,586.

Expenditure was £2,686,969 reflecting an increase of £155,445 from the expenditure of 2021 of £2,531,524.

Included in the above figures is the Valuation of Donations in Kind (for assisted treatment) of £34,149 (2021 £24,809).

Total Reserves amount to £1,322,116 including fixed assets of £1,823,347.

The fixed assets include Land and Buildings of £1,743,371.

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REPORT OF THE DIRECTORS
For the Year Ended 30 June 2022

Plans for 2022-2023

- Reduce fuel use as far as possible, including reducing heating to 18 degrees, checking lighting etc.
- Reduce house expenditure, senior team to discuss any and all possible cutbacks.
- Increase income from lower paying authorities to a sustainable amount.
- Increase number of private clients where possible.
- Implement online care package.
- Look at any and all grant possibilities.

Policies on Reserves and investments

This year our reserves have been used on occasion to assist short term cash shortfalls. We would like to retain one month's running costs in reserve however this is difficult to achieve but is still our target. It was not possible or prudent to use our reserves to reduce the mortgages due to the very high penalties which would have become due. All reserves are held as cash with HSBC.

Reserves Policy

StreetScene's policy is to establish a reserve fund under the principles of SORP 2015 (FRS 102).

The reserve fund is to:

1. Provide short-term funding to ensure the company can meet its financial and legal obligations in the event of restricted or fluctuating cash flow. (FINANCIAL)
2. To meet the costs of any future legislation; such as the requirements of extra training, equipment or professional advice or to finance any exceptional unforeseen costs or repairs. (CONTINGENCIES AND RISKS)
3. To take advantage of market opportunities to expand or improve the service provided within the remit of the charities governing documents, including the funding of new projects, central development of management, the funding of furniture and equipment, the training and development needs of its staff and volunteers and the acquisition of suitable premises. (OPPORTUNITIES)

While no figure can be put on the level of the reserve needed as they are beyond the charities control the directors have agreed it would be prudent that a policy that aims to achieve a level of reserves equivalent to one month's unrestricted expenditure is an ideal target.

Risk Register and Management

Our risk register this year is based on the NCVO template.

Likelihood of risk occurring

- 1 Rare: not likely to happen or will only happen in exception circumstances.
- 2 Unlikely: not expected to happen, but there is a remote possibility that it will occur.
- 3 Possible: may occur on some occasions, but not frequently
- 4 Likely: is likely to occur or will happen on more occasions than not.
- 5 Certain: likely to occur in the majority of cases.

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For the Year Ended 30 June 2022

Level of impact	Possible consequents if risk occurs
1 Insignificant	No impact on service No impact on reputation Complaint unlikely Litigation risk remote
2 Minor	Slight impact on service Slight impact on reputation Complaint possible Litigation possible
3 Moderate	Some service disruption Potential for adverse publicity – avoidable with careful handling Complaint probable Litigation probable
4 Significant	Service disrupted Adverse publicity not avoidable (local media) Complaint probable Litigation probable
5 Major	Service interrupted for significant time Major adverse publicity not avoidable (national media) Major litigation expected Resignation of senior management and board Widespread loss of beneficiary confidence

The calculation for the total risk score is likelihood score multiplied by double the impact score.

Resultant scores indicate the following:

Initial risk score	Level	Action level
1-8	Low risk	Accept risk. To be managed at the activity level
9-16	Medium risk	Management action required to reduce risk level to low
17-25	High risk	Significant risk. Board action/awareness required.

Risks are calculated both before and after our current level of controls.

In summary

These are challenging times for everyone. We need to remain vigilant to ensure we can continue to help and support people in need. We need to continually strive to do the best we possibly can for our clients within the financial constraints we face, to help them move on from their addiction to become valuable members of society, contributing to the community, whilst at the same time continuing to support all our staff and volunteers.

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REPORT OF THE DIRECTORS
For the Year Ended 30 June 2022


AUDITORS

The auditors, Stone Osmond Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Signed  (D Phillips)

Dated 30/3/23

Signed  (A Rogers)

Dated 30/3/23

Signed  (J Dorrington)

Dated 30/3/23

STREETSCENE ADDICTION RECOVERY
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STATEMENT OF FINANCIAL ACTIVITIES
For the Year ended 30 June 2022

	Note	Unrestricted Funds	Restricted Funds	Total	2021 Total Funds
		£	£	£	£
INCOME AND EXPENDITURE					
Incoming Resources					
Fees		2,705,928	-	2,705,928	2,552,921
Donations and grants	10	28,401	375	28,776	116,856
Donations in Kind	11	34,149	-	34,149	24,809
TOTAL INCOMING RESOURCES		2,768,478	375	2,768,853	2,694,586
Resources Expended					
Direct Charitable Expenditure	12	2,684,890	2,079	2,686,969	2,506,715
Donations in Kind	11	34,149	-	34,149	24,809
Fundraising and publicity		-	-	-	-
TOTAL RESOURCES EXPENDED		2,719,039	2,079	2,721,118	2,531,524
Net Incoming/(Outgoing) Resources Before Transfers		49,439	(1,704)	47,735	163,062
Transfers between funds		-	-	-	-
Net Incoming/(Outgoing) Resources For The Year		49,439	(1,704)	47,735	163,062
Gains/(Losses) on Investments		-	-	-	-
BALANCES BROUGHT FORWARD AS AT 1 JULY 2021		1,268,399	5,982	1,274,381	1,111,336
TRANSFER FROM STREETSCENE CHARITABLE TRUST		-	-	-	(17)
BALANCES CARRIED FORWARD AS AT 30 JUNE 2022		1,317,838	4,278	1,322,116	1,274,381

The notes form part of these financial statements

**STREETSCENE ADDICTION RECOVERY
COMPANY LIMITED BY GUARANTEE**

INCOME AND EXPENDITURE ACCOUNT
For the Year Ended 30 June 2022

	<u>Notes</u>	<u>2022</u> <u>£</u>	<u>2021</u> <u>£</u>
TURNOVER		2,734,679	2,669,777
Administrative expenses		<u>2,658,002</u>	<u>2,477,850</u>
OPERATING (DEFICIT) SURPLUS	3	76,677	191,927
Interest receivable and similar income		<u>25</u>	<u>-</u>
		76,702	191,927
Interest payable and similar charges		<u>28,967</u>	<u>28,865</u>
SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAXATION		47,735	163,062
Tax on surplus on ordinary activities	4	<u>-</u>	<u>-</u>
SURPLUS/(DEFICIT)/FOR THE FINANCIAL YEAR AFTER TAXATION		<u>47,735</u>	<u>163,062</u>

The notes form part of these financial statements

**STREETSCENE ADDICTION RECOVERY
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET
30 June 2022

	Notes	£	2022 £	£	2021 £
FIXED ASSETS					
Tangible assets	5		1,823,347		1,849,165
CURRENT ASSETS					
Stock		33,199		8,355	
Debtors	6	444,521		305,630	
Bank balances and funds in hand		<u>115,111</u>		<u>184,770</u>	
		592,831		498,755	
CREDITORS					
Amounts falling due within one year	7	<u>326,567</u>		<u>213,608</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>266,264</u>		<u>285,147</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,059,757		2,134,312
CREDITORS					
Amounts falling due after more than one year	8		<u>767,495</u>		<u>859,931</u>
NET ASSETS			<u>1,322,116</u>		<u>1,274,381</u>
RESERVES					
Unrestricted reserves	9		1,317,838		1,268,399
Restricted reserves	17		<u>4,278</u>		<u>5,982</u>
			<u>1,322,116</u>		<u>1,274,381</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to Small Companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

ON BEHALF OF THE BOARD

Director –

 DYLAN PHILLIPS

Director –

 JOE DORRINGTON

Approved by the Board on

The notes form part of these financial statements

STREETSCENE ADDICTION RECOVERY
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NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2022

1. STATUTORY INFORMATION

Streetscene Addiction Recovery is a private company, limited by Guarantee, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Turnover

Turnover represents provision of services, donations and grants.

INCOMING RESOURCES

Grants, donations and donations in kind

Income from grants, donations and donations in kind are included in the Statement of Financial Activities when these are received.

Fees, contributions and other income

Fees, contributions and other income are included in the Statement of Financial Activities on an accruals basis.

RESOURCES EXPENDED

Resources expended are included in the Statement of Financial Activities on an accruals basis, and allocated to each House and Administration (note 10 and 11).

Tangible fixed assets

Capitalisation Policy – Capital items relating to the administration/office furniture of the company are capitalised, capital items for the benefit of clients are not capitalised as they are subject to heavy usage and have a short life.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% straight line
Fixtures and fittings	- 20% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 20% on reducing balance

Pension

The company has a defined contribution scheme available to all employees.

These notes form part of the financial statements

STREETSCENE ADDICTION RECOVERY
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NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2022

3. OPERATING (DEFICIT)/SURPLUS

The operating deficit is stated after charging:

	<u>2022</u>	<u>2021</u>
	<u>£</u>	<u>£</u>
Depreciation – owned assets	78,313	75,375
Audit	<u>3,150</u>	<u>3,000</u>
Directors emoluments and other benefits etc. (see note 13)	<u>-</u>	<u>-</u>

4. TAXATION

No liability to UK corporation tax arose on ordinary activities for the year ended 30 June 2022 or for the year to 30 June 2021 due to its charitable status.

5. TANGIBLE FIXED ASSETS

	<u>Freehold Land and Buildings</u>	<u>Fixtures and Fittings</u>	<u>Motor Vehicles</u>	<u>Computer Equipment</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
COST OR VALUATION:					
At 1 July 2021	2,539,976	135,673	20,600	69,071	2,765,320
Additions	-	43,643	8,300	881	52,824
Disposals	-	-	1,900	-	1,900
At 30 June 2022	2,539,976	179,316	27,000	69,952	2,816,244
DEPRECIATION:					
At 1 July 2021	745,805	98,538	18,310	53,502	916,155
Charge for year	50,800	17,225	2,565	7,723	78,313
Eliminated on disposals	-	-	1,571	-	1,571
At 30 June 2022	695,005	115,763	19,304	61,225	992,897
NET BOOK VALUE:					
At 30 June 2022	<u>1,743,371</u>	<u>63,553</u>	<u>7,696</u>	<u>8,727</u>	<u>1,823,347</u>
At 30 June 2021	<u>1,794,171</u>	<u>37,135</u>	<u>2,290</u>	<u>15,569</u>	<u>1,849,165</u>

Land and buildings comprise Freehold properties purchased in StreetScene Addiction Recovery at £1,416,886 and Freehold properties transferred from StreetScene Charitable Trust on the winding down of that charity's activities. The properties transferred from the latter were revalued in 2005 at £1,500,000 and were transferred in 2008 at £1,322,640, being the valuation less depreciation to date of transfer.

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2022</u>	<u>2021</u>
	<u>£</u>	<u>£</u>
Fees receivable	425,312	288,305
Other debtors	<u>19,209</u>	<u>17,325</u>
	<u>444,521</u>	<u>305,630</u>

These notes form part of the financial statements

STREETSCENE ADDICTION RECOVERY
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NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2022

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2022</u>	<u>2021</u>
	<u>£</u>	<u>£</u>
Social Security and other taxes	27,912	25,219
Payments in advance	106,205	24,642
Other and accruals	72,525	54,620
Loan - re properties	<u>119,925</u>	<u>109,127</u>
	<u>326,567</u>	<u>213,608</u>

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

	<u>2022</u>	<u>2021</u>
	<u>£</u>	<u>£</u>
Loan repayable by instalments:		
Loan - re properties – one to two years	110,924	109,127
Loan - re properties – two to five years	359,772	327,381
Loan - re properties – over five years	<u>287,799</u>	<u>423,423</u>
	<u>767,495</u>	<u>859,931</u>

The loan is secured by a legal charge over the freehold properties 20 Bradley Road, Bournemouth, 46 Dean Park Road, Bournemouth and 2 Hulse Road, Southampton dated 2 September 2016. The loan is for a period of 15 years ending in September 2031.

9. RESERVES

	<u>Income</u> <u>and</u> <u>Expenditure</u> <u>Account</u> <u>2022</u> <u>£</u>	<u>Income</u> <u>and</u> <u>Expenditure</u> <u>Account</u> <u>2021</u> <u>£</u>
At 1 July 2021	1,274,381	1,111,336
Retained surplus/deficit for year	47,735	163,062
Transfer Streetscene Charitable Trust	<u>-</u>	<u>(17)</u>
	<u>1,322,116</u>	<u>1,274,381</u>

These notes form part of the financial statements

STREETSCENE ADDICTION RECOVERY
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2022

Analysis of Total Net Asset by Fund

	<u>Unrestricted</u> <u>Funds</u> <u>£</u>	<u>Restricted</u> <u>Funds</u> <u>£</u>	<u>Total</u> <u>Funds</u> <u>£</u>
Fixed assets	1,823,347	-	1,823,347
Cash at bank and in hand	110,833	4,278	115,111
Other net current assets/liabilities	151,153	-	151,153
Other long term liabilities	(767,495)	-	(767,495)
	<u>1,317,838</u>	<u>4,278</u>	<u>1,322,116</u>

10. DONATIONS AND GRANTS

Grants have been received from the Coronavirus Job Retention Scheme amounting to £7,091 (2021 - £106,492)

Donations and grants of £21,685 have been received from other sources who wish to remain anonymous.

11. DONATIONS IN KIND

The company in line with its charitable objectives offers assistance and treatment to ex clients at below market cost in circumstances deemed to be appropriate to all concerned. During the year the company provided the equivalent of 288 (2021 - 191) days of such assistance at a valuation of £34,149 (2021-£24,009).

12. DIRECT CHARITABLE EXPENDITURE

	<u>2022</u> <u>£</u>	<u>2021</u> <u>£</u>
Allington House	464,652	450,461
Francis House	511,473	430,083
Cornerways	559,357	511,568
Resettlement	592,250	545,790
Depreciation	78,313	75,505
Administration salaries	257,688	334,056
Loan interest	28,967	28,865
Rent of administration office	32,934	16,960
General office	150,162	100,303
Cost of Finance	4,363	6,644
Governance	6,810	6,480
	<u>2,686,969</u>	<u>2,506,715</u>

All direct charitable costs are allocated to the relevant areas and the support costs are allocated on the basis of bed numbers at each location.

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NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2022

13. EMPLOYEES

The company employs a full time equivalent of 63 (2021 - 63) employees. The number of employees was categorised as to 48 (2021 - 48) direct charitable for clients and 15 (2021 - 15) to administration. The total cost of all employees is £1,534,179 (2021 - £1,458,745) which is allocated to each individual House and Administration. There are no employees earning at a rate of over £60,000. The company has a defined benefits contribution scheme, the company contributed £47,848 during the year (2021 £46,976). The company received £7,091 from the Coronavirus Job Retention Scheme; this income is included in Grants (Note 10).

14. DIRECTORS BENEFIT/REMUNERATION

The company provides Directors indemnity insurance, this is provided free of charge under the current policy (2021- £Nil). The company also reimbursed expenses and travel costs of £nil (2021 - £nil), the number of directors is four. The Memorandum and Articles preclude the payment of any remuneration.

15. AUDITOR LIABILITY LIMITATION AGREEMENT

The liability of the auditor is limited to ten times the fee, per agreement dated 26 July 2012.

16. RELATED PARTY TRANSACTIONS

The company is related to StreetScene Charitable Trust due to its mutual Directors. Details of transactions are shown in the Reserves note. The Chief Executive (T Corner) is related to a Trustee (H Corner). The Trustee has no involvement in fixing remuneration for the Chief Executive.

17. RESTRICTED FUNDS

	<u>Motor</u>	<u>Football</u>	<u>Fire</u>	<u>Other</u>	<u>Total</u>
Balance brought forward	262	720	5,000	-	5,982
Donation	-	145	-	230	375
Less Expenditure	-	(784)	-	(230)	(1,014)
Less Depreciation	4(65)	-	(1,000)	-	(1,065)
Balance carried forward	197	81	4,000	-	4,278

These notes form part of the financial statements.

STREETSCENE ADDICTION RECOVERY
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For the Year Ended 30 June 2022

Independent Auditors' Report to the directors of StreetScene Addiction Recovery

Opinion

We have audited the financial statements of StreetScene Addiction Recovery for the year ended 30 June 2022 which comprise the statement of financial affairs and the balance sheet 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, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 30 June 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 2 to the financial statements, 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you were:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorized for issue.

Other information

The directors 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

STREETSCENE ADDICTION RECOVERY
COMPANY LIMITED BY GUARANTEE
For the Year Ended 30 June 2022

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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's Annual Report (including the Strategic Report).

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 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;
- the financial statements are not in agreement with the accounting records and returns;
- we have not obtained all the information and explanations necessary for the purposes of our audit;
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Responsibilities of the directors

As explained more fully in the directors responsibilities statement (set on page 3), the directors 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 they 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 directors 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 directors either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

The directors have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly, we have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

STREETSCENE ADDICTION RECOVERY
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For the Year Ended 30 June 2022

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at (www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's directors, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's directors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's directors as a body, for our audit work, for this report, or for the opinions we have formed.



C D Osmond (Senior Statutory Auditor)
For and on behalf of Stone Osmond Ltd
Statutory Auditor
75 Bournemouth Road
Chandlers Ford
Eastleigh
Hants
SO53 3AP

Date 30/3/23