



**Steps2Recovery**  
**(A Company Limited by Guarantee)**

**Company registration number: 07269361**

**Trustees Report and Financial Statements**

**for the year ended**

**31st March 2025**

**Wenn Townsend**

**Chartered Accountants**

**Oxford**

The registered and principal office of Steps2Recovery is Lexham House, 28 St Charles Square, London W10 6EE, and you can visit our website at [www.steps2recovery.org.uk](http://www.steps2recovery.org.uk)

## **Steps2Recovery**

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## **Steps2Recovery**

### **Legal and Administrative Information**

Steps2Recovery was registered with Companies House on 1st June 2010 as a private company limited by guarantee and with the Charity Commission. The charity registration number is 1138353, and our limited company number is 7269361.

#### **STATUS**

Registered as a company limited by guarantee on 1st June 2010  
and granted charitable status on 11th October 2010

**CHARITY NUMBER** 1138353

**COMPANY NUMBER** 07269361

#### **TRUSTEES**

Bradley Bilgore – appointed 16<sup>th</sup> September 2024  
Amanda Copstick  
Lesley Hart  
Sophie Molins - Chair of Trustees  
James Ohene-Djan  
Dean Steele – appointed 20<sup>th</sup> September 2024 and resigned 22<sup>nd</sup> October 2025  
Tom Bolt – resigned 22<sup>nd</sup> October 2025  
Charles Clode – retired 20<sup>th</sup> October 2025  
Edward Frazer – retired 1<sup>st</sup> November 2025

#### **PATRONS**

Anna Chancellor  
Matt Lucas  
Ant McPartlin  
Amzie McPartlin  
David Morrissey

**WEBSITE** [www.steps2recovery.org.uk](http://www.steps2recovery.org.uk)

#### **REGISTERED OFFICE**

Lexham House  
28 St Charles Square  
London  
W10 6EE

#### **PRINCIPAL BANKERS**

Charities Aid Foundation & Santander UK Plc

#### **INDEPENDENT EXAMINER**

Ajay Bahl FCA  
Wenn Townsend  
30 St Giles  
Oxford OX1 3LE

## **Steps2Recovery**

### **Report of the Trustees for the year ended 31st March 2025**

The trustees (who are also directors of the charitable company) present their report and the financial statements for the year ended 31st March 2025. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities (FRS102) in preparing the annual report and financial statements of the charity.

#### **PURPOSE OF THE CHARITY**

*Breaking the chain of addiction and re-offending in the community, creating a safer environment for all.*

The trustees have had regard to the guidance issued by the Charity Commission on public benefit. Steps2Recovery delivers public benefit by supporting clients with immediate housing support on release from prison for those with a history of offending behaviour and homelessness, fuelled by drug and alcohol addictions. We know that facilitating change with this vulnerable group helps to improve their own safety, the safety and happiness of their families, and ultimately the safety and well-being of the wider community.

We improve the lives of people in the criminal justice system affected by alcohol or drug dependency by providing free high quality, abstinence-based treatment options, help with practical needs and end-to-end support through working with other agencies. We provide a day programme in a safe and supported residential setting to enable and encourage clients to improve the quality of their lives and to fulfil their potential without recourse to alcohol, drugs and re-offending.

We enable clients to:

- Achieve long term freedom from drink, drugs and crime, helping them to identify and recognise triggers that lead back to relapse and how to avoid them. We encourage clients to see the positive benefits of making changes to their lives and recognise their part in living well.
- Engage and build positive relationships during the programme, with counsellors, mentors and their peers. We encourage them to develop sustainable and positive relations outside our structured programme both by attending self-help/ mutual aid groups and repairing or rebuilding family ties giving them the best opportunity for long term recovery capital.
- Rebuild their lives, in partnership with other agencies to address practical issues such as skills deficits, debt, legal, social and health problems.

#### **MAIN ACTIVITIES OF THE CHARITY**

Steps2Recovery is an independent charity based in Ladbroke Grove, West London. The charity was established in 2010 with the initial objective of finding solutions to the problem of individuals repeatedly ending up in the prison system because of behaviour directly linked to an addiction, whether it be to alcohol or drugs. We work with people caught up in the Criminal Justice System who are motivated to deal with their addictions and associated criminal behaviours; our central purpose is to facilitate rehabilitative improvement in their lives. Steps2Recovery takes the position that effective addiction treatment is a significant part of the solution to a health-based problem; we stand alongside those in the Criminal Justice System and wider community who advocate for diversion rather than incarceration. Evidence clearly demonstrates that prison is an ineffective way of dealing with addiction and we know from our own outcomes that if people can be given help precisely at the point that they are motivated to make changes in their lives, the cycle of addiction, associated criminal offending, homelessness and prison can be broken. We receive referrals from prisons, police and probation from across the South and East of England. In addition, homeless individuals can refer from the community. Providing stable accommodation is the first step for a client to take control of their life.



## **Steps2Recovery**

### **Report of the Trustees (continued) for the year ended 31st March 2025**

Once a client is accepted onto the Charity's programme, we aim to provide housing from the day a client is released from custody. Recent Ministry of Justice data shows a 39.4% increase in the number of people being released from prison into homelessness. Nacro report that, on average, about 1,070 people per month go straight from prison into homelessness. The subsistence grant for an individual leaving custody is a mere £89.52, although this can be reduced to zero if the individual has, for example, outstanding Criminal Justice debts or is released after a short sentence. In these circumstances it is perhaps unsurprising that reconviction rates are high.

#### **How we operate:**

We aim to be charity market leaders in the delivery free treatment for drug and alcohol addiction for prisoners on release with either no or unsuitable housing. There is very little open access support of the type we deliver available in the UK, making our service relevant and critical.

Our operational activities are diverse and far reaching and are delivered in line with our values and ethos. Our organisational strategy focuses on financial sustainability as well as being charity market leaders in the delivery of effective recovery focussed treatment regardless of the ability to pay. We always aim to stay true to our mission of assisting those caught in the criminal justice system to step away from addiction and crime and establish themselves in abstinence-based recovery. There is very little open access support of the type we deliver currently available in the UK which makes our service as essential as ever.

Operationally we spend a good amount of time building and servicing strategic partnerships within the criminal justice system. We also continue to establish relationships within the treatment sector and the wider community. We receive referrals from prison-based drug and alcohol teams as well as via the probation service. We do on occasion accept self-referrals from vulnerable people suffering with addiction related issues within the community.

The Steps team is made up of Operations, Therapy Team and Night Support staff. We deliver a 12-week residential addiction programme.

#### **Our Therapy Team:**

The main role of a therapist at Steps2Recovery is to escort the client through the programme and establish sustainable and resilient recovery. They achieve this by witnessing, containing, setting aside judgment and challenging when appropriate.

We understand that the role of therapist within an abstinence-based treatment setting is both personally and professionally challenging. The position of therapist at Steps2Recovery calls for flexibility and adaption to meet the complex needs of our client group. We actively prioritise a workforce with lived experience of addiction and recovery in order that clients feel truly understood and inspired to change. The counselling team at Steps2Recovery is highly qualified and all are members of the British Association of Counselling and Psychotherapy. The counselling team not only fulfil the role of therapist but also and when needed mentor, role model and key work clients. It is this flexibility that ensures successful outcomes for our clients. Maintaining solid boundaries whilst fulfilling these roles requires a very specific skill set to sustain a healthy therapeutic environment.

#### **Treatment and Recovery:**

We recognise that it has taken a lifetime of learned behaviour to bring a client to our service, and they cannot hope to resolve all their issues within a twelve-week period. The most important first step for any client is to understand that they suffer from a life-threatening condition that is treatable. The programme at Steps2Recovery seeks to address the first most critical issue that is universally presented by all clients. This is the inability to stop using substances addictively despite the negative impacts it has on their lives as well as the impact on family friends and the wider community. This awareness is critical if long term recovery is to be attained. We believe that a period of stable recovery in safe and supported accommodation is the only route by which clients may then go on to resolve long standing issues of trauma, loss, abuse, poor self-esteem and anger.

## **Steps2Recovery**

### **Report of the Trustees (continued) for the year ended 31st March 2025**

Put simply – The Steps2Recovery Programme is an intensive crash course that aims to kick start a life without addictive processes. Then and only then can the long-term therapeutic work take place. We offer unlimited aftercare as well as individual counselling after the twelve-week program to support this process.

#### **The Programme:**

The Steps2Recovery Programme is a timetabled series of interventions and activities that introduce clients to their recovery potential. Most activities are delivered within a group setting as this has been shown to be the most effective treatment modality for this type of issue. Within a group / community environment clients can experience identification with one another which is crucial in terms of exposing the denial and isolation of addiction. Clients learn to trust, challenge and to give and receive feedback as well as gaining a sense of belonging and being united in a common objective. All clients are expected to engage with 12 step self-help groups such as Alcoholics Anonymous and Narcotics Anonymous outside of the program. The aim is to establish attendance at these groups in order that they continue to attend when treatment comes to an end.

#### **Specifically, the Steps2Recovery programme includes the following:**

- Weekly individual counselling sessions
- Daily group therapy
- Daily Educational Workshops / Lectures / Audio Visual which focus on addiction and recovery as well as criminality, relationships, assertiveness, self-esteem, anger and relapse prevention
- Creative sessions including Poetry, Art, Drama and Music
- Wellbeing sessions including Yoga, Body Movement, Relaxation, Meditation, Exercise and games
- Regular client outings
- Written Assignments that are presented to the group
- Unlimited Weekly Aftercare Group
- Additional individual counselling following successful completion of the programme
- Graduation Ceremony – On completion
- Family conjoint sessions

#### **In addition to the daily programme clients are assisted with the following:**

- Benefits applications
- Cooking and healthy diet
- Education, Training, Employment, Volunteering (At the end of the 12-week programme)
- Reconnecting with children that have been taken into the care system
- Pro bono legal advice
- Guaranteed abstinence-based housing following successful completion of the programme with Kairos Community Trust
- On going contact / support with the Steps2Recovery Community through social activities

### **2024-25: KEY ACHIEVEMENTS**

Building blocks developed during the year have strengthened our fundraising and awareness plans, with a more coherent and diverse funding strategy, a continuing series of presentations to our main referral partners and the encouraging development of recovery units in 85 prisons in England and Wales. All of this work supports the frontline service we provide to our clients.

In 2024-25 we supported forty-five clients to start on their journey of recovery. We celebrate graduations for clients who complete the twelve-week programme and move on to longer term, abstinence-based housing through a partner organisation, Kairos Community Housing. Homelessness – and the fear of long-term homelessness - is a huge barrier to stability. In 2024-25 twenty-eight (62% of clients) completed the Steps2Recovery programme and moved on to secure housing.

The Steps2Recovery programme provides each individual 24 hours of face-to-face therapy in a week – this includes group, one-to-one and holistic therapies. For a client completing the 12-week programme this amounts to 282 hours of face-to-face therapies plus attendance at 60 mutual aid meetings.



## **Steps2Recovery**

### **Report of the Trustees (continued) for the year ended 31st March 2025**

In addition to face-to-face therapies, time is set aside for clients to complete written assignments that are shared with their peers in assignment workshops, plus mandatory attendance of at least five mutual aid – self-help – groups in the community per week. Building a strong foundation in these community groups gives clients a peer support group for their recovery as they move on to life beyond the Steps2Recovery programme.

We set a high bar for recovery, with total abstinence from all drugs including alcohol, for the safety and recovery of all clients on the programme. Given this high bar a number of clients, facing recovery for the first time, do not succeed on their first attempt. Seventeen clients (38%) were discharged for a variety of reasons, including inappropriate behaviour or relapse with drink or drugs. In these cases, we aim to ensure that all move on to secure accommodation where possible – other housing charities, to family where possible, or to their probation support. For the total client cohort, we provided an average of 265 hours of face-to-face therapies and 56 community groups per client.

### **CHALLENGES**

In 2024-25 the Charity had a number of necessary but unplanned calls on its finances. These included –

A review and restructuring of the staff team, following the recruitment of a CEO in March 2024, resulted in the retirement of the Senior Manager with a redundancy package.

In order to meet health and safety requirements a number of improvements were made to the fabric of Lexham House. The terms of our lease meant that the Charity was responsible for this work. It became apparent that, as a result of this work, the trustees needed to draw from the Charity's reserves to improve the physical environment.

In addition, the leadership agreed that paid night support was necessary, rather than relying on volunteer cover and following a financial review in December 2024, support staff were employed to ensure 24-hour cover.

Due to these many additional calls on the budget, reserves had to be utilised, and it became apparent that the Charity needed to take steps to reduce its expenditure to keep in line with its reserve policy.

Steps taken in 2025-26 include slimming down the central team and using external therapists as required, developing a more robust and diverse fundraising strategy and exploring our partnerships to achieve efficiencies. This will allow us to lower the risk to our reserves and ensure a three-month wind down of the Charity if needed.

### **THOSE WE WORK WITH**

We are privileged to be a partner of the Taking Action on Addiction alliance and to have the support of our key housing partner, Kairos Community Trust. We aim to be a partner and supporter of all those who continue to highlight the benefits to individuals and society of recovery, and who take positive action to help every individual who wishes to break the bonds of addiction.

We know from our clients that many of them experience issues with housing, financial management, legal matters, childcare, children in care, damaged family relationships, employability, education needs, trauma, abuse, domestic violence and mental health. Whilst we are experts in the treatment of addiction, we understand our limitations and have a clear acceptance that we cannot fix everything ourselves. We are grateful for all those we work with that support these individual's journey to a stable and healthy recovery.

These primary relationships start with those who refer clients to our service. We work very closely with prison and probation services as well as statutory drug and alcohol agencies, GPs, detox facilities and mental health providers to ensure a smooth transition into treatment. For those that come from prison we work closely to ensure they meet their probation requirements and meet and curfew and electronic tag requirements. We provide written progress reports as well as attending regular multi agency case reviews.

Whilst in our care we work with Kensington and Chelsea Housing Benefit Department and the local Job Centre to assist with benefit claims. Many clients come to us with poor health care histories, and we ensure that all clients are registered with the local GP surgery and have access to local dental care.

Where possible and safe we support the rebuilding of fractured family relationships. There is much evidence that family involvement in treatment is a valuable tool to aid recovery. Government statistics estimate that 47 percent of UK adults either know or have been affected by someone else's dependence to drugs or alcohol. Family members have experienced the worst of addiction and can often feel left behind or unsupported when their loved one comes into treatment. As well as the family conjoint work we do, we also offer signposting to support services and self-help groups for family members as well as assisting with accessing counselling support.

And as clients graduate and move on, we work with our key housing partner, Kairos Community Trust, to provide longer-term, safe and abstinence-based housing. Where this is not suitable, or clients leave early, we have a number of other options to refer clients to safe housing. Treasures Foundation deserve a special mention as an organisation that supports women with histories of addiction, mental health issues and trauma.

Our enormous thanks go to those Trusts and Foundations that supported us in 2024-25, without this provision we could never have provided the service we do. We are so grateful to Lloyds Bank Foundation, the National Lottery Community Fund, Moondance Foundation, City Bridge Trust, the Lambert Charitable Trust, Garfield Weston Foundation and the Caerlow Trust. Many of these have supported the Charity over multiple years.

The ethos of Steps2Recovery is to never treat those seeking help in a bubble of isolation. We will actively seek to work with any agency or individual in the pursuit of positive long-term successful outcomes for our clients.

## **STRATEGIC OBJECTIVES**

Steps2Recovery's strategy remained rooted in its three foundational 'pillars': **Consolidation, Fundraising and Creating Awareness**. The Board are currently reviewing and updating the Steps2Recovery strategy. In 2024-25 developments included -

**Consolidation:** A review of all aspects of health and safety, from working with the therapy team on improvements to assessment and admission processes to a review of all policies and procedures supporting the Charity. A programme to upgrade to our client management system, capturing longer term progress of clients as they move on from the Charity, generously provided by a key funding partner, Lloyds Bank Foundation.

**Fundraising:** A fundraising review and deepening relationships with existing and new funding partners. In a competitive and increasingly difficult external financial environment our fundraising sub-committee has explored new avenues for funding alongside our normal activities. New events, with help from our network of supporters, have been delivered with others in plan and a recognition of our need to strengthen existing, and develop new, partnerships to strengthen our offer.

**Awareness:** A programme of presentations to staff and inmates in a number of London prisons resulting in a wider span of referral agencies, increasing our resilience by building on existing links with referral organisations and statutory services. A Patron's Dinner resulted in new ambassadors willing to support our fundraising efforts and help to further our outreach and networking efforts. We are considering the recent HM Prison and Probation Service development of Incentivised Substance Free Living Units (ISFLs) and how this may create further opportunities for closer working with prisons in the South of England.



## Steps2Recovery

### Report of the Trustees (continued) for the year ended 31st March 2025

#### Annex A – structure and governance

Lesley Hart retired as Chair and was replaced by Sophie Molins, a long standing trustee of the Charity, on 30th June 2025. Sophie now supports the Chief Executive Officer in leading the charity.

The Charity is led by Sammy Manzaroli, CEO, with Max Smith taking the lead for the therapeutic programme.

Steps2Recovery adheres to the 2020 Charity Governance Code and its seven guiding principles. We remain committed to equity, diversity and inclusion and our Board reflects this commitment.

Our organisation chart –



#### Steps2Recovery – Organogram 2025

##### Trustees & Directors

Bradley Bilgore      Amanda Copstick      Sophie Molins - Chair      Lesley Hart      James Ohen-Djan

##### Senior Operations

Sammy Manzaroli  
CEO

FundraisingTeam

Max Smith  
Lead Counsellor

##### Team

Doug Cunningham  
Night Support Manager

Counselling team

Other Night Support

The rights and responsibilities of the Trustee/ Directors are set out in our Memorandum of Association. They do not receive funding or benefit from Steps2Recovery.



## **Steps2Recovery**

### **Report of the Trustees (continued) for the year ended 31st March 2025**

#### **Income**

Total income was £486,345 (2024: £384,064) an increase of £102,281. Income received from grants and contracts accounted for 50% of all income received and was £244,345 (2024: £138,001) an increase of £106,334 from the previous year.

#### **Expenditure**

Total expenditure was £525,172 (2024: £391,551), an increase of £133,621.

#### **Balances**

Restricted balances carried forward for use in 2024-25 have increased from £32,007 to £36,790. Unrestricted balances carried forward for use in 2024-25 have decreased from £151,525 to £107,915.

#### **Reserves policy**

The Steps2Recovery Reserves policy describes the rationale for holding and calculating its Operating Reserve. The minimum level of the Operating Reserve is determined by key expenses to the organisation to ensure Trustees can meet all liabilities in the event that key funded services need to be wound down. These cover:

- Contractual wage costs due during wind down of services
- Statutory redundancy costs for employed staff.
- A reserve to cover rent payments and meet lease agreements.
- Cashflow reserves to cover other running costs during wind down of services.

The calculation to meet these conditions has resulted in an Operating Reserve of £107,000. The Board are content that they meet their Reserve ambition and will review this in 2026 alongside a review of their strategic priorities for the next three years.

#### **Going concern**

Steps2Recovery's service delivery model means that statutory/government funding is not available to us. Our ethos is based upon being able to offer ex-offenders treatment for addiction issues at the point at which they are motivated to make changes in their lives. Our treatment programme is delivered entirely free of charge and allows our client group to circumvent the lengthy community-based funding assessments that see so many of them lose hope and motivation and return to the cycle of addiction, crime, and prison.

Funding to date has been generated by:

- Applications to trusts and foundations (50%)
- Corporate fundraising events (11%)
- Enhanced Housing Benefit (29%)
- Individual giving (8%)
- Corporate donations (2%).

Several of Steps2Recovery's Trust and Foundation grant making supporters have committed to donate across multiple years and the key fundraising events are long established and have broadly delivered consistent levels of funding over recent years. The charity has several high net worth individual supporters who have also been a constant in terms of annual donation. The larger property we relocated to at the end of 2022 is leased directly and we are now responsible for collecting clients' Housing Benefit in order to cover the costs of the lease and our additional costs incurred in supporting this vulnerable client group. This represents a new revenue stream and also results in an increase in annual costs; however, these costs are securely covered.



**Report of the Trustees (continued)  
for the year ended 31st March 2025**

**Annex B**

**The Charity's Objects are: -**

**1. Promotion of the Law, Police and Crime Prevention**

To promote for the benefit of the public in London and the southeast the provision of services to those victims, and ex-offenders affected by addiction, and crime, with a view to the preservation of public order, and for the protection of the well-being of such victims and the rehabilitation of such offenders.

**2. Advice and counselling**

The relief of the physical and mental sickness of persons in need by reason of addiction to substances, in particular by the provision of counselling and support.

**3. Promotion of Social Inclusion**

To promote social inclusion for the public benefit by a revolutionary Rehabilitation approach to reduce re-offending, working with people in (London and the south east) who are socially excluded on the grounds of their substance abuse, and dependency, including alcohol and drugs; (in particular, victims of crime, ex-offenders and their families) to relieve the needs of such people and assist them to integrate into society, in particular by rehabilitation and education.

**TRUSTEES RESPONSIBILITIES**

Law applicable to incorporated charities in England and Wales requires the trustees of the charity and the directors of the company to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity and of its financial activities for that period.

In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards and the Charities SORP, disclosing and explaining any departure in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with charity law.

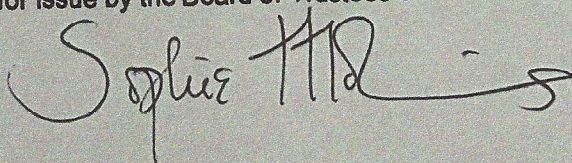
They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (FRS102) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

**APPROVAL**

Approved and authorised for issue by the Board of Trustees on 11 December 2025 and signed on their behalf by:



**Sophie Molins  
Chair of the Board**



## **Steps2Recovery**

### **Report of the Trustees (continued) for the year ended 31st March 2025**

#### **Independent Examiner's Report to the Trustees**

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2025 which are set out on pages 11 to 17.

#### **Responsibilities and basis of report**

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

11 December 2025



**Ajay Bahl BA BFP FCA**  
**Wenn Townsend**  
**30 St Giles**  
**Oxford**  
**OX1 3LE**

## Steps2Recovery

### Statement of Financial Activities for the year ended 31st March 2025

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
<b>INCOME AND EXPENDITURE</b>					
<b>Income and endowments from:</b>					
Donations, legacies and grants		183,971	110,335	294,306	218,433
Other trading activities:					
Fundraising events		51,165	-	51,165	32,143
Local Government (Housing Benefit)		140,680	-	140,680	132,954
Investment income: bank interest		194	-	194	534
<b>Total income</b>		<u>376,010</u>	<u>110,335</u>	<u>486,345</u>	<u>384,064</u>
<b>Expenditure on:</b>					
Charitable activities	2	404,940	103,354	508,294	368,516
Raising funds	3	2,485	372	2,857	9,401
Governance costs	4	12,195	1,826	14,021	13,634
<b>Total expenditure</b>		<u>419,620</u>	<u>105,552</u>	<u>525,172</u>	<u>391,551</u>
<b>Net income/(expenditure) before taxation</b>		<u>(43,670)</u>	<u>4,783</u>	<u>(38,887)</u>	<u>(7,487)</u>
<b>Net movement in funds</b>		<u>(43,610)</u>	<u>4,783</u>	<u>(38,827)</u>	<u>(7,487)</u>
<b>Fund balances at 1st April 2024</b>		<u>151,585</u>	<u>32,007</u>	<u>183,532</u>	<u>191,079</u>
<b>Fund balances at 31st March 2025</b>		<u><u>107,975</u></u>	<u><u>36,790</u></u>	<u><u>144,705</u></u>	<u><u>183,592</u></u>

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above.

The notes on pages 14 to 17 form part of these financial statements

## Steps2Recovery

Balance Sheet  
as at 31st March 2025

	Notes	£	2025 £	£	2024 £
<b>CURRENT ASSETS</b>					
Debtors	7	33,519		37,979	
Cash at bank and on deposit		124,684		165,554	
		<u>158,203</u>		<u>203,533</u>	
<b>CURRENT LIABILITIES</b>					
Amounts falling due within one year	8	(13,498)		(20,001)	
		<u></u>		<u></u>	
<b>NET CURRENT ASSETS</b>			144,705		183,532
			<u></u>		<u></u>
<b>NET ASSETS</b>			144,705		183,532
			<u></u>		<u></u>
<b>FUNDS</b>					
Unrestricted funds			107,915		151,525
Restricted funds	9		36,790		32,007
			<u>144,705</u>		<u>183,532</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2025.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st March 2025 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

**Approval**

The financial statements were approved and authorised for issue by the Board of Trustees on 11 December 2025 and signed on their behalf by:



**Lesley Hart**  
Trustee

The notes on pages 14 to 17 form part of these financial statements



## Steps2Recovery

### Statement of Cash Flows for the year ended 31st March 2025

	2025 £	2024 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net cash provided by/(used in) operating activities	(40,870)	(31,825)
Change in cash and cash equivalents in the reporting period	(40,870)	(31,825)
Cash and cash equivalents at 1st April 2024	165,544	197,379
<b>Cash and cash equivalents at 31st March 2025</b>	<b>124,684</b>	<b>165,554</b>

### RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025 £	2024 £
Net (expenditure)/income for the year as per the Statement of Financial Activities	(38,827)	(7,487)
Adjusted for:		
(Increase)/decrease in debtors	4,460	(33,929)
Increase/(decrease) in creditors	(6,503)	9,591
Other non cash adjustments	-	-
Net cash (used in)/provided by operating activities	(40,870)	(31,825)

### ANALYSIS OF CASH AND CASH EQUIVALENTS

	2025 £	2024 £
Cash at bank and in hand	124,684	165,554
	<b>124,684</b>	<b>165,554</b>

The charity has no borrowings or obligations under finance leases; therefore a reconciliation of net debt has not been provided.

The notes on pages 14 to 17 form part of these financial statements

## Steps2Recovery

### Notes to the Financial Statements for the year ended 31st March 2025

#### 1. ACCOUNTING POLICIES

- a) 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, UK Generally Accepted Practice and the Companies Act 2006. The financial statements have been prepared on the going concern basis and the functional currency is sterling rounded to the nearest £1.
- b) The charity 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.
- c) Voluntary income received by way of donations and gifts is included in full in the Statement of Financial Activities when received unless they relate to a specific period, in which case they are recognised as income in the period to which they relate.
- d) Revenue grants are shown in the Statement of Financial Activities in the year to which they relate and when the conditions for receipt have been complied with. Where the grant has to be matched to a different period the deferred element is deducted from incoming resources and carried forward in liabilities.
- e) Restricted funds represent grants and donations which are allocated by the donor for specific purposes.
- f) Designated funds are unrestricted funds earmarked by the trustees for particular purposes.
- g) Rentals payable under operating leases are taken to the profit and loss account on a straight line basis over the lease term.

#### 2. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
Staff costs (note 6)	159,293	85,180	244,473	187,073
Staff travel and subsistence	-	-	-	545
Staff training and development	1,834	1,126	2,960	2,287
Other staff costs	8,367	1,253	9,620	10,213
Rent	130,000	-	130,000	112,500
Telephone and IT	4,097	613	4,710	2,647
Postage and stationery	625	93	718	289
Client travel and subsistence	2,040	305	2,345	3,778
Client skills and education	-	-	-	1,049
Operations	9,133	1,390	10,523	3,990
Volunteer expenses	2,922	438	3,360	6,117
Albion Road running costs	-	-	-	-
Lexham House running costs	33,665	5,027	38,692	14,956
Light, power and heating	10,788	1,615	12,403	14,304
External - support workers	42,176	6,314	48,490	8,768
	<u>404,940</u>	<u>103,354</u>	<u>508,294</u>	<u>368,516</u>

The 2024 comparatives of £368,516 include restricted charitable activities expenditure of £77,829 and unrestricted expenditure of £290,687

## Steps2Recovery

### Notes to the Financial Statements for the year ended 31st March 2025

#### 3. EXPENDITURE ON RAISING FUNDS

	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
Fundraising	2,485	372	2,857	2,621
Information, publicity and website	-	-	-	6,780
	<u>2,485</u>	<u>372</u>	<u>2,857</u>	<u>9,401</u>

All of the 2024 expenditure is unrestricted.

#### 4. GOVERNANCE COSTS

	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
Independent examiner's fees	1,565	235	1,800	1,800
Legal and financial	10,630	1,591	12,221	11,834
	<u>12,195</u>	<u>1,826</u>	<u>14,021</u>	<u>13,634</u>

All of the 2025 expenditure is unrestricted.

#### 5. TAX ON ACTIVITIES

Steps2Recovery is a registered charity and as such is not liable for taxation on any surplus.

#### 6. STAFF COSTS

	2025 £s	2024 £
Salaries	222,868	170,007
Annual leave accrual 2025	(1,636)	(286)
Employers national insurance	15,688	10,804
Pension contributions	7,553	6,548
	<u>244,473</u>	<u>187,073</u>

The average number of employees during the year was 6 (2024: 6). No employee earned over £60,000 per annum. None of the trustees received any emoluments or travelling expenses during the year (2024: £85).

## Steps2Recovery

### Notes to the Financial Statements (continued) for the year ended 31st March 2025

#### 7. DEBTORS

	2025 £	2024 £
Accrued income	11,002	9,026
Prepayments	850	-
Other debtors	21,667	29,953
	<u>33,519</u>	<u>37,979</u>

#### 8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Accruals	13,498	10,001
Deferred income	-	10,000
	<u>13,498</u>	<u>20,001</u>

#### 9. RESTRICTED FUNDS – CURRENT YEAR

	At 31.03.24 £	Received in year £	Expenditure in year £	At 31.03.25 £
The Christopher Needler Charitable Trust	12,380	-	-	12,380
John Coates Charitable Trust	852	-	(852)	-
National Lottery Community Fund	10,000	30,000	(40,000)	
City Bridge Trust	8,775	80,335	(64,700)	24,410
	<u>32,007</u>	<u>110,335</u>	<u>(105,552)</u>	<u>36,790</u>

#### RESTRICTED FUNDS – PRIOR YEAR

	At 31.03.23 £	Received in year £	Expenditure in year £	At 31.03.24 £
The Christopher Needler Charitable Trust	19,160	-	(6,780)	12,380
John Coates Charitable Trust	1,901	-	(1,049)	852
National Lottery Community Fund	15,000	60,000	(65,000)	10,000
City Bridge Trust	8,775	-	-	8,775
Welland Trust	5,000	-	(5,000)	
	<u>49,836</u>	<u>60,000</u>	<u>(77,829)</u>	<u>32,007</u>



## **Steps2Recovery**

### **Notes to the Financial Statements (continued) for the year ended 31st March 2025**

#### **9. RESTRICTED FUNDS – (CONTINUED)**

**The Christopher Needler Charitable Trust:** A grant to support the promotion of Steps2Recovery and its activities.

**The Henry Smith Charity:** A grant to support the running costs of the Steps2Recovery charity.

**Lloyds Bank Foundation for England and Wales:** A grant to support the running costs of the Steps2Recovery charity.

**John Coates Charitable Trust:** A grant to be used for the purposes of education, employment and training.

**National Lottery Community Fund:** A grant to support the running costs of the Steps2Recovery charity.

**City Bridge Trust:** A grant to support the employment of a Chief Executive Officer.

**Welland Trust:** A grant to support care experienced people.

#### **10. Related party transactions**

During the current period, donations totalling £1,109 (2024: £600) were received from Trustees. There were no other related party transactions during the current period.

During the previous period, three £10,000 short term loans were provided by trustees and subsequently repaid before year end. These were related to short term problems associated with transitioning to a new bank account.

At the balance sheet date £Nil of loans provided to the Charity by the trustees (2024: £Nil) remains outstanding.